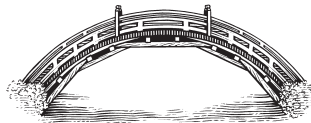


POLICY SHORT

# Toward a Universal Japan: Taking a Harder Look at Japanese Soft Power

*Hanscom Smith*



**HANSCOM SMITH** is Minister Counselor for Economic Affairs at the U.S. Embassy in Beijing. His postings in the Foreign Service include Yaounde, Copenhagen, Phnom Penh, Bangkok, Kabul, Muthanna Province in Iraq, and the Japan desk at the U.S. Department of State. Mr. Smith has also worked at the American Institute in Taiwan. He can be reached at <[hanscom.muthanna@gmail.com](mailto:hanscom.muthanna@gmail.com)>.

**NOTE** ≈ This essay was prepared during a Council on Foreign Relations International Affairs Fellowship in Japan, sponsored by Hitachi, Ltd., at the Japan Institute of International Affairs (JIIA). The views expressed here are the author's own and do not necessarily reflect the views of the U.S. Department of State or the U.S. government. A portion of the material in the essay is based on a presentation by the author at JIIA on December 12, 2011.

**KEYWORDS:** JAPAN; U.S.-JAPAN ALLIANCE; SOFT POWER; DEMOCRATIC VALUES; CIVIL SOCIETY

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## EXECUTIVE SUMMARY

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This essay argues that Japan can make better strategic use of its economic policy, humanitarian aid, and domestic civil society to play a more effective role within the U.S. alliance and globally.

### MAIN ARGUMENT

Faced with a stagnant economy and an emerging China, Japan has emphasized pop culture as “soft power” to augment its influence. The country’s stable democracy and vibrant civil society, however, are the core of its strength. Japan can expand the constituency for a new “Japan model” through enhanced trade, academic exchanges, and other indicators of international openness. At the same time, the U.S. can augment Japan’s soft-power strategy by developing the nonsecurity pillar of the bilateral alliance through joint cooperation on humanitarian and disaster relief, health, and environmental protection.

### POLICY IMPLICATIONS

- Rather than the “Cool Japan” of pop culture, fashion, and consumer products, the society that produces such attractive items is the heart of Japan’s soft power.
- From a low base, Japan has been able to leverage its soft-power assets by increasing economic, educational, and cultural interactions with foreign countries. Japan’s ability to develop its soft power will enable the country to play a stronger role within the U.S.-Japan alliance and reduce its dependence on ties to the U.S. as a basis for projecting power.
- The U.S. can complement Japan’s efforts through more strategic use of the alliance as a vehicle for soft power.
  - If the U.S. adopts a strategic approach to facilitating Japan’s soft power, then it can replace current *ad hoc* initiatives with targeted cooperation that reinforces both countries’ strengths and policy priorities.
  - The current piecemeal approach to bilateral cooperation on global issues can be replaced by a focus on three proven areas of success: humanitarian and disaster relief, health, and environmental protection.
  - Instead of announcing new initiatives and then attempting to develop programs, Japan and the U.S. could expand successful examples of small-scale cooperation in the field when merited.
  - Bilateral cooperation programs could be expanded to include third-country partners, especially in East Asia.

The United States' rebalancing toward East Asia reflects the region's increasing economic and strategic importance. The U.S.-Japan alliance is the linchpin of U.S. engagement in the region but has often emphasized security cooperation at the expense of a broader agenda that includes cooperation on development assistance, humanitarian relief, environmental protection, and other global issues. Japan's economic stagnation has eroded the country's influence, prompting a search for new means of playing a positive role in world affairs. In response, Japan has tried to make popular culture a cornerstone of its appeal. The country's real allure, however, rests in its status as a stable democracy with a flourishing civil society.

This essay addresses the questions of how Japan can make better use of its nonmilitary soft power to foster prosperity and stability in East Asia, and how the United States can augment Japan's efforts through the U.S.-Japan alliance. It argues that having a democratic civil society is the most important aspect of Japan's soft power and can best be highlighted through increased engagement with foreign partners. In addition, the U.S.-Japan alliance can facilitate Japanese—and U.S.—soft power by making global issues a more prominent pillar of the overall alliance rather than using such cooperation as an *ad hoc* afterthought to the security agenda.

