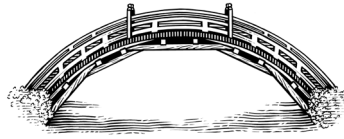


ROUNDTABLE

Seeking Stability:  
Japan's Relations in Northeast Asia under Shinzo Abe



*James D.J. Brown*

*Shin Kawashima*

*June Teufel Dreyer*

*Yoshihide Soeya*

*Tomohiko Taniguchi*


## Introduction

Northeast Asia is one of the world's most complex security environments—a region home to three nuclear weapons states, great-power rivalry, multiple territorial conflicts, and long historical memories. In this environment, Japan must deftly navigate its relations with its neighbors against a backdrop of growing uncertainties about the international order. Under Prime Minister Shinzo Abe's leadership, the country has taken unprecedented steps toward “normalizing” its international posture, introduced a new “free and open Indo-Pacific” strategy, bolstered its defenses, and strengthened relations with its ally and security guarantor, the United States. At the same time, Japan has assumed a new leadership role in regional economic and diplomatic initiatives, such as bringing the Comprehensive and Progressive Agreement for Trans-Pacific Partnership to fruition following U.S. withdrawal from the Trans-Pacific Partnership agreement.

This *Asia Policy* roundtable takes stock of Japan's current political and economic relations with its Northeast Asian neighbors and the United States. Focusing on Japan's relations with Russia, China, Taiwan, the two Koreas, and the United States, the essays assess Tokyo's priorities and policies and note salient issues to watch in each bilateral relationship over the next two to three years.

Since returning to power in December 2012, Abe has sparked new momentum in Japan's relations with Russia and has committed to resolving the territorial dispute over the Northern Territories/Kuril Islands. James D.J. Brown examines Abe's efforts to cultivate ties with Russia and create the conditions for a resolution while arguing that a favorable deal is still likely to prove elusive. Shin Kawashima traces the trajectory of Japan-China relations to contend that the recent so-called improvement in their relationship is in reality a return to a more neutral state. He then looks at how Japan is striking a balance between Chinese and U.S. initiatives for Asia. June Teufel Dreyer addresses another delicate balance in Japanese foreign relations—that of Taiwan. Japan-Taiwan relations are developing in a generally positive direction, given shared democratic values, history, and strategic calculations, but remain constrained by the prospect of angering China. On the Korean Peninsula, North Korea continues to be a major source of regional instability. Yoshihide Soeya analyzes Japan's interpretation of developments in the North Korean crisis and related interactions with South Korea and the United States in response, and he

suggests strategic and political options for the coalition of involved states in the future. Last, and perhaps key to achieving a sense of stability in this insecure environment, Japan under Abe has concentrated on reinvesting in its relationship, and in particular the bilateral security alliance, with the United States. Tomohiko Taniguchi shows how Abe has done this by both making it easier for the United States to maintain a presence in Japan and demonstrating that a continued presence in the Indo-Pacific is in the best interest of the United States.

Taken together, these essays depict a more assertive and internationally minded Japan than in recent years. Under Abe, the country has sought to promote its political, security, and economic goals in a challenging regional environment beset by a changing balance of power, nuclear proliferation on the Korean Peninsula, provocative behavior by China in the East China Sea, competing economic arrangements, and concerns about the possible withdrawal of the United States from its traditional role. As Taniguchi puts it, Japan is choosing to play the role of a “system stabilizer.” Its efforts to do so remain important to watch. 

## Abe's Russia Policy: All Cultivation and No Fruit

James D.J. Brown

Since returning to power in December 2012, Prime Minister Shinzo Abe has made Japan's relations with Russia one of his foreign policy priorities. Above all, he has committed himself to resolving the decades-old territorial dispute over what Russia terms the Southern Kuril Islands (known as the Northern Territories in Japan) and to signing a peace treaty "with his own hand."<sup>1</sup> Pursuing this aim, Abe has met President Vladimir Putin as frequently as possible, achieving a total of 25 meetings by the start of 2019. These efforts culminated in an agreement in November 2018 to accelerate territorial talks based on the 1956 Joint Declaration, which states that Russia is willing to transfer two of the four disputed islands to Japan after signing a peace treaty.

With a resolution to this World War II-era dispute apparently in sight, territorial negotiations will dominate the bilateral agenda during the remainder of Abe's premiership, which must end by September 2021. Any analysis of contemporary Japan-Russia relations therefore requires an assessment of the prospects of a territorial agreement finally being reached. Before this, however, it is useful to reflect on how Abe's single-minded pursuit of a legacy-defining deal with Russia has more broadly shaped Japan's political, economic, and security relations with its northern neighbor.

Abe's policy for securing a territorial breakthrough has been officially characterized as his "new approach" to Japan's relations with Russia.<sup>2</sup> This was announced during his visit to Sochi in May 2016, and it is understood to consist of two components. The first is Abe's willingness to moderate Japan's territorial demands, effectively abandoning the previous insistence that Russia acknowledge Japanese sovereignty over all four of the disputed islands. Second, the Japanese leader has actively promoted expanding cooperation with Russia across a broad range of sectors, using the slogan that Russia is Japan's bilateral relationship with "the greatest

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<sup>1</sup> "Nichiro heiwa joyaku no kosho shinten ni iyoku—Shusho, Suzuki Muneo-shi to kaidan" [Desire for Progress in Japan-Russia Peace Treaty Negotiations—PM Talks with Muneo Suzuki], *Hokkaido Shimbun*, November 9, 2018 ~ <https://www.hokkaido-np.co.jp/article/246454>.

<sup>2</sup> Ministry of Foreign Affairs (Japan), "Nichiro shuno kaidan" [Japan-Russia Summit Meeting], May 7, 2018 ~ [https://www.mofa.go.jp/mofaj/erp/rss/page3\\_001680.html](https://www.mofa.go.jp/mofaj/erp/rss/page3_001680.html).

underlying potential.”<sup>3</sup> This also represents a change from previous administrations, which had sought to partially hold back engagement as a means of incentivizing Russian concessions. By contrast, Abe’s calculation is that, by frontloading cooperation, he can add dynamism to the relationship and create momentum toward achieving the desired territorial breakthrough.

This essay makes the case that despite Abe’s careful cultivation of closer ties with Russia in the areas of politics, economics, and security, a favorable territorial deal is still likely to elude him. Above all, this is because the conditions that Russia will apply to even a two-island deal will be too demanding for any Japanese leader to accept.

### *Expanding Political Ties*

In terms of political relations, Abe has led by example and worked hard to cultivate personal trust with Putin. As well as holding frequent summits, he has publicly praised the Russian leader, describing him as “a man who keeps promises” and someone who “is dear to me as a partner.”<sup>4</sup> It is possible that Abe genuinely does admire the Russian strongman, yet the main reason for his emphasis on this personal relationship is the belief that Putin has the power and political will to make a territorial deal. This is based on the understanding that only a popular Russian leader with clear nationalist credentials could force through territorial concessions against domestic opposition. Added to this is the fact that Putin has already approved border agreements with China in 2004 and Norway in 2010. He is also the first Soviet or Russian leader since 1960 to acknowledge the validity of the 1956 Joint Declaration and its offer to transfer the islands of Shikotan and Habomai to Japan after the signing of a peace treaty.

The interactions between Abe and Putin inevitably attract most attention, but it is important to note that the recent improvement in political relations has spread beyond the two leaders. As would be expected, there are also regular meetings at the level of foreign ministers and deputy foreign ministers. Furthermore, interparliamentary ties have

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<sup>3</sup> Ministry of Foreign Affairs (Japan), *Gaiko seisho, dai 61 go* [Diplomatic Bluebook, 61st Edition] (Tokyo, 2018), 98  $\approx$  [https://www.mofa.go.jp/mofaj/gaiko/bluebook/2018/pdf/pdfs/2\\_5.pdf](https://www.mofa.go.jp/mofaj/gaiko/bluebook/2018/pdf/pdfs/2_5.pdf).

<sup>4</sup> Kirill Agafonov, “Abe schitaet Putina derzhashchim obeshchanie chelovekom” [Abe Considers Putin a Man Who Keeps Promises], TASS, February 14, 2017  $\approx$  <https://tass.ru/mezhdunarodnaya-panorama/4019491>; and “Sindzo Abe: Prezident Putin mne dorog kak partner, s nim mozhno pogovorit’ po dusham” [Shinzo Abe: President Putin Is Dear to Me as a Partner, with Him One Can Speak Heart to Heart], TASS, November 25, 2018  $\approx$  <https://tass.ru/interviews/5826060>.

expanded considerably. For instance, in a little-noted development, the ruling Liberal Democratic Party (LDP) signed a cooperation agreement with United Russia during a visit by Secretary General Toshihiro Nikai to Russia in April 2018.<sup>5</sup> There has also been an increase in exchanges between the countries' upper houses, with Russian Federation Council speaker Valentina Matvienko visiting Japan in November 2016 and her Japanese counterpart, Chuichi Date, becoming in July 2018 the first president of Japan's House of Councillors to deliver a speech in Russia's upper house.

