

Arc of Freedom and Prosperity

Heigo Sato

It has always been Japan's reputation that it lacks a culture of making strategic decisions based on its national interest. This was due both to Japan's institutional character and the lack of guiding principles and policy directives from politicians. In an age of terrorism and geopolitical competition, when no perceptible world order is present, Japan is forced to depart from the past and must prepare for a new dynamism and logic with which the international society is faced.

Japan's relative lack of diplomatic and strategic policy to deal with issues in the Asia-Pacific is a major deficit for Japan when the tides of power are shifting not just with China, but throughout the Asia Pacific as well. The lack of such policy limits Japan's capability as well as political flexibility to deal with security issues in this region including North Korean nuclear development. Currently, Japan is seen as developing its military capabilities and willing to play a more assertive role in international affairs. These developments will have a positive effect on peace and security in this region, but the initial process will require the Japanese government to deal with institutional-fatigue built up throughout the years.

What separates the current international order from the past are the roles and consequences of distance and geography on security affairs. In an age of globalization, no single nation can distance itself from interaction and interrelation among nations, and even an event that occurs in a distant area of the globe may cause significant damage to a nation. Therefore, the definition of self-defense has changed its meaning, and depending on the sphere of interest of respective countries, a state must think globally but act locally.

Japan initiated a new foreign policy focused on a longer-term commitment towards Japan's security and foreign policy. Former Foreign Minister Taro Aso outlined the basis of Japan's foreign policy to strengthen the Japan-U.S. alliance, as well as relationships with neighboring countries, such as China, ROK, and Russia. Furthermore, FM Aso added two new major initiatives. The first is "values-oriented diplomacy," which involves placing emphasis on "universal values" such as democracy, freedom, human rights, the rule of law, and market economics as we advance our diplomatic endeavors, and the second is designing an "arc of freedom and prosperity" by supporting budding democracies that line the outer rim of the Eurasian continent.¹⁰

These two additions to Japan's foreign policy show that Japan is committed to engagement and enlargement of democracy. However, as FM Aso's speech did not specify approaches and priorities of Japan's commitments, Japan struggles with the gap between stated goals and capabilities necessary to implement its strategic objectives. Japan must determine how to blend short-term interests with longer-term goals, and how to fill the gap between commitment and capability. Of course, this is all the more complicated now that Prime Minister Abe and Foreign Minister Abe are out of office after planting these seeds.

FM Aso also did not address existing and emerging problems already shaping Japan's strategic choice. The existing problem is the coexistence of remaining Cold War issues with new security challenges such as the proliferation of WMD and related materials and terrorism. The emerging problem is the revival of a geopolitical struggle and a rise of ethnic nationalism among regional countries, utilizing history, ethnicity, culture, and national identity as major weapons of the battle.

¹⁰ Mr. Taro Aso, Minister for Foreign Affairs. "Arc of Freedom and Prosperity: Japan's Expanding Diplomatic Horizons," (seminar, Japan Institute of International Affairs, Tokyo, Japan, 30 November 2006).

In these regards, identifying Japan's position within the Asia Pacific's current strategic setting is particularly important in considering its strategic options.

Strategic Setting

Three major developments in the Asia Pacific are particularly important when considering this region's strategic setting.

First, Chinese economic growth and its ascendance to great power will change the rules of the game in the Asia Pacific. Not being an empire by invitation nor reluctant champions, a powerful and prosperous China will pose military and political challenges to the region. In the short term, China will focus on the Taiwan issue and try to attain a maritime anti-access force that could deter or delay the intervention of U.S. forces in a possible conflict over Taiwan. But the longer-term goal for China will be the gradual neutralization of United States' hedging strategy toward China. China's strategy is to attain a preponderant position in the Asia Pacific and become a prudent stakeholder in the regional order while avoiding confrontation with United States. In this process, the countries in the region must adjust its relationship with China and the United States to meet this changing strategic landscape.