The bilateral alliance should not, however, be Japan's default for exercising soft-power influence. Japan can enhance its soft power primarily by acting on its own. Instead of simply highlighting its popular culture, the country should do more to spotlight the democratic institutions and civil society behind the enticing glitter. Doing so requires greatly enhanced investment, education, travel, and other exchanges with the rest of the world, areas in which Japan has lagged behind many of its peers. Combined with a sharper focus in the alliance on global issues, greater openness would help Japan's ample soft power resonate more clearly across East Asia.

#### IN SEARCH OF A NEW “JAPAN MODEL”

From the 1950s through the 1980s, Japan's international profile was defined by a close bilateral alliance with the United States and a potent economic development model. In late 1989, however, that comfortable status quo started to unravel with the fall of the Berlin Wall and the bursting of Japan's bubble economy. In the ensuing years, the Liberal Democratic Party (LDP) that championed Japan's postwar model lost its monopoly on political power. Over the two decades after the end of the Cold War, Japan has struggled to find its role in the new era. The country's once-superheated economy has

ebbed into anemic growth, while China has taken over the role of regional economic locomotive and now serves as the development model. The clear military threat of the Soviet Union has been replaced by a serially belligerent North Korea and the strategic implications of a rising China. At the same time, Japan and its partners confront a growing range of global challenges, from natural disasters to piracy to climate change. Adapting the military and security functions of the U.S.-Japan alliance in response to these new realities has rightly attracted a great deal of attention in Washington and Tokyo. Developing a soft-power strategy to complement the alliance's hard-power infrastructure merits a similar level of interest.

Coined by Joseph Nye, "soft power" can be defined as the use of culture, political values, and foreign policies to attract or influence, rather than coerce or induce, the behavior of others.<sup>1</sup> Perhaps any phrase containing the word "soft" is bound to prompt unease among those who call for Japan to play a more muscular role within the alliance. In fact, there is no zero-sum game in which discussion of soft power is simply a conceit to shirk hard responsibilities. Instead, a thoughtful "smart power" blend of hard and soft elements can enhance the effectiveness of the overall alliance and serve as an example to other states in the region who look to the United States and Japan as sources of prosperity and stability in a rapidly changing East Asia and Pacific region.

Since opening to the world in 1868, Japan has often been seen as an "exceptional" country by foreigners—and by the Japanese themselves. In part, this perceived uniqueness is rooted in Japan's status as the first Asian nation to reach Western levels of development. During most of the Cold War period, Japanese exceptionalism was predicated on a remarkable record of export-led economic growth that inspired similar strategies across East Asia. Yet even as its growth model started to sputter, Japan began to use its economic strength as a foundation for playing an increasingly responsible international role commensurate with its economic heft. In addition to being a major donor to global and regional multilateral institutions, Japan has spent over twenty years as one of the world's leading sources of bilateral aid. Its level of development aid is now surpassed, however, by the United States, as well as by smaller countries such as Germany, France, and the United Kingdom.<sup>2</sup> Yet while the relative quantity of Japan's aid may have declined,

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<sup>1</sup> Joseph S. Nye Jr., *Soft Power: The Means to Success in World Politics* (New York: Public Affairs, 2004), 11–15.

<sup>2</sup> "ODA by Individual DAC Countries at 2010 Prices and Exchange Rates," Organisation for Economic Co-operation and Development (OECD) ~ <http://www.oecd.org/dac/aidstatistics/statisticsonresourceflowstodevelopingcountries.htm>.

its quality has arguably improved. Following an initial emphasis on pushing Japanese products through “tied aid,” the overseas development program has shifted toward the strings-free training and grants that largely characterize development assistance in the rest of the rich world.