Some aspects of this growing political relationship are certain to rouse suspicion in the West. In particular, although Japan did join the rest of the G-7 in introducing sanctions against Russia following the annexation of Crimea in 2014, it kept these measures deliberately weak, and the Abe administration has been happy to host several Russian officials who are under Western sanctions. Japan also avoided taking a public stance against Russia over the Skripal poisoning in March 2018 in the United Kingdom and the Kerch Strait incident in November 2018. Most notably, while 28 countries and NATO expelled a total of 342 Russian diplomats in response to the Skripal case, Japan declined to do so. Unquestionably, these decisions were shaped by the Abe administration's desire not to disrupt the ongoing territorial negotiations.

### *Abe's Eight-Point Economic Cooperation Plan*

As well as laying the groundwork for a resolution to the territorial dispute through strengthened political relations, the Abe government has sought to facilitate a breakthrough by promoting economic cooperation. This is the area in which Japan most obviously has something to offer Russia by means of investment and technology transfers. Mindful of this, Abe in May 2016 announced an eight-point economic cooperation plan that is designed to boost bilateral exchange and give Russia a taste of what more could be achieved if a peace treaty were concluded. The eight points are:

- (1) Extending healthy life expectancies, (2) developing comfortable and clean cities that are easy to live and work in, (3) expanding fundamentally exchange and cooperation between medium-sized and small companies, (4) cooperating on energy, (5) promoting industrial diversification and enhancing productivity in Russia, (6) developing industries and export bases in the Russian

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<sup>5</sup> "Pravyashchaya v Yaponii LDP i 'Edinaya Rossiya' podpishut dogovor o sotrudnichestve" [Japan's Ruling LDP and "United Russia" Sign a Cooperation Agreement], RIA Novosti, April 26, 2018 ~ <https://ria.ru/20180426/1519435307.html>.

Far East, (7) cooperating on cutting-edge technologies, and (8) expanding people-to-people interactions.<sup>6</sup>

Abe has actively promoted the implementation of this plan by attending Russia's Eastern Economic Forum in Vladivostok for three successive years, as well as by taking part in St. Petersburg's International Economic Forum in May 2018. He also appointed his minister of Economy, Trade and Industry, Hiroshige Seko, to the new post of minister for economic cooperation with Russia.

Abe claims that the eight-point plan has been a success, with more than 150 projects agreed to and more than half of those already underway.<sup>7</sup> It is noticeable, however, that many of these projects are small-scale, with the prime minister himself giving the examples of a rehabilitation center in Vladivostok, smart traffic lights in Voronezh, and the provision of high-speed internet to schools in Yakutia.<sup>8</sup> These projects are no doubt valuable to those involved, but they lack symbolic significance and are too small to exert influence on Russian thinking about the territorial dispute. Indeed, Minister Counselor Dmitri Birichevski from the Russian embassy in Tokyo has expressed disappointment at the level of economic engagement offered so far, stating that Russia wants more than “the imitation of cooperation.”<sup>9</sup> It is also notable that, despite the introduction of the eight-point plan in May 2016, bilateral trade is only anticipated to reach \$22 billion in 2018, well below the nearly \$35 billion recorded in 2013.<sup>10</sup>

In 2019 it will therefore be interesting to see if Japanese companies are willing to take a bolder step and commit to the larger-scale investments that Russia is waiting for. One possible area for cooperation is liquefied natural gas (LNG) in the Arctic. In September 2018, a memorandum of understanding was signed between the Japan Oil, Gas and Metals National Corporation and Novatek, which is the operator of the Yamal and

<sup>6</sup> Ministry of Foreign Affairs (Japan), “Nichiro shuno kaidan.”

<sup>7</sup> Ministry of Foreign Affairs (Japan), “Toho keizai foramu zentai kaigo ni okeru Abe sori daijin supichi” [Address by Prime Minister Abe at the Eastern Economic Forum Plenary Session], September 12, 2018 ~ [https://www.mofa.go.jp/mofaj/erp/jrep/page4\\_004330.html](https://www.mofa.go.jp/mofaj/erp/jrep/page4_004330.html).

<sup>8</sup> “Abe schitayet, chto sotrudnichestvo Yaponii i Rossii polozhitel'no vliyayet na zhizn' Rossiyan” [Abe Believes That Japan-Russia Cooperation Has a Positive Influence on the Lives of Russians], TASS, November 25, 2018 ~ <https://tass.ru/mezhdunarodnaya-panorama/5831981>.

<sup>9</sup> Dmitry Birichevsky, “Contemporary Russia-Japan relations” (lecture at Temple University, Japan Campus, September 18, 2018) ~ <https://www.youtube.com/watch?v=unaJlt3BzLA&t=0s&list=PLAA67B040B82B8AEF&index=6>.

<sup>10</sup> “Oreshkin: Tovaroorobot mezhdu Rossiei i Yaponiei v 2019 godu obgonit pokazatel' s SSHA” [Oreshkin: Trade Turnover between Russia and Japan in 2019 Will Overtake That with the U.S.], TASS, September 12, 2018 ~ <https://tass.ru/vef-2018/articles/5553573>.

Arctic LNG-2 projects. Furthermore, Seko visited the Yamal LNG project in April 2018, and Foreign Minister Taro Kono told an audience in October that “we are promoting comprehensive energy development cooperation with Russia in its Arctic region.”<sup>11</sup>

### *Deepening Security Ties*

In addition to overseeing these political and economic ties, Abe has overseen a deepening of security cooperation with Russia. This goal is explicitly set out in Japan’s 2013 National Security Strategy, which states that “under the increasingly severe security environment in East Asia, it is critical for Japan to advance cooperation with Russia in all areas, including security and energy.”<sup>12</sup>

In accordance with this ambition, Japan has begun 2+2 meetings between the countries’ foreign and defense ministers. The first of these was held in November 2013, followed by further 2+2s in March 2017 and July 2018. Regular meetings between the secretary of the Russian Security Council Nikolai Patrushev and his Japanese counterpart Shotoaro Yachi have also been held. These have been combined with increased exchanges between senior military officers. Most prominently, Oleg Salyukov, commander-in-chief of the Russian Army, and Valerii Gerasimov, chief of the general staff, visited Japan in November and December 2017.<sup>13</sup> In return, Japan Self-Defense Forces (JSDF) chief of staff Katsutoshi Kawano traveled to Russia in October 2018. The next high-profile exchange is anticipated to be the visit to Japan by the head of the Russian Navy, Vladimir Korolev, in 2019.

Japan and Russia have long conducted regular search-and-rescue exercises between the Russian Pacific Fleet and Japan’s Maritime Self-Defense Force (JMSDF). These were held for the eighteenth time in July 2018. Moreover, in November 2018, maritime cooperation moved into a new area when the JMSDF and Russia’s Northern Fleet conducted their first antipiracy drill in the Gulf of Aden. This exercise included flying helicopters off each other’s decks, which demonstrated a new level of practical cooperation.

<sup>11</sup> Arctic Circle Secretariat, “H.E. Taro Kono, Foreign Minister of Japan,” Vimeo, October 19, 2018 ~ <https://vimeo.com/295994012>.

<sup>12</sup> Cabinet Secretariat (Japan), *National Security Strategy* (Tokyo, December 2013) ~ <https://www.cas.go.jp/jp/siryou/131217anzenhoshou/nss-e.pdf>.

<sup>13</sup> James D.J. Brown, “Japan’s Security Cooperation with Russia: Neutralizing the Threat of a China-Russia United Front,” *International Affairs* 94, no. 4 (2018): 861–82.



*Delivering on a Territorial Deal?*

Abe has therefore worked hard to achieve widespread improvement in Japan–Russia relations over the last few years. Many of these developments have value in their own right, but, from Abe’s point of view, they have a clear instrumental purpose: to lay the foundation for a territorial deal. Now that he is in the last phase of his premiership, Abe needs to deliver. Following his meeting with Putin in Singapore in November 2018, it is now apparent how he proposes to do this.

The main outcome in Singapore was the agreement to accelerate territorial talks based on the 1956 Joint Declaration. This is significant because, while this document offers the possibility of two islands being transferred to Japan, it makes no mention of the other two islands, Iturup and Kunashir (Etorofu and Kunashiri in Japanese). This suggests that Abe is ready to give up on Japan’s claim to these larger islands. This impression is strengthened by the fact that the prime minister has stopped talking entirely about “the return of four islands.”<sup>14</sup>

Instead, Abe’s goal appears to be the “two plus alpha” solution. As described by Muneo Suzuki, an informal adviser to the prime minister on this issue, this entails Japan regaining the islands of Shikotan and Habomai and securing rights to visa-free access and joint economic activities on Iturup and Kunashir.<sup>15</sup> This would deliver only 7% of the disputed landmass to Japan but provide it with 38% of the contested sea area and at least some form of access to all four islands.