Second, a lack of interest and indifference to the strategic environment in the Asia Pacific by the United States changes the strategic calculations of countries in the region. This has three elements. First, the implications of U.S. force restructuring are not fully understood in the region, so that regional countries are not catching up to the capability-based approach, and are making adjustments to defense planning. Second, the Bush administration's retreat from active security policy in the region will cast doubt among regional countries about the seriousness of U.S

commitment in the region and it focuses on the Middle East. Third, the credibility of a “nuclear umbrella” and U.S. commitment is brought to question despite Secretary Rice’s repeated emphasis on full-scale commitment to Japan’s security.

A third major development in the region is the diversity of approaches in dealing with global and regional issues and the lack of appropriate demarcation on roles and missions within respective frameworks of action. There are bilateral relations developing in the region, such as the deepening of the Japan-U.S. alliance, as well as trilateral security cooperation developing between Japan, United States, and Australia¹¹. Also, advancements in regional cooperative frameworks, such as ARF or ASEAN are popular topics when addressing traditional and non-traditional security threats in the region. Furthermore, global issues are pursued under UN frameworks. There is competition of commitments and back-passing of responsibilities among such frameworks, and coordinating and supervising these mechanisms over any specific issue will be a difficult task, since it involves merging the strategic interests of related countries. We are faced with a legacy of regional cooperative frameworks, and new developments within. With regard to Japan’s security policy, we have challenges and prospects for the management of the U.S.-Japan alliance.

Challenges and prospects

Among security challenges in the Asia Pacific, dealing with a stronger China is the biggest issue. Whether China will ascend to preeminent power in the Asia Pacific seems to be an outdated question. Indeed, China already is a great power in the region, and it is equipped with global

¹¹ On March 18, 2006, Japan, United States, and Australia agreed to establish the Trilateral Strategic Dialogue at the ministerial level. It stated that three countries “recognized the importance of reinforcing our global partnership with India.”

Arc of Freedom and Prosperity

Heigo Sato

It has always been Japan's reputation that it lacks a culture of making strategic decisions based on its national interest. This was due both to Japan's institutional character and the lack of guiding principles and policy directives from politicians. In an age of terrorism and geopolitical competition, when no perceptible world order is present, Japan is forced to depart from the past and must prepare for a new dynamism and logic with which the international society is faced.

Japan's relative lack of diplomatic and strategic policy to deal with issues in the Asia-Pacific is a major deficit for Japan when the tides of power are shifting not just with China, but throughout the Asia Pacific as well. The lack of such policy limits Japan's capability as well as political flexibility to deal with security issues in this region including North Korean nuclear development. Currently, Japan is seen as developing its military capabilities and willing to play a more assertive role in international affairs. These developments will have a positive effect on peace and security in this region, but the initial process will require the Japanese government to deal with institutional-fatigue built up throughout the years.

What separates the current international order from the past are the roles and consequences of distance and geography on security affairs. In an age of globalization, no single nation can distance itself from interaction and interrelation among nations, and even an event that occurs in a distant area of the globe may cause significant damage to a nation. Therefore, the definition of self-defense has changed its meaning, and depending on the sphere of interest of respective countries, a state must think globally but act locally.

Japan initiated a new foreign policy focused on a longer-term commitment towards Japan's security and foreign policy. Former Foreign Minister Taro Aso outlined the basis of Japan's foreign policy to strengthen the Japan-U.S. alliance, as well as relationships with neighboring countries, such as China, ROK, and Russia. Furthermore, FM Aso added two new major initiatives. The first is "values-oriented diplomacy," which involves placing emphasis on "universal values" such as democracy, freedom, human rights, the rule of law, and market economics as we advance our diplomatic endeavors, and the second is designing an "arc of freedom and prosperity" by supporting budding democracies that line the outer rim of the Eurasian continent.¹⁰

These two additions to Japan's foreign policy show that Japan is committed to engagement and enlargement of democracy. However, as FM Aso's speech did not specify approaches and priorities of Japan's commitments, Japan struggles with the gap between stated goals and capabilities necessary to implement its strategic objectives. Japan must determine how to blend short-term interests with longer-term goals, and how to fill the gap between commitment and capability. Of course, this is all the more complicated now that Prime Minister Abe and Foreign Minister Abe are out of office after planting these seeds.