Ebbing growth has been a catalyst for the Japanese public to demand better results from elected officials, empowering civil society in ways that have encouraged social reform. This domestic phenomenon, in turn, has also been reflected in Japan’s international profile. From a low base, the number and range of civil society organizations have risen dramatically, and many private Japanese groups are now active players in overseas development. Stung by accusations of “checkbook diplomacy” during the Gulf War, Japan has deployed the Self-Defense Forces and civilian personnel in multilateral peacekeeping, election observation, and humanitarian relief operations. A transition from mercantilist self-interest has helped Japan grow into the role of a global civilian power through active support for initiatives addressing climate change, public health, disaster preparedness and relief, and antipiracy. Quietly and incrementally, Japan has channeled its aid largesse to emerge as a leading contributor to the global community.

### WHAT’S REALLY COOL ABOUT JAPAN?

If the Japanese government and people do so much for the rest of the world, why is there a gnawing sense—among the Japanese and their foreign friends alike—that Japan punches below its weight in the international arena? As the country’s growth model has lost its sparkle, Japan has struggled to find a compelling new face to show the world. In recent years, the government has tried to tap into the country’s alluring popular culture by touting a “Cool Japan” of manga, anime, cuisine, and design. While Japan’s pop culture does boast enormous appeal, a focus on selling products risks evoking the unfortunate transistor salesman stereotype of decades past. Further, official involvement is often a sure path to the rapid dissipation of “cool.” Pop culture products are fine ambassadors on their own, but they gain in impact when they become a window for understanding the culture that created them.

In Japan’s case, that culture boasts enormous strengths that have little to do with AKB48 and *Naruto*. The country’s most obvious—and oddly, most unsung—attribute is a remarkable record of peaceful democracy. Japan’s democratic achievement has been part of the landscape for so long that it may be easy to take for granted. But in the aftermath of World War II, many U.S.

experts believed that democracy could not flourish in Japan.<sup>3</sup> More so even than the remarkable rise to the status of a developed country, the achievement of over six decades of democratic stability represents Japan's real "postwar miracle." In recent years, the flourishing of diverse civil society organizations has only added luster to Japan's status as East Asia's largest democracy. The roles of both nonprofit organizations and volunteers, for example, have increased significantly in recent decades.<sup>4</sup> Legislation requiring public access to information is now ubiquitous, and the media has become more aggressive in questioning authority and uncovering malfeasance.<sup>5</sup> Granted, Japanese and foreign observers alike often see a Japan mired in political stasis and bemoan the recent string of short-lived governments that are seemingly unable to implement needed reforms or grapple with the country's fundamental challenges. Perhaps ironically, however, the short tenure of Japan's recent prime ministers also serves to highlight the continuity of the country's democratic institutions. In Japan, stability is found in the interplay between these institutions and the Japanese people rather than in the person of a single government leader.

It is also not yet time to write off Japan's economy. Contrary to the prevailing image, the Japanese model retains numerous positive attributes. Although problems are many and real, there has been undue pessimism about Japan's performance. The rapid growth before the early 1990s, when Japan reached or surpassed development levels prevailing in the West, should not be the baseline for measuring the country's subsequent record. The Japanese economy contains huge strengths beyond the manufacturing genius for which the country is renowned. A science and technology powerhouse, Japan remains a leading innovator that hosts and develops an array of competitive companies. More fundamentally, as the first major developed economy in the region, Japan has been a pioneer in addressing everything from environmental preservation to intellectual-property protection to the demands of a rapidly aging society. Quite simply, Japan has already achieved a level of economic and social development that the rest of East Asia either wants or is on track to reach in the relatively near future. The country is still in the process of charting an effective shift from an export-led development model to a formula appropriate for a mature, service-based economy. Making that difficult transition gives Tokyo an invaluable opportunity to inspire

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<sup>3</sup> John W. Dower, *Embracing Defeat* (New York: W.W. Norton & Company, 2000), 217–24.

<sup>4</sup> Jeff Kingston, *Japan's Quiet Transformation* (Abingdon: RoutledgeCurzon, 2004), 72–77.

<sup>5</sup> *Ibid.*, 45, 118.

policies throughout the region, reprising its earlier leadership role by pointing the way toward a less export-reliant future.