Abe also appears to have a clear schedule in mind for negotiating this settlement. Meeting on the sidelines of the G-20 in December, the Japanese and Russian leaders agreed that Foreign Ministers Kono and Sergei Lavrov will oversee the talks, which will be conducted by Deputy Foreign Ministers Takeo Mori and Igor Morgulov. During his visit to Russia on January 22, 2019, Abe sought to give further impetus to the process, and the leaders agreed for their foreign ministers to meet again in mid-February. In this way, Abe hopes to set the stage for the two sides to sign a framework agreement when Putin visits Osaka for the G-20 Summit in June 2019. Even if this timeline were to slip, in theory there would still be time for the

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<sup>14</sup> “Ryodo kosho no ronsen—Yonto henkan naze kataranai” [The Debate about Territorial Negotiations—Why He Won’t Say Return of the Four Islands], *Hokkaido Shimbun*, November 27, 2018 ~ <https://www.hokkaido-np.co.jp/article/251944>.

<sup>15</sup> Suzuki Muneo, “Abe shusho wa ‘2 shima + arufa’ de ketsudan suru” [PM Abe Will Decide on “2 Islands Plus Alpha”], *Mainichi Shimbun*, November 14, 2018 ~ <https://mainichi.jp/premier/politics/articles/20181113/pol/00m/010/001000d>.

Japanese parliament to ratify an agreement before the end of the Abe era in September 2021.

Having thus upgraded Japan-Russia relations across the board and likely willing to settle for a two-plus-alpha compromise, is Abe on the verge of securing a territorial deal? The answer is probably not. Most importantly, the Kremlin has made it very clear that there is nothing automatic about the two islands being transferred to Japan after the signing of a peace agreement.<sup>16</sup> What this indicates is that, even to gain just the two smaller islands, Japan would be required to fulfill certain conditions.<sup>17</sup>

First, Japan would be expected to acknowledge Russian sovereignty over all four of the disputed islands, thereby fulfilling Moscow's requirement that Japan recognize the results of World War II. After this acknowledgment is made and the peace treaty signed, Russia would move toward transferring the two smaller islands, not as a matter of legal necessity but as a gesture of goodwill. Second, to guarantee that no U.S. military facilities would appear on the transferred territory, Russia would insist that Shikotan and Habomai be excluded from the U.S.-Japan Security Treaty. Third, Japan would be required to guarantee the economic rights of the approximately three thousand Russian residents of Shikotan and to provide them with compensation if they were to decide to leave the island. Fourth, Japan would need to drop its current sanctions on Russia. The Russian leadership has also used the negotiations to place pressure on Japan to abandon its plans to install the Aegis Ashore missile defense system.<sup>18</sup>

It would be exceptionally difficult for any Japanese government to accept these conditions. To begin with, the Japanese public has been told for decades that all four of the islands are Japan's "inherent" territory.<sup>19</sup> Therefore, significant public opposition should be expected to any attempt to abandon Japan's claim to the larger two islands. Indeed, a recent opinion poll found that only 5% of Japanese respondents were willing to settle for just

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<sup>16</sup> "Peskov isklyuchil avtomaticheskuyu peredachu Kuril'skikh ostrovov Yaponii" [Peskov Excludes the Automatic Transfer of the Kuril Islands to Japan], Interfax, November 18, 2018 ~ <https://www.interfax.ru/russia/638361>.


<sup>17</sup> James D.J. Brown, "The High Price of a Two-Island Deal," *Japan Times*, November 16, 2018 ~ <https://www.japantimes.co.jp/opinion/2018/11/16/commentary/japan-commentary/high-price-two-island-deal>.

<sup>18</sup> "Lavrov zayavil o riskakh bezopasnosti Rossii iz-za deyatelnosti SSHA v Yaponii" [Lavrov Talks about the Risks to Russian Security of the U.S.'s Activities in Japan], RT, January 14, 2018 ~ <https://russian.rt.com/world/news/592365-lavrov-yaponiya-ssha>.

<sup>19</sup> Ministry of Foreign Affairs (Japan), "Northern Territories Issue," March 1, 2011 ~ <https://www.mofa.go.jp/region/europe/russia/territory/overview.html>.

two islands.<sup>20</sup> Additionally, it can be anticipated that the U.S. government would not look favorably on an attempt by Japan to pick and choose where the U.S.-Japan Security Treaty applies. Likewise, Japan could expect serious criticism from Western partners if it were to drop the sanctions on Russia, especially given the re-escalation of tensions between Russia and Ukraine in November 2018.

To make matters worse, even if Japan showed a willingness to accept these conditions, there is no guarantee that Russia would follow through with the deal. In a Levada Center survey, only 17% of Russians were willing to accept the transfer of any of the Kuril Islands to Japan.<sup>21</sup> Opposition is even stronger in the Russian Far East.<sup>22</sup> With Putin's popularity less than what it was, he is likely to think twice before risking public anger over this issue. Even more crucially, the Russian leadership can hardly have failed to notice that the Abe administration's enthusiasm for closer political, economic, and security ties has been driven by its desire for a territorial deal. This incentive would disappear if an agreement were actually reached. As such, it is logical for Russia to play for time, to seek to extract as many inducements as possible, and to avoid ever actually resolving the dispute.

Overall, while Russia and the territorial negotiations will continue to feature prominently in Abe's foreign policy between 2019 and 2021, it is unlikely that the prime minister's determined efforts to cultivate close relations with Russia will ultimately bear the long-awaited fruit. 

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<sup>20</sup> "Hopporyodo 2-to senko 46%, 2-to dake henkan wa 5-pasento seronchosa" [Northern Territories 2-Islands First 46%, Return of Only 2 Islands 5%, Public Opinion Survey], *Nikkei*, November 25, 2018  $\approx$  <https://www.nikkei.com/article/DGXMZO38162370V21C18A1PE8000>.

<sup>21</sup> "Kuril'skaya duga: Pochemu Rossiyane stali chashche podderzivat' ustupku ostrovov" [The Kuril Arc: Why Russians Have Started to More Often Support Conceding the Islands], RBC, November 30, 2018  $\approx$  <https://www.rbc.ru/politics/30/11/2018/5bff8159a7947275a098fc7>.

<sup>22</sup> "Na Sakhaline poprosili ne obsuzhdat' temu Kuril na peregovorakh s Yaponiei" [On Sakhalin They Request That the Topic of the Kurils Is Not Discussed in Negotiations with Japan], RIA Novosti, November 29, 2018  $\approx$  <https://ria.ru/20181129/1533748782.html>.

## Japanese Diplomacy and the “Improvement” in Sino-Japanese Relations

*Shin Kawashima*

Sino-Japanese relations showed continual signs of “improvement” in 2018. In May, Premier Li Keqiang visited Japan to attend a trilateral summit between Japan, China, and South Korea. In October, Prime Minister Shinzo Abe paid an official visit to China, and President Xi Jinping is expected to make an official visit to Japan in 2019. Such events signify a revival of relations between Chinese and Japanese heads of state.

Given the worsening of relations between China and the United States, Abe’s visit (and the potential strengthening of ties between Japan and China that it has been seen to embody) has received a great deal of attention. Until recently, bilateral relations had been at a standstill, with the most recent state visit being that of Yoshihiko Noda in December 2011 during the Democratic Party of Japan’s brief stint in power.<sup>1</sup> This essay argues that, rather than marking a new, warm era in Sino-Japanese relations, Japan’s objective has been to return the relationship to the neutral footing it was on prior to its trajectory of decline beginning just over ten years ago.

The essay first examines where the relationship went off track, starting in 2008, with Chinese incursions into the disputed waters of the East China Sea. It then addresses more recent issues in the bilateral relationship, including how the deteriorating Sino-U.S. relationship has affected both Sino-Japanese and U.S.-Japanese ties and how Japan is striking a balance between Chinese and U.S. initiatives for Asia. The essay concludes by examining where China and Japan see the Sino-Japanese relationship heading in the near term and what is needed to establish a stable, constructive bilateral relationship.

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**NOTE** ~ The author thanks Thomas P. Barrett for the translation of this essay into English.

<sup>1</sup> That is not to say that Abe has not met with Chinese heads of state since his inauguration in December 2012. Since fall 2014, meetings between the two sides have taken place at the G-20, APEC (Asia-Pacific Economic Cooperation), and other multilateral gatherings. Included among these were visits by Abe to China that were conducted as part of multilateral conferences. However, when multilateral gatherings have taken place in Japan, the Chinese side has shunned participation. Furthermore, Japanese prime ministers have not visited China outside the context of multilateral conferences.

