

SECURITY IN THE ASIA-PACIFIC:

Japan's Options Amid U.S.-Chinese Tensions

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The first arms control conference in history was held in Washington D.C. a hundred years ago. The Washington Naval Conference focused on the naval capabilities of major actors in the Pacific Ocean and resulted in the Washington Naval Treaty. Signed into law in 1922 by the United States, United Kingdom, France, Italy, and Japan, the treaty limited the construction of new warships and bases in the Pacific. However, within a decade and a half, the treaty had fallen apart as the world hurtled toward a new great war. While East Asia has fundamentally changed over the course of the last century, international treaties continue to play a vital role in maintaining peace and security. For Japan, crafting an effective regional engagement, particularly against the backdrop of heightened tensions between the U.S. and China, means renewing and reaffirming existing partnerships in East Asia and beyond.

Biden and China

Under President Trump, the U.S. Navy sent warships through the Taiwan Strait on a regular basis, at least 15 times during 2020 alone. After taking office, President Biden has been quick to convey to China that it should not expect any easing up of American military operations in the South China Sea or the Taiwan Strait. The U.S.. Navy conducted its first "freedom of navigation operation" (FONOP) exercise under the new administration in the South China Sea on February 5 this year, and, a day earlier, its first transit through the Taiwan Strait. It seems, in fact, that President Biden intends to maintain some of the strategies employed by the previous

administration, at least for the time being.

The U.S. maneuvers on February 4-5 came not long after simulated strikes by 13 Chinese warplanes, including nuclear-capable bombers, on the USS Theodore Roosevelt aircraft carrier strike group, as it entered the South China Sea near Taiwan on January 23. ¹ Although the American show of force may have been necessary as an immediate measure, President Biden will need to take several additional steps to restore allied confidence in the United States after the former president's focus on the cost-sharing of bilateral alliances. There is no doubt that the U.S. military could retaliate if allied nations are attacked. To begin with, the United States has an enormous

nuclear arsenal which can be deployed against targets anywhere in the world. The question rather is whether the United States will retaliate if its allies are attacked, and therefore if the nuclear umbrella is a real deterrent.²

However, deterrence is not the only concern. For mnay in East Asia, the main strategic concern centers on coping with Beijing's rapidly rising military power and willingness to deploy the People's Liberation Army (PLA) to advance its interests in the region. Such concerns go beyond the nuclear umbrella question and focus on the willingness and ability to solve the underlying political issues.³

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U.S. Secretary of State, Anthony Blinken, said at his confirmation hearing that the U.S. cannot solve the world's problems alone, that it needs to work with other countries and must build partnerships. This is certainly true regarding how to react to China's treatment of the Uighur Muslims and the brutal force it has deployed against the protesters in Hong Kong. The United States can neither isolate nor ask of its allies to decouple themselves from China, but it can try to strengthen the will of its allies to react against atrocities when they occur. Without the political will to stand together, the arena for international misconduct will also become more extensive.

However, while the U.S. will likely seek to reaffirm and rebuild its alliances with Japan, South Korea, and its other partners across Asia, it must also keep the door open for dialogue with China for the purpose of keeping East Asia embedded in a larger Indo-Pacific system of open, multilateral trade and investment.4

For many years the U.S. has prioritized its relationship with China, without paying too much attention to a potentially strengthened alliance with Japan. Nowadays the reverse has become the norm, where the U.S. government seems to give Japan very high priority when meeting the growing threats from China. In a statement after the March 16 meeting between the foreign and defense chiefs, in the two-plus-two format, the U.S.-Japan alliance was reaffirmed as "the cornerstone" of peace and prosperity in the Indo-Pacific region, and together the U.S. and Japan called out China for behavior that contradicts the basic values and principles of the international order. Additionally, in the recent meeting between Prime Minister Suga and President Biden, both leaders pledged to work together to build a free and open Indo-Pacific.

However, no matter how much Japan wishes to meet China's increasingly aggressive behavior and regardless of how much it wishes to build a ring of freedom and peace around the Chinese dragon, it is likely that it will continue to be careful to not rule out the potential for improved bilateral relations with China. A confrontation reminiscent of the Cold War would not be in Japan's interest. The subdued reaction to the Tiananmen massacre is a case in point of Tokyo's reluctance to take a firm stance on human rights abuses. Japan wants to strengthen its ties with both Washington and Beijing, and if there is any country that would be able to do just that, it is probably Japan. One opportunity to shore up relations could be if the state visit by the Chinese President, Xi Jinping, which was postponed due to the Covid-19 outbreak, was to be realized. In comparison with South Korea and Australia, which both experienced a deterioration in relations with China when they upgraded their alignment with the U.S., Japan has so far been successful in its balancing act between the U.S. and China.5

In fact, the Biden administration also seems to be looking for creative solutions to balancing between different interests. It has already used the term "strategic patience" when referring to China. Moreover, at the confirmation hearing for Kathleen Hicks, nominee for deputy defense secretary, she said "I do think there are opportunities for the United States and China to work together. Even in the defense realm, there are confidence-building measures we should be pursuing so that we can prevent conflict between the two nations."