Not surprisingly, Japan's public image has relied on the most tangible of its many positive attributes: a rich, successful economy that undergirds large foreign-aid budgets and churns out a steady supply of enticing cultural and consumer goods. Paradoxically, the long transition to a more mature low-growth model has helped unleash domestic forces that showcase the vibrancy of Japanese civil society and democracy. Japan possesses great soft-power strength but is still subject to accusations of "underachieving" in world affairs. Its legacy of aggression in the 1930s and 1940s—and the way it has chosen to address and articulate that history—remains a significant handicap, particularly in China and South Korea. While the history issue understandably resonates with victims of past aggression, Japan has generally become an admired country in the world at large. According to a 2012 BBC poll, for example, Japan is the most admired of 22 major countries.<sup>6</sup>

#### BRINGING SOFT POWER TO THE U.S.-JAPAN ALLIANCE

If Japan's economic model is no longer able to play quite the same role in anchoring the country's international profile, the U.S.-Japan alliance remains constant. Japan and the United States hold common values and goals for democracy, prosperity, and stability in the Asia-Pacific region and globally. The June 2011 joint statement of the U.S.-Japan Security Consultative Committee highlights this shared understanding by noting that the two countries' "shared values, democratic ideals, common interests, and respect for human rights and the rule of law remain the foundation of the Alliance."<sup>7</sup> These priorities have resulted in a long history of joint cooperation outside the traditional security and military realms. Rather than serving as a stand-alone pillar to support the overall alliance edifice, however, bilateral cooperation on global issues has often flowed from the dictates of other priorities. In confronting today's challenges, the U.S.-Japan relationship may risk limiting its relevance by failing to increase the relative importance of nonmilitary cooperation within the alliance.

This issue is not new. The Common Agenda initiative of the 1990s, for example, was an ambitious attempt to coordinate bilateral aid efforts in the

<sup>6</sup> "2012 Country Ratings Poll," BBC World Service, GlobeScan/Pipa, May 10, 2012.

<sup>7</sup> "Joint Statement of the U.S.-Japan Security Consultative Committee," U.S. Department of State, Media Note, June 21, 2011.

developing world. The Common Agenda achieved results in areas as diverse as immunizations, protection of coral reefs, and HIV/AIDS treatment.<sup>8</sup> Because in some cases, however, U.S. or Japanese aid may simply have been tacked on to the other country's ongoing initiative, few genuinely joint projects were developed. Allowed to lapse after a decade, the Common Agenda has been succeeded in part by a global health partnership that is conducting joint program evaluations in several countries. Ongoing bilateral initiatives include an action plan and dialogue for clean energy, an energy development partnership between Hawaii and Okinawa, and cooperation between U.S. and Japanese aid agencies on projects in Jamaica and Vietnam.<sup>9</sup>

These initiatives are all positive and useful but lack an overarching strategic framework. A tough budget environment in both countries only increases the importance of coordinating scarce resources. In the past, however, U.S.-Japan cooperation on global issues has tended to be ad hoc. Motivated by other agendas, concepts for projects are sometimes announced first, with the contents filled in later. The alliance does not need new mechanisms or agreements to improve such cooperation. Instead, effectiveness could be enhanced by a sharper strategic focus and adherence to a few general principles. First, amid the vast scope of both countries' foreign-aid programs, the United States and Japan should concentrate their efforts on a few priority areas where cooperation has proved successful in the past. Health, the environment, and disaster preparedness and relief are three obvious options with track records of successful cooperation. Second, there should be a clear distinction between coordination and implementation. Washington and Tokyo need to do a better job of setting a joint agenda at the macro level without necessarily getting into the cumbersome business of trying to graft one country's contribution on to the other's existing project in the field.