*The Senkaku Islands: A Catalyst Worsening Sino-Japanese Relations*

Perceptions regarding the “neutral” state of relations, and the Sino-Japanese relationship itself, differ between the two countries. Japan, for example, sees China as culpable for the initial breakdown of relations.

The contemporary breakdown originated with two Chinese government vessels that entered Japanese waters around the Senkaku Islands (known as the Diaoyu Islands in China) in December 2008. At the time, some of the islands were owned by the Japanese state and some were privately owned. While the Chinese government has maintained since the early 1970s that the islands constitute Chinese territory, no public Chinese vessels had ventured into the area up until this point. In 2010, a Chinese fishing boat operating in close vicinity to the islands crashed into a Japan Coast Guard (the Maritime Safety Agency) vessel, resulting in the arrest of the Chinese captain. This event was reported extensively around the globe, and it led to the outbreak of an anti-Japan movement in China. In Japan, public outcry catalyzed conservative government voices to propose not only an augmentation of island defenses but also further measures in the unequivocal expression of Japanese sovereignty. In 2012, conservative activists sought to purchase and thus privatize the islands to build facilities, such as a lighthouse, as a display of sovereignty. Seeking to circumvent such an outcome, the Noda administration made the decision to place all five islands completely under state ownership and bought back the three islands that hitherto had been privately owned. During this process, Japan conducted talks with China, but perhaps due to the fact that the process coincided with the beginning of Xi's premiership, the Chinese side was fiercely critical of the Noda administration's attempt to “nationalize” the islands. After the buy-back process was set in motion, relations between the two countries' heads of state came to a standstill.

Prior to the December 2008 incident, meetings between the Japanese and Chinese heads of state had been frequent that year. President Hu Jintao visited Japan, and the two countries had signed a joint declaration for a mutually beneficial relationship based on common strategic interests that had been initiated during Abe's first term. Notably, the two countries had agreed to begin joint development of resources in the East China Sea. Japan has hopes that the relationship will return to the state it was in during the first half of 2008. It was for this reason that, during his 2018 visit to China, Abe made a point of broaching with the Chinese side the June 2008 agreement on developing resources in the East China Sea.

## *The Effect of Worsening Sino-U.S. Relations on Sino-Japanese Relations*

While Abe's China visit constituted one aspect of the supposed improvement in bilateral relations, tensions in the Sino-U.S. relationship also introduced new factors into the Sino-Japanese relationship. Given the progressively worsening ties between China and the United States, China undoubtedly wishes to improve terms with Japan. Yet Tokyo believes that an improvement in Sino-Japanese relations could be perceived by the United States as a sign that Japan is attempting to strengthen ties with China. These interactions, however, do not indicate a switch to a pro-China policy and instead were merely a reset of the bilateral relationship back to neutral.

In 2017, Abe summarized his conditions for economic cooperation with China into four points focused on "the international standards of openness, transparency, economic efficiency and financial soundness."<sup>2</sup> These were passed on to the Chinese side during Premier Li's Japan visit in May 2018 and once again during Abe's own visit to China in October 2018.<sup>3</sup> These conditions coincide with key suspicions that the United States harbors *apropos* China.

At first, the Chinese government likely perceived these actions as an indication that Japan was gauging how the United States would react to Sino-Japanese cooperation. However, when a temporary deferment in a tariff increase for Japanese-produced vehicles was negotiated in mid-October, tensions in Japan-U.S. economic relations were to some extent alleviated. For this reason, any possibility that Japan would stand beside China in opposing the United States is now off the table. And the United States is continuing to take a tough stance on China in terms of intellectual property, trade, and technological innovation.

While Japan's official development assistance program for China ended in 2008, Tokyo still continued to provide a small amount of aid to China for technological cooperation. Prior to Abe's 2018 visit, however, it was decided that this program, too, would now be brought to an end. On the one hand, this signified that the Sino-Japanese relationship had been reconfigured to level footing. On the other, it could be interpreted as a message to the United States that Japan had now suspended technological cooperation with China.

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<sup>2</sup> Shinzo Abe, "Asia's Dream: Linking the Pacific and Eurasia" (speech given at the banquet of the 23rd International Conference on the Future of Asia, Tokyo, June 5, 2017) ~ [https://japan.kantei.go.jp/97\\_abe/statement/201706/1222768\\_11579.html](https://japan.kantei.go.jp/97_abe/statement/201706/1222768_11579.html).

<sup>3</sup> Ministry of Foreign Affairs (Japan), "Premier of State Council Li Keqiang Visits Japan: Japan-China Summit Meeting and Banquet," May 9, 2018 ~ [https://www.mofa.go.jp/a\\_o/c\\_m1/cn/page3e\\_000857.html](https://www.mofa.go.jp/a_o/c_m1/cn/page3e_000857.html); and Shin Kawashima, "A New Norm in China-Japan Relations?" East Asia Forum, November 1, 2018 ~ <http://www.eastasiaforum.org/2018/11/01/a-new-norm-in-china-japan-relations>.

In this way, the worsening of U.S.-China relations has had the tangible effect of moving Japan closer to its U.S. ally.<sup>4</sup>

### *Japan's Balancing of Competing Initiatives and the Four Conditions*

During Abe's visit to China, the first Japan-China Third Country Market Cooperation Forum convened in Beijing. Representatives from both sides agreed to engage in joint cooperation in over 50 projects based in third countries, spanning the realms of infrastructure, logistics, IT, healthcare, finance, and beyond. The Japanese side was vocal from the start that the four international standards of openness, transparency, economic efficiency, and financial soundness must be met in these endeavors.<sup>5</sup> Whether these conditions are met by China once the projects are in motion, and furthermore whether a system of checks can be implemented to ensure that they are, will become key issues for the international community.

First, if these conditions are met, it will help ease U.S. concerns about Japan's seemingly pro-China turn. Second, in a period when the United States is seen to be reducing engagement with China, Japan's continued commitment to these four conditions in its own engagement will give concrete form to a liberal-minded China policy. Third, if Japan can ensure that these four conditions are being and continue to be met, it will create an overlap between the United States' and Japan's "free and open Indo-Pacific" strategy and China's Belt and Road Initiative, thus creating common ground to some extent between China and U.S. allies.

Yet, how the Japanese Ministry of Foreign Affairs and Ministry of Economy, Trade and Industry will enact a system that enables them to verify that China is meeting these conditions is still unclear. Moving forward, it will be important that Japan continues to demonstrate a "trust, but verify" stance vis-à-vis China for cooperation to succeed.

### *China's Hopes for the Future Sino-Japanese Relationship*

While friction continues to increase between China and the United States, China's view of Japan has changed significantly. In 2010, China's GDP overtook that of Japan and is now nearly three times its size, and China's international influence has grown greatly as well. The country

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<sup>4</sup> Kawashima, "A New Norm in China-Japan Relations?"

<sup>5</sup> Japan External Trade Organization, "1st Japan-China Third Country Market Cooperation Forum," October 18, 2018 ~ [https://www.jetro.go.jp/en/jetro/topics/2018/1810\\_topics11](https://www.jetro.go.jp/en/jetro/topics/2018/1810_topics11).

has also ramped up its military activities in close proximity to Japanese territory and has behaved much more aggressively in the East and South China Seas.

These factors have likely driven China's recent attempts to reconstruct its bilateral relationship with Japan. But its goals in this regard diverge greatly from those of Japan, which has sought to return the relationship to the neutral position it was in back in 2008. China's plans for its future relationship with Japan were reflected in the 2018 rollout of its Maritime and Aerial Accident Communication Mechanism, its current means for handling disputes in the East China Sea, and the development of its disaster-prevention system.<sup>6</sup> The Chinese government, moreover, feels compelled to create the impression domestically that it is prioritizing the development of its relationship with Japan. Given the far from sanguine situation of U.S.-China relations, the Chinese government has much to gain from presenting at home the image that it is favoring relations with Japan. It is for this reason that the Chinese leadership is emphasizing the Abe administration's growing pro-Belt and Road stance domestically, albeit while skirting the issue of the four conditions for economic cooperation that Japan has so heavily emphasized.