This strategic patience cannot rely on a future collapse of China, akin to the way Soviet Union crumbled. China is far from being threatened by bankruptcy the way the Soviet Union was and cannot be lured into an arms-race it cannot afford. On the contrary, China is economically strong and is also using trade and markets to expand its global influence. While staying firm on human rights the U.S. also needs to stay firm on keeping economies and the international trade system open and healthy, and in that respect, it is better to cooperate with China than try to challenge its economy.

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Many have wondered if and how the Chinese Communist Party (CCP) might test the newly elected Biden administration. When President George W. Bush had just taken office in 2001, a Chinese frigate aggressively confronted a U.S. hydrographic survey ship, the unarmed USNS Bowditch, in the Yellow Sea. It changed its course and departed the area, only to return a little while later accompanied by a U.S. warship to complete its survey. Not long after, a Cold War-era PLA Navy J-8 fighter collided with an American electronic surveillance aircraft near Hainan Island, killing the Chinese pilot and forcing the American aircraft into an emergency landing. The crew was held for 10 days, and subjected to continuous interrogation. Furthermore, in March 2009, less than two months after Barack Obama took office, five Chinese vessels aggressively harassed

a U.S. surveillance vessel in the international waters of the South China Sea.⁷ This does not necessarily constitute a pattern; however, a similar future incident has the potential to damage the ability to carry on with an effective military dialogue for quite some time.

China's ambitions

As for China, President Xi stated last year that, "We must enhance international supply chains' dependence on China and develop powerful retaliation and deterrence capabilities against supply cutoff by foreign parties." The country has now become the largest trading partner to more than 130 nations in the world and is in a position to exert influence for its own political and strategic interests by using its vast market power.

On February 1 this year China implemented a new law which explicitly allows its coastguard to use weapons against any foreign ship that it deems to be illegally entering its waters. China has over the past decade also more than doubled the number of large coastguard patrol ships over 1,000 tons, from about 60 in 2010 to more than 130 as of 2020. That makes the Chinese coastguard the largest in the world. The majority of these new ships are equipped with not only helicopter facilities and water cannons, but also guns which are often much bigger than those carried by other coastguard fleets. Some of the Chinese coastguard ships can also operate far away from the Chinese coast, and for an extended period of time. ⁹

China is using a multidimensional approach when it comes to exerting its regional and global influence. In an article in the Foreign Affairs, Rana Mitter stated that "Chinese power today is a protean dynamic force formed by the nexus of authoritarianism, consumerism, global ambitions, and technology." In recent months, it has emerged that China is expanding its global military presence, with plans to establish a permanent naval base in West Africa. Previously, China has built up a growing military presence for operations in the Gulf of Aden and the Arabian Sea. At present, China has already made major investments in a couple of dozen African ports. ¹¹ These have been ostensibly economically

focused projects and trade route expansions, that are part of the Belt and Road Initiative (BRI). These huge projects, often presented as trade investments, also carry long-term environmental concerns¹² and possibly unforeseeable future commitments for the participating nations.

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The Chinese military is currently searching for a suitable location for a base of operations, where it can arm and maintain ships, including submarines and aircraft carriers. Contacts have already been signed with several countries with more to follow.¹³ Most likely, Xi Jinping's goal for China is to become a world leader by 2050, both militarily and economically. Therefore, these interests are closely bound with the investment initiatives such as the BRI, hence the West's concerns over these expansions. China is the only country in the world which can single-handedly wield the military, economic, and diplomatic power to challenge the current world order. In terms of absolute numbers, the Chinese fleet is already larger than the U.S. navy. 14 In the future, even before 2050, this push could have the potential to challenge the United States' and NATO's military powers.

These developments also mean another headache for Joe Biden ahead of his first NATO summit this week. Only time will tell whether these issues materialize into actual military conflicts, until then the U.S. can consider that the metaphorical gauntlet has been thrown down.