Third, cooperative projects can grow organically rather than be imposed from the top. Instead of announcing an ambitious initiative first, Washington and Tokyo could choose a target sector and country for a small initial project. How would such an approach work in practice? If health cooperation in Tanzania were agreed upon, for example, the two countries could then decide to reduce the incidence of malaria, onchocerciasis, or another communicable disease within a target demographic or geographic area over a fixed period. If successful, the initiative could then be announced as a model and scaled

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<sup>8</sup> "The Six Most Distinguished Stories of the Common Agenda," Ministry of Foreign Affairs of Japan  
 ~ <http://www.mofa.go.jp/region/n-america/us/q&a/agenda/>.

<sup>9</sup> Author's meeting with Rie Yamaki, U.S. Agency for International Development (USAID), U.S. Embassy (Tokyo), November 2, 2011.



up for use in other countries. The recent democratic opening in Burma may make that country an especially suitable candidate for new U.S.-Japan cooperation on humanitarian aid. Fourth, U.S.-Japan cooperation should also encompass public-private partnerships. The initiative between the Japan International Cooperation Agency (JICA) and the Gates Foundation to eradicate polio in Pakistan is an excellent example. Finally, the fruits of U.S.-Japan cooperation should be shared with other partners. In this respect, JICA's ongoing programs with its aid partners can serve as a model. Japan and Brazil, for example, have implemented joint programs in Angola and Mozambique. Likewise, U.S. cooperation with Japan through the Operation Tomodachi initiative following the March 2011 tsunami and earthquake can be a springboard for sharing the two countries' disaster-relief expertise with other partners. In that respect, the 2011 flooding in Thailand may have been a missed opportunity. While the United States and Japan both provided aid for East Asia's first major post-March 2011 natural disaster, they did little to coordinate their assistance bilaterally.

There are many potential candidates for enhanced U.S.-Japan cooperation on global issues. In the field of disaster preparedness, both the Japanese government and business sector can sign on to the new Pacific Rim Coordination Center online mapping site. Japanese experts are drawing on the legacy of the March 2011 events to develop a new disaster-relief model, an initiative that would benefit from input from the United States. Under an existing cooperative agreement, the Peace Corps and the Japan Overseas Cooperation Volunteers could explore options for joint training at Peace Corps field training sites, a scheme that could serve as a trial for eventual cooperation with the mooted Association of Southeast Asian Nations (ASEAN) volunteer program. Joint U.S.-Australia efforts under the Lower Mekong Initiative may be a model for a U.S.-Japan program in the same area.

In the purely private realm, there is extensive scope for enhanced coordination on corporate social responsibility (CSR) programs. Responding to the wishes of their employees, many Japanese firms are increasing such activities. Thus far, however, there has been little effort to share best practices or coordinate efforts in the field to avoid overlap. The U.S. Chamber of Commerce and Keidanren, for example, could pool information or sponsor U.S.-Japan CSR forums in countries where members of both organizations have especially effective programs.

Thus, finding areas ripe for cooperation is not the issue. Instead, the challenge is that the U.S.-Japan agenda currently lacks creativity. To an extent

perhaps unmatched in its other bilateral alliances, the United States' ties with Japan are dominated by a relatively small community of experts deeply versed in the cultures, languages, and policy minutiae of both countries. Though these gatekeepers are critical to the smooth operation of the alliance, cooperation on global issues would benefit from a bigger infusion of experts to reinvigorate and broaden the bilateral agenda.

### INCREASING JAPAN'S ENGAGEMENT WITH THE REST OF THE WORLD

While the alliance will remain a key pillar in Japan's overseas profile, it would be a mistake for Japan to use its close relationship with the United States as an automatic default for enhancing its global influence. The priority should be making Japan a stronger partner for the United States and its other friends. Japan is now honing its public diplomacy strategy, though there is of course no simple slogan or easy policy trick that will magically boost the country's international gravitas. In addition to better projecting Japanese priorities and values abroad, part of the answer may lie in making Japan more open and accessible to the rest of the world. By many of the critical indicators of interaction with the rest of the world, Japan remains an outlier among rich nations: its FDI is only 3.9% of GDP,<sup>10</sup> among the lowest levels in the developed world, and Japan ranked 30th in the world for inbound tourist arrivals in 2010, behind smaller countries with less-developed infrastructure.<sup>11</sup> Japan hosts fewer foreign students than the United States, the United Kingdom, Australia, Germany, and France,<sup>12</sup> and is home to only a handful of foreign university branch campuses and research institutes. Japanese speakers earn among the lowest scores on the Test of English as a Foreign Language (TOEFL), a fact that highlights limitations in the national English-language curriculum.<sup>13</sup>