However, the biggest concerns in China-Japan relations—issues pertaining to territory, historical perceptions, and Taiwan—went largely unaddressed during meetings between the two countries' leaders in 2018. While one can understand the reasons that such issues have been pigeonholed in favor of pursuing an improvement in bilateral relations, this improvement only concerns the strategic relationship, and a breakdown in relations could happen again in the future. In terms of the average citizen, feelings between the two countries continue to be exceedingly negative. While there is often news about how considerable improvements have occurred in popular Chinese views regarding Japan, this trend is confined to a limited portion of the population. For such reasons, then, while Sino-Japanese relations may well continue to improve in 2019, the two countries have yet to achieve true stability in the bilateral relationship. ◆

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<sup>6</sup> See the Ministry of Foreign Affairs (Japan), "Prime Minister Abe Visits China," October 26, 2018 ~ [https://www.mofa.go.jp/a\\_o/c\\_m1/cn/page3e\\_000958.html](https://www.mofa.go.jp/a_o/c_m1/cn/page3e_000958.html).



## The Japan-Taiwan Relationship: An Unstable Stability

*June Teufel Dreyer*

Japan's relations with Taiwan (Republic of China, or ROC) have been shaped by both countries' relationships with the People's Republic of China (PRC) and the United States. Despite President Chiang Kai-shek's adversarial relationship with Japan during World War II, relations between Japan and his ROC (first on the mainland and then on the island of Taiwan) were cordial during the postwar period. Shared opposition to Communism provided a common bond. An estimated twenty thousand Japanese troops under Japanese command wore Chinese Nationalist (Kuomintang, or KMT) uniforms and fought against the Chinese Communist troops until 1948.<sup>1</sup> Strategic reasons also reinforced ties: the city of Hualien on Taiwan is but 69 miles from Japan's Yonaguni Island. Were Taiwan to be absorbed into the PRC, the territorial waters of Japan and China would be uncomfortably close.

This essay argues that strategic calculations, shared democratic values, and generally pleasant memories of colonial history will foster the continued development of Taiwan-Japan relations, although these will remain constrained by each side's fear of unduly angering China. The first section situates the relationship in a historical context, while the second section examines the development of relations under Shinzo Abe and Tsai Ing-wen. The essay concludes by considering the outlook for the Taiwan-Japan relationship.

### *The Past Is Prologue*

As the PRC began its ambitious industrialization program, Japanese businesses saw lucrative opportunities and pressed for the normalization of diplomatic relations that would facilitate these. Tokyo's 1972 derecognition of the ROC in favor of the PRC dealt a sharp blow to the Taipei government, but economic and other ties continued informally. When Chiang Kai-shek's son and heir Chiang Ching-kuo died in office in 1988, he was succeeded

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<sup>1</sup> Donald G. Gillin, *Warlord Yen-Hsi-shan in Shansi Province, 1911-1949* (Princeton: Princeton University Press, 1967), 285.

by his Taiwanese vice president. Born in Taiwan when the island was a Japanese colony, Lee Teng-hui infuriated Beijing by saying, correctly, that he had been a Japanese citizen for most of his life. In deference to Japan's acceptance of Beijing's one-China policy, Lee agreed not to visit Japan officially so long as he was in office, though he was able to use his language fluency to arrange informal meetings with Japanese officials. Under his administration, the ban on Japanese-language media programming was lifted, with the Taiwanese quickly becoming enthusiastic consumers of the latest Japanese television programs as well as Japanese fads and fashions. A new Taiwanese word, *harizu* (Japan mania), came into being. After a Chinese show of force in the Taiwan Strait ahead of Taiwan's 1996 election, Japanese officials, aware of the implications for their own security, committed to the United States to help defend the *shuhen jitai* (the waters around Japan), refusing Beijing's demand that Taiwan be explicitly excluded from the definition thereof. By 1999, retired members of the Japan Self-Defense Forces had become frequent visitors to Taiwan.

As China became less Communist and more prosperous, formerly anti-PRC elements in Taiwan became attracted by the mainland's nationalistic message. Overwhelmingly composed of those who had come to Taiwan with Chiang Kai-shek and their descendants, this group tended to identify as Chinese and favored unification with China, albeit under a variety of improbable scenarios (such as the PRC accepting ROC rule or the complete democratization of the PRC). Native-born Taiwanese, by contrast, were more resistant to incorporation into a country they had never been part of. The former became known as the "blues" and the latter as the "greens," with Lee, the first popularly elected president, as the standard bearer of the greens. In 2000, the term-limited Lee was succeeded by another Taiwanese, Chen Shui-bian, who continued his de-Sinification policy and moved still closer to Japan. These developments not only angered China, which from time to time accused Japan of wanting to bring Taiwan back under its control, but also upset the George H.W. Bush administration, which feared that Chen might provoke a war that could involve the United States.

Chen's successor, Ma Ying-jeou, born to a family from the mainland, reversed this process, declaring unification as his end goal. Though denying that he was anti-Japanese, Ma's conduct in office tended to confirm this reputation. Among other acts, in 2010 Ma snubbed then former prime minister Abe during his visit to Taipei by failing to provide official transportation, as would normally have been the case—Abe took a cab—and urged Japan to "learn from history," a phrase frequently used

by Chinese authorities to refer to insufficient apologies for the behavior of Japanese troops during World War II. Even Ma's signature piece, a 2013 fisheries agreement, had been in the discussion phase for many years, with the Japanese government agreeing to it only after a period of intense friction with the PRC over the disputed Senkaku/Diaoyu Islands. Despite growing resistance to China within Taiwan, Ma also championed a number of controversial agreements that bound his country's economy more tightly to China's. When he attempted an extra-parliamentary agreement to ensure the passage of one such deal, a spontaneous demonstration erupted island-wide. Taiwan's unicameral legislature was occupied for three weeks, and the greens, led by Tsai Ing-wen and the Democratic Progressive Party (DPP), swept to victory in the national election in 2016.

### *Japan and Taiwan under Abe and Tsai*

Taiwan-Japan relations in the Tsai era began with congratulatory messages from Abe and then foreign minister Fumio Kishida to the new president on her election. This gesture was not as innocuous as it might seem, being the first time since Japan normalized relations with the PRC in 1972 that senior officials had formally acknowledged Taiwan's election results. While calling Taiwan "Japan's great friend" and emphasizing the shared values of the two countries, the foreign minister was careful to add that relations would be maintained on a nongovernmental basis.<sup>2</sup>

Within a year, however, there was a change in the names of the organizations that allegedly handled nongovernmental relations: the Japanese government announced that its representative office in Taipei, the ambiguously titled Interchange Organization, would be renamed the Japan-Taiwan Exchange Organization. In addition to more accurately describing the organization's functions, the new name elevated the two sides to equal status, thus implicitly contradicting the PRC's contention that the island is a province of China. The Taiwan government reciprocated a few months later by renaming its de facto embassy in Tokyo as the Taiwan-Japan Relations Association (from the Taipei Economic and Cultural Office in Japan). The announcement was low-key and is thought to have been delayed to avoid causing problems for President Donald Trump's meeting in April 2017 with President Xi Jinping. On a less formal level, a bilateral defense

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<sup>2</sup> "Press Conference by the Chief Cabinet Secretary," Prime Minister of Japan and His Cabinet, May 20, 2016 ~ [http://japan.kantei.go.jp/tyoukanpress/201605/20\\_p.html](http://japan.kantei.go.jp/tyoukanpress/201605/20_p.html).

dialogue that began under Chen Shui-bian and was suspended under Ma Ying-jeou's administration was resumed.

Also testing the limits of Beijing's tolerance was the 2017 annual report of Japan's National Institute for Defense Studies (NIDS).<sup>3</sup> Particularly irritating, in addition to the report's subtitle "The Dynamics of the China-Taiwan Relationship," with its implicit hint of parity, were two mentions of "the Republic of China." Both uses were in fact historically accurate because they concerned the period prior to 1972, when Japan had recognized Taiwan as the legitimate government of China. The Japanese government responded to Beijing's complaints by stating that NIDS is an independent entity. This is technically correct, although the institute's website describes it as the main policy research arm of the Ministry of Defense. After Taiwan suffered a devastating earthquake in February 2018, Abe sent condolences to Tsai, addressing her as "your excellency." Following a protest from Beijing, the letter was removed from the Japanese government's website.<sup>4</sup> The PRC Foreign Ministry also lodged a "serious protest" when a Japanese vice-minister attended a cultural exchange meeting in Taiwan, and another a year later when the head of Taiwan's Veteran's Affairs Council visited his counterpart organization, the Taiyukai, in Tokyo. Although the Taiyukai is not formally part of the government, its headquarters are located in the defense ministry and its directors are recently retired flag-rank officers.

### *The Future*

Since then, apart from ongoing vibrant cultural exchanges and several center-right newspapers from Japan interviewing high-ranking Taiwan government officials, which Beijing regularly protests, quasi-unofficial relations seem to have plateaued. One factor may have been Abe's desire to be granted a state visit to Beijing, which occurred in October 2018, and to receive a reciprocal visit from Xi Jinping, which has yet to be scheduled. Major Japanese business interests do not want to be left out of Xi's ambitious Belt and Road Initiative, though the government, wary of the strategic implications, has specifically excluded their taking part in port construction projects. For its part, Beijing is eager to include Japan, not only for its

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<sup>3</sup> National Institute for Defense Studies (NIDS), *NIDS China Security Report 2017—Change in Continuity: The Dynamics of the China-Taiwan Relationship*, trans. by *Japan Times* (Tokyo: NIDS, 2017).