Japan's reaction

Chinese military developments are, of course, worrying for Japan as well. Although the country already authorized its coastguard to use weapons in 2001, a measure which included potentially deploying automatic cannons and machine guns against unidentified vessels in Japanese waters, it cannot, at the moment, match the newly enhanced strength of the Chinese coastguard. In 2020, Japan spotted Chinese naval vessels inside its contiguous and territorial waters near the Senkaku Island for a record 333 days. Japan's coastguard has its base in Naha, Okinawa, and this station has a vast area of responsibility beyond the Senkaku islands, an area that includes 160 islands, of which 47 are inhabited.¹⁵

Japan's best defense against a potential Chinese threat to its territory is a reconfirmation from the U.S. government that the Senkaku islands are covered under Article 5 of the U.S.-Japan security treaty. Subsequently, this is exactly what the Biden administration has done already. As for other aspects of the competition and potential threats from China, Japan is pursuing a multidimensional policy of allying itself with other likeminded nations, and it does so both in the economic and security fields.

One such policy field is the Free and Open Indo Pacific (FOIP) policy. It was initiated by Japanese Prime Minister, Shinzo Abe in August 2016 and has since set the tone for Japan's international cooperation in this vast region where stability is vital to Japan's security and economy. The FOIP seeks to connect the Indian Ocean and the Pacific Ocean, with ASEAN as the "hinge" between the two. The "free and open" concept refers mainly to the rule of law, freedom of navigation, and free trade. Although not explicitly stated, the FOIP is clearly a countermeasure to China's BRI. It overlaps with the Chinese "Maritime Silk Road" and emphasizes freedom, openness, and non-forcefulness, thereby attempting to distinguish itself from the often opaque and economically unviable BRI. The concept has also been employed by other nations concerned with China's assertiveness, mainly the U.S., India, and Australia.16

Another field is the "Quad", the Quadrilateral Security Dialogue between Japan, the United States, India, and Australia, while the UK has also expressed a will to join as well. The foreign ministers

of these countries agreed on February 18, that they "strongly" oppose any attempts by China to alter the status quo in the Indo-Pacific region by force. This was their first such meeting since the change of the U.S. administration. The four ministers confirmed the importance of advancing a free and open Indo-Pacific through deeper engagement and cooperation with more countries, including the ASEAN states, the Pacific islands, and the European countries. Plans for a summit are underway, but no schedule has been set.

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If the Quad were to grow into a formidable multilateral cooperation mechanism of likeminded democracies, one question that arises is what it would do to a possible improvement of relations between Japan and South Korea. This important neighbor of Japan would be a strong and welcome candidate to join this group, but recent developments have shown that it probably does not want to jeopardize its important bilateral relationship with China. A recent speech by the South Korean President¹⁷ indicates that the country realizes that it has to improve its cooperation with Japan for the U.S.-ROK relations to work in a frictionless way - but is it willing to abandon its insistence on more Japanese compensations and apologies for Japan's behavior during the first half of the 20th century?

The third field is that of free trade agreements. After some initial hesitation on the part of Japan and some prompting on the part of the Obama administration, Japan became an enthusiastic advocate of the Trans-Pacific Partnership Agreement (TPP), signed by 12 countries around the Pacific, on February 4, 2016. After the newly elected U.S. President Donald

Trump withdrew from the agreement in January 2017, the remaining countries negotiated a new trade agreement called the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). This incorporates most of the provisions of the TPP and entered into force on December 30, 2018.

Japan is also a signatory of the Regional Comprehensive Economic Partnership (RCEP), a free trade agreement initiated by Indonesia and also signed by China, South Korea, Australia, New Zealand, and the ASEAN member states. These 15 member countries account for about 30 percent of the world's population (2.2 billion people) and 30 percent of global GDP (\$26.2 trillion) as of 2020, making it the biggest trade bloc in history. It is expected to eliminate about 90 percent of the tariffs on imports between the signatories within 20 years of coming into force, and establish common rules for e-commerce trade, and intellectual property rights. The unified rules of origin will help facilitate international supply chains and reduce export costs throughout the bloc. The RCEP is also the first free trade agreement where China, Japan, and South Korea, three of the four largest economies in Asia, collectively participate.

Despite foreseeable economic benefits, some have criticized RCEP for not including chapters on labor rights, environmental protection, cross-border data flows or market disciplines on state-owned enterprises that are included in the rival 11-member CPTPP.¹⁸ However, the fact that both Japan and China are signatories of the RCEP has a huge symbolic effect as well.

At the APEC leaders' summit on November 20, President Xi said that China will favorably consider joining the CPTPP, prompting speculation about his real intentions. After all, countries wishing to join the framework need to enter pre-negotiations with all CPTPP members on a bilateral basis. If China decided to join, it would be a positive development for the stability in the Pacific region, since it would make it more difficult for it to use export bans and import restrictions as punitive measures. As an example, Beijing's use of politicized trade was

demonstrated when Japan was hit by a Chinese export ban of rare earth metals in 2010.