FM Aso also did not address existing and emerging problems already shaping Japan's strategic choice. The existing problem is the coexistence of remaining Cold War issues with new security challenges such as the proliferation of WMD and related materials and terrorism. The emerging problem is the revival of a geopolitical struggle and a rise of ethnic nationalism among regional countries, utilizing history, ethnicity, culture, and national identity as major weapons of the battle.

¹⁰ Mr. Taro Aso, Minister for Foreign Affairs. "Arc of Freedom and Prosperity: Japan's Expanding Diplomatic Horizons," (seminar, Japan Institute of International Affairs, Tokyo, Japan, 30 November 2006).

In these regards, identifying Japan's position within the Asia Pacific's current strategic setting is particularly important in considering its strategic options.

Strategic Setting

Three major developments in the Asia Pacific are particularly important when considering this region's strategic setting.

First, Chinese economic growth and its ascendance to great power will change the rules of the game in the Asia Pacific. Not being an empire by invitation nor reluctant champions, a powerful and prosperous China will pose military and political challenges to the region. In the short term, China will focus on the Taiwan issue and try to attain a maritime anti-access force that could deter or delay the intervention of U.S. forces in a possible conflict over Taiwan. But the longer-term goal for China will be the gradual neutralization of United States' hedging strategy toward China. China's strategy is to attain a preponderant position in the Asia Pacific and become a prudent stakeholder in the regional order while avoiding confrontation with United States. In this process, the countries in the region must adjust its relationship with China and the United States to meet this changing strategic landscape.

Second, a lack of interest and indifference to the strategic environment in the Asia Pacific by the United States changes the strategic calculations of countries in the region. This has three elements. First, the implications of U.S. force restructuring are not fully understood in the region, so that regional countries are not catching up to the capability-based approach, and are making adjustments to defense planning. Second, the Bush administration's retreat from active security policy in the region will cast doubt among regional countries about the seriousness of U.S

commitment in the region and it focuses on the Middle East. Third, the credibility of a “nuclear umbrella” and U.S. commitment is brought to question despite Secretary Rice’s repeated emphasis on full-scale commitment to Japan’s security.

A third major development in the region is the diversity of approaches in dealing with global and regional issues and the lack of appropriate demarcation on roles and missions within respective frameworks of action. There are bilateral relations developing in the region, such as the deepening of the Japan-U.S. alliance, as well as trilateral security cooperation developing between Japan, United States, and Australia¹¹. Also, advancements in regional cooperative frameworks, such as ARF or ASEAN are popular topics when addressing traditional and non-traditional security threats in the region. Furthermore, global issues are pursued under UN frameworks. There is competition of commitments and back-passing of responsibilities among such frameworks, and coordinating and supervising these mechanisms over any specific issue will be a difficult task, since it involves merging the strategic interests of related countries. We are faced with a legacy of regional cooperative frameworks, and new developments within. With regard to Japan’s security policy, we have challenges and prospects for the management of the U.S.-Japan alliance.

Challenges and prospects

Among security challenges in the Asia Pacific, dealing with a stronger China is the biggest issue. Whether China will ascend to preeminent power in the Asia Pacific seems to be an outdated question. Indeed, China already is a great power in the region, and it is equipped with global

¹¹ On March 18, 2006, Japan, United States, and Australia agreed to establish the Trilateral Strategic Dialogue at the ministerial level. It stated that three countries “recognized the importance of reinforcing our global partnership with India.”

Arc of Freedom and Prosperity

Heigo Sato

It has always been Japan's reputation that it lacks a culture of making strategic decisions based on its national interest. This was due both to Japan's institutional character and the lack of guiding principles and policy directives from politicians. In an age of terrorism and geopolitical competition, when no perceptible world order is present, Japan is forced to depart from the past and must prepare for a new dynamism and logic with which the international society is faced.