<sup>4</sup> Charles Hong, "Japan the Most Helpful?" *Taipei Times*, February 15, 2018 ~ <http://www.taipeitimes.com/News/editorials/archives/2018/02/15/2003687671>.

financial and technological contributions but also to drive a wedge between Tokyo and Washington, which has steadfastly opposed participation.

Whether the aforementioned improvements in Japan-Taiwan relations represent a new normal, a return to the *status quo ante* of the Ma era, or a precursor to the gradual development of more formal state-to-state relations depends on many contingencies. Taiwan does not want to be a pawn in Sino-Japanese relations, worrying that Tokyo may treat it as an expendable entity to be sacrificed on the altar of *raison d'état*. Conversely, Japan wants to avoid being drawn into a Taiwan-China conflict. Both countries are acutely aware that China can be expected to vigilantly watch, object to, and respond with one or more of the retaliatory techniques available to it. These range from pressure on disputed islands, overflight of Japanese and Taiwan territories, restrictions on trade, and cyberattack intrusions to even kinetic attacks. Neither country wants to provoke the PRC leadership into using any of these options. In the case of Taiwan, this prudence was shown in the November 2018 local elections, when a referendum item calling for a change in the name Chinese Taipei, under which the island's athletes are permitted to compete in the Olympics, failed to pass.<sup>5</sup> Under pressure from China, the International Olympic Committee had just before the election warned that the athletes would not be allowed to participate at all under the name Taiwan.<sup>6</sup>

Outward appearances of a steady state notwithstanding, destabilizing factors lurk in PRC-Japan-Taiwan relations. Although Tsai has been careful to avoid arousing Beijing's ire—overly so, according to her core constituency—she has been unwilling to accept the so-called 1992 Consensus that would ratify the PRC's view of “one China.” Also to Beijing's displeasure, Abe continues to push forward with his plans to revise the Japanese constitution in what Beijing claims is a further step toward the remilitarization of the country. And the Japanese government was sufficiently nettled by Taiwan voters' refusal to lift the country's ban on food imports from five Japanese prefectures near the 2011 nuclear meltdown that Foreign Minister Taro Kono suggested that Japan might no longer be willing to support Taiwan's bid to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership.<sup>7</sup>

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<sup>5</sup> Central Election Commission (Taiwan), “2018 Taiwanese Referendums”  $\approx$  <http://referendum.2018.nat.gov.tw/mobile/en>.

<sup>6</sup> “IOC Rejects Taiwan Name Change,” NHK World, November 19, 2018.

<sup>7</sup> “Government Moves to Placate Japan over Food Import Ban,” *Tokyo Daily News*, December 13, 2018  $\approx$  <http://tokyodailynews.com/taiwan-news-govt-moves-to-placate-japan-over-food-import-ban>.

The Japanese government has become increasingly uncomfortable with the PRC's expansionist activities in the South China Sea, through which a large proportion of Japanese oil and gas imports pass, while Beijing counters that Japan has no right to operate outside its own geographic area. The issue of the disputed islands in the East China Sea also remains unresolved. At the same time, Beijing's "united front" tactics are actively attempting to shift Taiwan politics back toward a pro-unification posture, even working on countries such as Australia and New Zealand to support its position.<sup>8</sup> Should a KMT government replace the Tsai administration in the 2020 election, Japan would again have to address the uncomfortable possibility that its territorial waters would abut China's. An editorial in the *Japan Times* following the 2018 local elections, in which the KMT performed well, argued that the results indicated that there was no appetite in Taiwan for a real challenge to China and "Japan must adjust its strategic calculations accordingly."<sup>9</sup> Others countered that the Japanese, and even more so Japanese decision-makers, do not take newspaper editorials seriously and that larger geopolitical factors will continue to shape the country's strategy.

Even if Abe, having won a third term as head of the ruling party and therefore prime minister, is not inclined to do so, he could be replaced by someone whose views of cross-strait relations are quite different. Xi, despite having succeeded in abolishing term limits for the PRC presidency, is not unassailable either. Domestic dissatisfaction with his heavy-handed rule, combined with declining economic indicators, could tempt Xi toward a diversionary foreign adventure. Should that include an ultimatum to Taiwan, a U.S.-Japanese response could trigger a dangerous escalation.

Assuming that none of these scenarios occur, the outlook for Taiwan-Japan relations is a continuation of warm relations just below the level that Beijing would deem to have crossed the line from unofficial to official relations. Occasional probing on exactly where that line is can be expected. At the same time, Beijing continues to quietly pursue measures to change the status quo in its relations with Taiwan, a status quo that the United States has pledged to defend. The danger of miscalculation is ever present. ◆

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<sup>8</sup> See June Teufel Dreyer, "The Big Squeeze: Beijing's Anaconda Strategy to Force Taiwan to Surrender," Foreign Policy Research Institute, August 13, 2018 ~ <https://www.fpri.org/article/2018/08/the-big-squeeze-beijings-anaconda-strategy-to-force-taiwan-to-surrender>. Described by Xi as "a magic weapon for the victory of the party's cause," united front tactics comprise a coordinated series of efforts, both legal and illegal, to influence other countries' views in support of China's policies.

<sup>9</sup> "Tsai and the DPP Get Shellacked," *Japan Times*, November 26, 2018 ~ [https://www.japantimes.co.jp/opinion/2018/11/26/editorials/tsai-dpp-get-shellacked/#.W\\_7xAuJOlc8](https://www.japantimes.co.jp/opinion/2018/11/26/editorials/tsai-dpp-get-shellacked/#.W_7xAuJOlc8).

## Japan and Peace on the Korean Peninsula: The Need for a Flexible Approach

*Yoshihide Soeya*

This essay presents a perspective on Japan's relations with the two Koreas in relation to resolving the thorny issues posed by North Korea. It will first briefly recap recent developments in North Korea's posture under Kim Jong-un before examining Japan's interpretation of those changes and related interactions with South Korea and the United States in response. It will then analyze the evolution of Japan's approach to relations with the Korean Peninsula and suggest strategic and political options for the future.

### *Developments on the Korean Peninsula*

Upon swiftly consolidating power following the death of his father Kim Jong-il, Kim Jong-un adopted in March 2013 the "dual track" (*byungjin*) policy of pursuing the goals of nuclear and economic development. Although this approach is called a dual track, there is an obvious timing difference in his approaches to the two ambitions. Kim has given clear priority to missiles and nuclear weapon development over economic development as is evidenced by the quickening tempo of missile and nuclear tests: North Korea conducted three nuclear tests in 2016 and 2017, and in the same two years it launched seventeen medium- and long-range missiles. However, both areas of testing stopped completely after fall 2017. Notably, a Japanese specialist who has conducted a detailed content analysis of North Korea's state newspaper, the *Rodong Shinmun*, has found that the destinations of Kim's inspection visits have clearly shifted from military facilities to civil and economic ones since fall 2017.<sup>1</sup>

Kim took advantage of the Pyeongchang Winter Olympics in February 2018 to begin a "charm offensive." Encouraged by its success, he declared a "great victory" for the *byungjin* policy at a Workers' Party Central Committee meeting in April 2018 and indicated a strategic shift toward

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<sup>1</sup> Author's conversation with Professor Atsuhito Isozaki, Faculty of Law, Keio University.

economic development.<sup>2</sup> Kim has thus seemingly embarked on a long journey toward creating an international environment on and around the Korean Peninsula favorable for both regime security and economic prosperity. The summit with Moon Jae-in on April 27, 2018, at Panmunjom and the summit with Donald Trump on June 12, 2018, in Singapore were crucial catalysts for this shift. Shaped by these two events, the basic framework for dealing with North Korea in the years ahead will consist of three pillars: (1) establishing new relations between the United States and the Democratic People's Republic of Korea (DPRK), (2) building a lasting and stable peace regime on the Korean Peninsula, and (3) working toward complete denuclearization of the peninsula.

### *Reading from Different Playbooks*

A critical issue for the international community—but especially in Northeast Asia—is how to most effectively cope with Kim's strategic and seemingly long-range ambitions. Doing this will require close coordination among all the countries concerned. While North Korea, China, and Russia appear to form a loose coalition, the U.S., South Korean, and Japanese governments maintain little consensus on how to assess or approach the situation.