Australia and China

Another example of how China has been willing to use the export dependence of its trade partners for punitive measures is its imports from Australia. The relationship between Australia and China has rapidly deteriorated. The clash started after Australian Prime Minister Scott Morrison on April 23, 2020, following the spread of Covid-19 infections, said that "we will need an independent inquiry that looks at what has occurred" in Wuhan, China. This led to a strong backlash from Beijing, which perhaps feared the beginning of a worldwide wave of lawsuits seeking compensation. The Chinese government reacted by sending a blacklist of items subject to import restrictions to commodities traders. This list included at least seven products from Australia, equivalent to about seven percent of Australia's total goods exports in fiscal 2019. Due to Australia's heavy reliance on the Chinese market the measure hit the Australian economy particularly hard in a short period of time - especially considering that China's share of Australian exports tops more than 40 percent.

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This was in sharp contrast to relations in November 2014, when the two agreed to upgrade their bilateral relationship to a "Comprehensive Strategic Partnership". In March 2015, Australia also decided to join the China-led Asian Infrastructure Investment Bank (AIIB) as a founding member. On the other hand, punitive bilateral measures can be a double-edged sword since China is also heavily dependent on importing Australian resources. China imports more than 80 percent of its total iron ore needs, with Australian products accounting for 65

percent of shipments from abroad. ¹⁹ In conclusion, the relationship between Australia and China will be crucial for the future stability, or lack thereof, in the Asia-Pacific region, and therefore huge international trade agreements such as the CPTPP and the RCEP have the potential to make it more difficult to use bilateral relations in a punitive manner.

North Korea

For many years, discussions about threats to the existing order in East Asia have focused on the behavior of North Korea and some of the recent signals from Pyongyang are worrying. For instance, at the eighth Congress of the Worker's Party of Korea, the North Korean leader Kim Jong-un praised the "success" of building a nuclear arsenal, while also laying out the plan for the next five years. He pledged to further strengthen the nuclear deterrent by developing and testing several new systems, including "ultra-modern tactical nuclear weapons", "hypersonic gliding flight warheads", "multi-warhead" missiles, reconnaissance satellites, a nuclear-powered submarine, and solid-fuel, land- and submarine-launched intercontinental ballistic missiles (ICBMs).²⁰

If North Korea decided to resume the testing of nuclear devices and missiles, the attention of not only the new U.S. government, but also of China, Japan and the other players in the region would again turn to the Korean peninsula. However, it seems unlikely that this would have a lasting effect on the bigger political picture, which rather revolves around China's actions in the South China Sea, the East China Sea, and in the vicinity of Taiwan. C. Raja Mohan argues in an article in Foreign Policy that "the real challenge for Washington lies in constructing a sustainable regional order. The Biden administration can't allow the question of nuclear arms control, which is only a subset of the problem, to overwhelm the main issue: how to build durable balances of power in different parts of Asia." He also claims that "Even in Washington, nuclear arms control is no longer the all-consuming political preoccupation it once was. It is now a boutique issue in U.S. political discourse."21

North Korea will of course continue to be important,

but the above statement seems to underline the fact that the real challenge to regional and global stability does not lie in the further development of the nuclear capability of the North Korean regime but in the strategic choices of the Chinese and U.S. governments.

Conclusion

In 1977, then-Prime Minister Takeo Fukuda toured the ASEAN countries, delivering a speech in Manila that articulated Japan's three main foreign policy pillars. In what became the Fukuda Doctrine, Fukuda stated that Japan "rejects the role of a military power", "will do its best for consolidating the relationship of mutual confidence and trust based on heart-to-heart understanding with these countries," and "will be an equal partner of ASEAN and its member countries." Japan has indeed become ASEAN's largest trading partner and its largest investor, but the Asia-Pacific region has gone from worrying about Japan's behavior to being concerned about China's.

One hundred years ago the major powers focused on the size of their naval fleets and hoped to control a growing aggressiveness on the part of Japan in a similar manner. Today, some hope is placed on international adherence to the principles of the United Nations Convention on the Law of the Sea (UNCLOS), but so far China has not shown itself to be the greatest fan of this convention and the problems are not limited to maritime issues. As recent developments in China, Myanmar, Belarus, and Russia have shown, they also include human rights and the ineffectiveness of international organizations and agreements to stop dictatorships from abusing their own citizens. When this abuse is combined with economic power the problems grow even more. Resolute cooperation such as that within the Quad might be necessary, but so are international trade agreements and what they demand of their members. In fact, a possible development towards frictionless international trade provides at least some hope for the future. If China would decide that it wants to join the CPTPP and if the United States would join any of the large free trade agreements in the Asia-Pacific, negotiations in the political and security arenas would probably become easier.

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