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<sup>10</sup> "FDI Inward Stock as a Percent of Gross Domestic Product (1990–2011)," UN Conference on Trade and Development, FDI Statistics Division on Investment and Enterprise ~ <http://www.unctad.org/fdistatistics>.

<sup>11</sup> "International Tourism, Number of Arrivals," World Bank ~ [http://data.worldbank.org/indicator/ST.INT.ARVL?order=wbapi>date>value>2010+wbapi\\_date\\_value+wbapi\\_date\\_value\\_last&sort=asc](http://data.worldbank.org/indicator/ST.INT.ARVL?order=wbapi>date>value>2010+wbapi_date_value+wbapi_date_value_last&sort=asc).

<sup>12</sup> "Foreign/International Students Enrolled," OECD ~ <http://stats.oecd.org/Index.aspx?DatasetCode=RFOREIGN>.

<sup>13</sup> "Test and Score Data Summary for TOEFL iBT Tests and TOEFL PBT Tests, January 2011–December 2011 Test Data," Education Testing Service ~ [http://www.ets.org/s/toefl/pdf/94227\\_unlweb.pdf](http://www.ets.org/s/toefl/pdf/94227_unlweb.pdf).

As a whole, these figures indicate that Japan is missing an important opportunity to share its success story. Foreigners' firsthand experience with Japan is an invaluable resource for the secondhand transmission of the country's economic, social, and cultural strengths. Japan is already moving in the right direction on each of these fronts. Over the past decade, FDI, tourism, and the number of foreign students have all been rising, albeit from a low base. Japan also has made an encouraging initial expression of interest in joining the Trans-Pacific Partnership (TPP). Beyond the tangible trade benefits offered by the TPP, the greater openness entailed by accession would burnish Japan's economic clout and make the country a more attractive partner to others in the region. Taken together, these measures to enhance engagement with foreign partners will inevitably have the follow-on effect of expanding Japan's international constituency.

#### HIGHLIGHTING JAPAN'S UNIVERSAL APPEAL

Japan will never return to an imagined 1980s heyday of booming growth anchored by a Cold War alliance with the United States. But it would be a mistake to make the country's contemporary challenges the excuse for a slow drift to the periphery. For every social or economic problem, Japan boasts an array of enduring strengths. Instead of lamenting its fleeting status as the world's economic pacesetter, Japan should do more to highlight the universal appeal of its many achievements: a stable democracy, a flourishing civil society, and an economic model that continues to provide its citizens one of the world's highest standards of living. Not coincidentally, these attributes are at the core of the United States' own soft power. Rather than serving as a piecemeal addendum to an alliance defined exclusively by military ends, these common priorities can form the basis for a more strategic meshing of bilateral aid and development programs. Since the U.S.-Japan alliance remains the cornerstone of both countries' engagement in East Asia and the Pacific, it only makes sense to put their shared values front and center as a positive model for others in the region.

However, as much as the U.S. alliance helps define Japan's international role, Japan possesses even greater scope for influence on its own. The notion of being an exceptional country characterized by unique models and practices is giving way to the vision of a more inclusive Japan, increasingly open to a world that can be inspired by its democratic institutions and society, in addition to its enduring economic and cultural attraction. The shock of the March 2011 earthquake and tsunami and persistent economic doldrums

have left the Japanese in a funk, apt to overlook their successes in the face of immediate problems. A more comprehensive acknowledgement of Japan's multifaceted strengths, combined with a greater emphasis on showcasing them to the outside world, can help the country play a more resonant global role. The United States should encourage this evolution, both for what a nascent "universal Japan" will contribute to the alliance and for what it can inspire in the rest of the world. ♦