In this context, the current relationship between South Korea and Japan—one essentially of mutual neglect—warrants particular attention. The verdict by the South Korean Supreme Court in late November 2018 allowing South Koreans to seek compensation from Japanese firms for wartime forced labor was a severe blow to bilateral relations. Even more grievous, however, is the fact that the court case originated from a Supreme Court judgment to remand a lower court decision in 2012, and that both sides had let six years pass idly by without taking steps to resolve the issue.

As a result of this and other long-standing historical tensions, the Japanese government is suspicious of South Korea's reconciliatory moves toward North Korea. The Abe administration still appears to believe pressure will be most effective in achieving simultaneous solutions to the abduction, missile, and nuclear issues. Supporters of the prime minister's hard-line policy toward North Korea thus tend to see dialogue as a way for North Korea to deceive Japan, South Korea, and the United States. Indeed, the Abe and Trump administrations, in contrast to the Moon

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<sup>2</sup> Jesse Johnson, "Abe Cautious as North Korea Pledges to Halt Nuclear and Longer-Range Missile Tests Just Days Before Key Summit," *Japan Times*, April 21, 2018.



administration, have been the key drivers of the maximum pressure strategy, and Abe has consistently sought Trump's support on the Japanese abductee issue.<sup>3</sup> In general, he is also engaged in a not-so-subtle effort to ensure that Trump does not make concessions easily on security-related issues, particularly regarding Japanese concerns about North Korean short- and medium-range missiles. It is not surprising that in searching for a foothold to resolve these issues, Japan sees the United States as the best partner, no matter how mercurial relations are with Trump.

### *Changes and Challenges to Japan's Approach?*

There are, however, some indications that Abe may be changing his approach to North Korea. While his speech at the UN General Assembly in September 2017 almost entirely emphasized the importance of pressuring North Korea, the tone of his UN address in September 2018 was quite different:

Japan's policy of seeking to settle the unfortunate past and normalize its relations with North Korea once the abductions, nuclear, and missile issues are resolved will not change.... In order to resolve the abductions issue, I am also ready to break the shell of mutual distrust with North Korea, get off to a new start, and meet face to face with Chairman Kim Jong-un.<sup>4</sup>

The abduction issue was arguably critical in raising Abe to his current top position in leadership. He has repeatedly expressed his determination to resolve this issue during his tenure as prime minister, and he links it to solving the missile and nuclear issues. Realistically speaking, however, a preoccupation with the abduction issue is an obstacle to Japan's engagement in Korean affairs. While Kim may be ready to take up this issue, as was indicated by the Stockholm Agreement in May 2014 in which North Korea agreed to conduct a comprehensive and full-scale investigation on the abductions, he may also be thinking of using the abduction card as leverage in some way in the future. For now, Japan is a comparatively low priority in North Korea.

For Japan to become relevant sooner rather than later regarding the missile and nuclear issues, it is important for Abe to decouple those

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<sup>3</sup> See, for example, Narumi Ota, "Abe to Make Last-Minute Plea to Trump on Abduction Issue," *Asahi Shimbun*, June 6, 2018 ~ <http://www.asahi.com/ajw/articles/AJ201806060062.html>. The abduction issue refers to seventeen Japanese nationals recognized by Tokyo as abducted by North Korea in the 1970s and 1980s and their return to Japan. Five abductees were returned in 2002.

<sup>4</sup> Shinzo Abe (address at the 73rd session of the UN General Assembly, New York, September 25, 2018) ~ [https://www.mofa.go.jp/fp/unp\\_a/page3e\\_000926.html](https://www.mofa.go.jp/fp/unp_a/page3e_000926.html).

concerns from the abduction issue. In doing so, Japanese public opinion may not necessarily be the obstacle many outside Japan believe it to be. A *Nikkei* opinion poll in July 2018 indicated, for instance, that only 21% of those surveyed expect Abe to make progress on the abduction issue, while 71% expressed doubts.<sup>5</sup> Although the abduction issue may be critical for Abe's legacy, the general public is rather sober about the prospect of its resolution.

If Japan gets involved in the current efforts for change on the Korean Peninsula, an advantage for Japan is the Pyongyang Declaration signed by Junichiro Koizumi and Kim Jong-il on September 17, 2002. The declaration laid out a comprehensive framework for diplomatic normalization, and the document is still treated as valid by both Tokyo and Pyongyang. Most importantly, the declaration sets up a framework for the normalization of relations and the potential for Japanese assistance to North Korea, keeping in mind Japan's diplomatic normalization with South Korea in 1965 as a precedent:

The Japanese side regards, in a spirit of humility, the facts of history that Japan caused tremendous damage and suffering to the people of Korea through its colonial rule in the past, and expressed deep remorse and heartfelt apology. Both sides shared the recognition that, providing economic co-operation after the normalization by the Japanese side to the DPRK side, including grant aids, long-term loans with low interest rates and such assistances as humanitarian assistance through international organizations, over a period of time deemed appropriate by both sides, and providing other loans and credits by such financial institutions as the Japan Bank for International Co-operation with a view to supporting private economic activities, would be consistent with the spirit of this Declaration, and decided that they would sincerely discuss the specific scales and contents of the economic co-operation in the normalization talks.<sup>6</sup>

In return, North Korea agreed to take measures regarding the abducted Japanese, maintain a moratorium on launching missiles, and resolve nuclear issues: "Both sides confirmed that, for an overall resolution of the nuclear issues on the Korean Peninsula, they would comply with all related international agreements. Both sides also confirmed the necessity of resolving security problems including nuclear and missile issues by promoting dialogues among countries concerned."<sup>7</sup>

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<sup>5</sup> *Nikkei Shinbun*, November 9, 2018.

<sup>6</sup> "Japan-DPRK Pyongyang Declaration," September 17, 2002 ~< a href="https://www.mofa.go.jp/region/asia-paci/n\_korea/pmv0209/pyongyang.html">https://www.mofa.go.jp/region/asia-paci/n\_korea/pmv0209/pyongyang.html.

<sup>7</sup> *Ibid.*

International circumstances at the time of the Pyongyang Declaration were different from today. The six-party talks had yet to be institutionalized, and U.S. policy was premised on distrust and pushing North Korea into a corner. Only then did Kim Jong-il make a strategic decision to cultivate relations with Japan, which led to a summit and the signing of the Pyongyang Declaration. The way Japan was approached by the North Korean leader back then reveals the ultimate criticality of Japan's role in dealing with North Korea. After all, the northern part of the peninsula is the only area that still remains unresolved in the process of reconciliation and compensation by Japan after the war. This alone is good enough reason for Japan to be imaginative in engaging in Korean affairs.

*Conclusion: Searching for Peace on the Peninsula*

In Japan, there is still a strong underlying distrust of Pyongyang among many politicians, professionals, and the general public. Despite this, the international approach to North Korea may be shifting, as evidenced by the recent summits. For Japan, let alone the Abe administration, to change its approach to Pyongyang, the bottom-line requirement is for it to take seriously that Kim Jong-un is committed to the long-term strategic goal of establishing “peace” on the peninsula precisely as a means to guarantee regime survival and achieve economic prosperity.

Even if Kim is sincere about his long-term aspirations, whether denuclearization will be achieved in the process is still uncertain. What Japan and the other states involved in resolving the crisis need now and in the months and years ahead is a strategy of flexible response that entails both a measure of trust in Kim's proclaimed end goals and a firm resolve to eventually denuclearize North Korea.

One thing that is obvious is that complete denuclearization as a precondition for negotiations will not work. Unless the countries concerned—Japan and the United States, among others—change this approach to negotiations, there is a strong possibility that the process will stall indefinitely. This does not mean that they should necessarily trust North Korea, but it is important to create an opening for success and not to make stalling a self-fulfilling prophecy. The involved countries must coordinate policy and craft a truly strategic approach toward a peaceful and prosperous future for Northeast Asia. ◆

## Japan: A Stabilizer for the U.S.-Led System in a New Era

*Tomohiko Taniguchi*

Under Prime Minister Shinzo Abe, Japan has concentrated on reinvesting in the bilateral military alliance with the United States. Abe has done this both by making it easier for the United States to maintain a presence in Japan and by attempting to demonstrate that such a continued presence in the Indo-Pacific is in the best interest of U.S. national security. In general, he feels responsible for cementing the United States' defense commitment to the region.

Geopolitical as well as geoeconomic elements have driven Tokyo's actions and decisions on this issue. Support for the bilateral military alliance remains consistent in Japan, and the partisan divide on many domestic issues is less prominent when it comes to the need to keep the alliance in good order. Few advocate the abandonment of the alliance, and Abe's recent decision to strengthen national defense capabilities was more or less unopposed.