Japan's relative lack of diplomatic and strategic policy to deal with issues in the Asia-Pacific is a major deficit for Japan when the tides of power are shifting not just with China, but throughout the Asia Pacific as well. The lack of such policy limits Japan's capability as well as political flexibility to deal with security issues in this region including North Korean nuclear development. Currently, Japan is seen as developing its military capabilities and willing to play a more assertive role in international affairs. These developments will have a positive effect on peace and security in this region, but the initial process will require the Japanese government to deal with institutional-fatigue built up throughout the years.

What separates the current international order from the past are the roles and consequences of distance and geography on security affairs. In an age of globalization, no single nation can distance itself from interaction and interrelation among nations, and even an event that occurs in a distant area of the globe may cause significant damage to a nation. Therefore, the definition of self-defense has changed its meaning, and depending on the sphere of interest of respective countries, a state must think globally but act locally.

Japan initiated a new foreign policy focused on a longer-term commitment towards Japan's security and foreign policy. Former Foreign Minister Taro Aso outlined the basis of Japan's foreign policy to strengthen the Japan-U.S. alliance, as well as relationships with neighboring countries, such as China, ROK, and Russia. Furthermore, FM Aso added two new major initiatives. The first is "values-oriented diplomacy," which involves placing emphasis on "universal values" such as democracy, freedom, human rights, the rule of law, and market economics as we advance our diplomatic endeavors, and the second is designing an "arc of freedom and prosperity" by supporting budding democracies that line the outer rim of the Eurasian continent.¹⁰

These two additions to Japan's foreign policy show that Japan is committed to engagement and enlargement of democracy. However, as FM Aso's speech did not specify approaches and priorities of Japan's commitments, Japan struggles with the gap between stated goals and capabilities necessary to implement its strategic objectives. Japan must determine how to blend short-term interests with longer-term goals, and how to fill the gap between commitment and capability. Of course, this is all the more complicated now that Prime Minister Abe and Foreign Minister Abe are out of office after planting these seeds.

FM Aso also did not address existing and emerging problems already shaping Japan's strategic choice. The existing problem is the coexistence of remaining Cold War issues with new security challenges such as the proliferation of WMD and related materials and terrorism. The emerging problem is the revival of a geopolitical struggle and a rise of ethnic nationalism among regional countries, utilizing history, ethnicity, culture, and national identity as major weapons of the battle.

¹⁰ Mr. Taro Aso, Minister for Foreign Affairs. "Arc of Freedom and Prosperity: Japan's Expanding Diplomatic Horizons," (seminar, Japan Institute of International Affairs, Tokyo, Japan, 30 November 2006).

In these regards, identifying Japan's position within the Asia Pacific's current strategic setting is particularly important in considering its strategic options.

Strategic Setting

Three major developments in the Asia Pacific are particularly important when considering this region's strategic setting.

First, Chinese economic growth and its ascendance to great power will change the rules of the game in the Asia Pacific. Not being an empire by invitation nor reluctant champions, a powerful and prosperous China will pose military and political challenges to the region. In the short term, China will focus on the Taiwan issue and try to attain a maritime anti-access force that could deter or delay the intervention of U.S. forces in a possible conflict over Taiwan. But the longer-term goal for China will be the gradual neutralization of United States' hedging strategy toward China. China's strategy is to attain a preponderant position in the Asia Pacific and become a prudent stakeholder in the regional order while avoiding confrontation with United States. In this process, the countries in the region must adjust its relationship with China and the United States to meet this changing strategic landscape.

Second, a lack of interest and indifference to the strategic environment in the Asia Pacific by the United States changes the strategic calculations of countries in the region. This has three elements. First, the implications of U.S. force restructuring are not fully understood in the region, so that regional countries are not catching up to the capability-based approach, and are making adjustments to defense planning. Second, the Bush administration's retreat from active security policy in the region will cast doubt among regional countries about the seriousness of U.S

commitment in the region and it focuses on the Middle East. Third, the credibility of a “nuclear umbrella” and U.S. commitment is brought to question despite Secretary Rice’s repeated emphasis on full-scale commitment to Japan’s security.