This essay argues that Japan needs the United States to stay involved in the Indo-Pacific and examines how, in a time of great regional uncertainty, Japan under Abe has attempted to engage the United States and keep it close while simultaneously bolstering Japan's own capabilities. The first section looks at Abe's cultivation of relations with U.S. administrations in the face of changing regional dynamics. The second section then details Abe's efforts and contributions to stabilizing a strong bilateral relationship and U.S. presence in the region. The essay concludes with a call to maintain this stability in the years ahead.

### *Engaging the United States in a Changing Regional Environment*

Prime Minister Abe is among the few leaders of the world to build a strong personal rapport with both President Barack Obama and President Donald Trump. Regardless of the striking differences between the two presidents, Abe has sought to strengthen U.S.-Japan relations under both administrations.

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With Obama, Abe had several notable firsts. In 2015, he became the first Japanese prime minister to address a joint U.S. Congress, and a year later, for the first time since the end of World War II, he escorted a sitting U.S. president around Hiroshima's ground zero and the Hiroshima Peace Memorial Museum. Both leaders made another historic first by visiting Pearl Harbor together in December 2016. Following Trump's election in November 2016, Abe was the first foreign leader to meet the president-elect in New York. Since then, Trump has spent more time with Abe than with any other foreign leader.

No matter who sits in the Oval Office, maintaining the best possible relationship at the head-of-state level is a major priority for Japan. The United States is Japan's only treaty-bound ally and has been vital for Japanese national security since the Cold War era. The nuclear umbrella the United States provides to Japan has not lost relevance. Nearly twenty years into the 21st century, the Treaty of Mutual Cooperation and Security that the two nations forged in 1960 has gained even more salience and remains a high priority in Japan's foreign policy agenda.

Changes in regional dynamics have made Japan's neighborhood more volatile. North Korea has become a declared nuclear power, and China continues to develop its own military and nuclear arsenal. The year 2018 saw the unprecedented development of the U.S. president granting the North Korean leader a one-on-one meeting, but whether Pyongyang will implement complete, verifiable, and irreversible dismantlement remains unclear. Any changes to the U.S. military posture in South Korea could alter the security dynamic within the region and beyond, much to the detriment of Japan's long-term security. In addition, China challenges Japan's territorial integrity in the East China Sea almost daily, as well as the freedom of navigation in the South China Sea.

Given this fraught security environment, Japan seems increasingly backed into a geopolitical corner. Put simply, Japan needs the United States at this time of great geopolitical and socioeconomic uncertainty. Yet little can be taken for granted regarding the long-term sustainability of the U.S. engagement in the region. U.S.-Japan relations are filled increasingly with "what ifs." These concerns explain the zeal with which Abe has cultivated—and continues to cultivate—close ties with his U.S. counterparts.

## *Supporting and Stabilizing the U.S. Presence in the Indo-Pacific*

From the firsthand knowledge I have obtained by working with Prime Minister Abe for over six years, I have learned that the questions he asks about U.S.-Japan relations are not “what ifs” (such as what if the United States withdraws from the Korean Peninsula, or what if the United States under Trump sees less value in getting engaged in East Asian affairs militarily). Rather, the questions he poses to himself and his cabinet pertain more often than not to what Japan should do to keep those “what if” situations from occurring at all. To that end, what has Japan done of late?

*Defense policy.* For a start, Japan under Abe has made shifts in the direction of a stronger national defense. The Defense Agency, which for many decades was a subministerial agency, was granted a higher legal status as a full-fledged ministry during the first Abe administration. Since returning to office at the end of 2012, Abe has furthered this organizational development. The National Security Council and the supporting office of the National Security Secretariat were also established in December 2013. In the same month, the nation’s first National Security Strategy was published, and the Act on the Protection of Specially Designated Secrets went into law one year later in December 2014. As a result, Japan was for the first time equipped with an intelligence community that could connect more seamlessly with its U.S. counterpart. This has long been an essential step for the strategic efficiency in the security alliance.

Despite opposition, the biggest security change Abe has enacted is the Legislation for Peace and Security. Put into effect at the end of March 2016, this new legal framework enables Japan finally to give protection to the military assets, such as naval boats or military aircraft, of the United States and other close partner nations. The new law also enables the government, “when an armed attack against a foreign country that is in a close relationship with Japan occurs,” to take actions to defend the foreign country in question. “Collective defense,” long an object of heated constitutional debate, has become an executable reality, albeit in a much less ambitious way.<sup>1</sup>

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<sup>1</sup> According to the newly enacted law, Japan can use force under the following three conditions: “(1) When an armed attack against Japan occurs or when an armed attack against a foreign country that is in a close relationship with Japan occurs and as a result threatens Japan’s survival and poses a clear danger to fundamentally overturn people’s right to life, liberty and pursuit of happiness, (2) when there is no other appropriate means available to repel the attack and ensure Japan’s survival and protect its people, and (3) limited to the minimum extent necessary.” Thus, the new law still forbids Japan from working with the United States in places that do not immediately threaten Japan’s survival. Ministry of Defense (Japan), *Defense of Japan 2016* (Tokyo, 2016), 166 ~ [http://www.mod.go.jp/e/publ/w\\_paper/pdf/2016/DOJ2016\\_2-1-2\\_web.pdf](http://www.mod.go.jp/e/publ/w_paper/pdf/2016/DOJ2016_2-1-2_web.pdf).

*Defense spending.* In the realm of geoeconomics, one sees a similar picture emerging: Japan is doing as much as it can to help reduce the cost of U.S. engagement in the Indo-Pacific region, while shoring up its own defense. Japanese taxpayers cover an annual \$5.4 to \$5.6 billion of the Japan-based U.S. forces' expenses, countering any claims that Japan is a free rider, as Trump labeled it while on the campaign trail.<sup>2</sup> Considering that the president has used harsh language to criticize other long-standing U.S. allies of doing too little for their own defense, Japan is in a relatively safe position—but only barely.

In December 2018 the Japanese government published the “Mid-Term Defense Program,” which revised plans announced in 2011 to acquire 42 Lockheed Martin’s F-35As upward to 147. Further, Japan plans to deploy two U.S. Aegis Ashore ballistic missile defense batteries, the cost of which will reach approximately \$5.4 billion.<sup>3</sup>

This dramatic increase in the number of cutting-edge fighter aircraft, as well as the installment of an expensive anti-missile system, kills two birds with one stone: enhancing Japanese airborne and anti-missile capabilities while reducing bilateral trade tensions. It is hoped that these combined measures will keep the United States close and further incentivize it to stay involved in the region.

*Trade.* Even the trade-liberalization arrangement that Japan worked to bring into effect in the absence of the United States, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, is designed, according to the Japanese officials who negotiated the deal, to easily accommodate the United States sometime in the future. Japan and Australia, among others, collaborated to finalize the agreement with an eye toward eventually bringing in the United States by taking elaborate steps to keep hurdles to U.S. entry as low as possible. The agreement entered into force at the end of 2018. This is yet another way in which the Abe administration has attempted to keep the perilous “what if” scenarios at bay.

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<sup>2</sup> Ministry of Defense (Japan), “Zainichibeigun kanren hiyo (2003-nendo yosan)” [U.S. Military-Related Expenses in Japan (FY2003 Budget)] ~ [http://www.mod.go.jp/j/approach/zaibeigun/us\\_keihi/keihi.html](http://www.mod.go.jp/j/approach/zaibeigun/us_keihi/keihi.html); and Linda Sieg, “Trump Candidacy Stirs Alliance Angst in Japan,” Reuters, March 20, 2016 ~ <https://www.reuters.com/article/us-usa-election-japan/trump-candidacy-stirs-alliance-angst-in-japan-idUSKCN0WWM017>.

<sup>3</sup> Franz-Stefan Gady, “Japan’s New Ballistic Missile Defense System Acquisition Cost Doubles,” *Diplomat*, July 25, 2018 ~ <https://thediplomat.com/2018/07/japans-new-ballistic-missile-defense-system-acquisition-cost-doubles>.

*Conclusion: Looking to the Future*

One important question remains unanswerable. In the future, perhaps in the People's Republic of China's centennial year of 2049, will the U.S. public still find it easy to justify U.S. military involvement in the region? The long-standing U.S. doctrine of preventing either end of the Eurasian continent from being dominated by a hostile seeker of hegemony has so far held, but the question increasingly is, how long will it hold? Will it still hold, say, 30 years from now?

Precisely because these future questions are unanswerable, Abe is striving to make the Japanese armed forces more synergistic with their U.S. counterparts and to reduce the cost of U.S. forward deployment. The geopolitical and economic easing of U.S.-Japan relations is all done in the hope that the United States will continue to help stabilize the Indo-Pacific. It is Abe's belief that continued U.S. engagement would benefit Australia, the members of the Association of Southeast Asian Nations, India, and many other countries in addition to Japan. Under his administration, Japan has chosen to play the role of a system stabilizer in this era of uncertainty. ◆