A third major development in the region is the diversity of approaches in dealing with global and regional issues and the lack of appropriate demarcation on roles and missions within respective frameworks of action. There are bilateral relations developing in the region, such as the deepening of the Japan-U.S. alliance, as well as trilateral security cooperation developing between Japan, United States, and Australia¹¹. Also, advancements in regional cooperative frameworks, such as ARF or ASEAN are popular topics when addressing traditional and non-traditional security threats in the region. Furthermore, global issues are pursued under UN frameworks. There is competition of commitments and back-passing of responsibilities among such frameworks, and coordinating and supervising these mechanisms over any specific issue will be a difficult task, since it involves merging the strategic interests of related countries. We are faced with a legacy of regional cooperative frameworks, and new developments within. With regard to Japan’s security policy, we have challenges and prospects for the management of the U.S.-Japan alliance.

Challenges and prospects

Among security challenges in the Asia Pacific, dealing with a stronger China is the biggest issue. Whether China will ascend to preeminent power in the Asia Pacific seems to be an outdated question. Indeed, China already is a great power in the region, and it is equipped with global

¹¹ On March 18, 2006, Japan, United States, and Australia agreed to establish the Trilateral Strategic Dialogue at the ministerial level. It stated that three countries “recognized the importance of reinforcing our global partnership with India.”

political power as a member of P5 in the United Nations. Its quest for security, energy, and national pride is provoking conflict with neighboring countries on issues such as the environment, human rights, and issues regarding military affairs (including Taiwan). On the other hand, China actively promotes security dialogues, and has shown a faithful commitment to nonproliferation of WMD and related materials.

As such, China is at a strategic crossroad, and the situation will continue for a decade to come. External actors may affect China's strategic decisions, but a large portion depends on China's economic and domestic situation. Take social unrest in domestic society, for example; in an extreme case, it may lead to either the breakdown of Communist rule or enforcement of law and order in undemocratic ways. A political science textbook will explain that a government might divert societal frustration to external threats to offset domestic pressure. An external actor must act carefully, so as not to give China the impression that it is encircled by hostile countries. China's sense of external threat and its strategic choice must be dealt with with the upmost sensitivity.

Chinese military expansion, especially the establishment of a blue water navy and the development of ballistic missiles, is another issue of concern. In addition, unrelenting political claims over Taiwan and/or other issues show China's growing confidence over the prospect of further economic and political development and its resurgent preeminence in the region, which had been lost for centuries. Coupled with a sense of mission and legitimacy in shaping the regional order, a strategic approach other than to hedge against China's future might be necessary. Therefore, the United States and neighboring countries must give China a fair share in the rulemaking and decision making process on regional issues. The problem is how, and to what extent, should they do that.

Recent Chinese history shows that their choice of approach toward regional issues is based on their relative strength within a given framework. Carefully avoiding a face-off with United States, China is trying to prevent the United States from reengaging in regional issues by using a framework that excludes United States. The membership debate over the East Asia Summit (EAS) is the latest example of Chinese efforts. In response, U.S. allies must persuade the United States to re-engage in Asia Pacific affairs in constructive ways, and to assure the region that its reengagement will be conducted through comprehensive and multilateral arrangements so as not to create a bipolar system in the region. Bringing China into constructive talks with United States and regional countries regarding peace and stability of the region may prevent counterproductive Chinese maneuvering.

The most difficult part of this arrangement is to assure U.S. reengagement. With regard to the military relationship among regional countries, however, the United States and its allies are moving toward a constructive direction through the enhancement of military cooperation on many fronts, including information sharing and joint operations. The Bush administration's framing of security challenges facing contemporary international society and the approach toward dealing with such issues were accepted by the region in a somewhat positive way. On the other hand, when faced with independent security affairs, it is naïve to think that the United States would provide full-scale political and diplomatic commitment, since lack of interest in Asian affairs is prevalent in U.S. society and Washington at the current time.

Japan is making domestic arrangements to cope with this strategic setting.

Japan's Choice Ahead

Keeping a close relationship with United States is Japan's major strategic approach toward the Asia Pacific. It was the dominant approach under the Koizumi administration, and was inherited by Abe's administration. Partly due to the impact of the Armitage-Nye Report, and partly due to increased support towards SDF's activism, PM Abe dramatically changed the way Japan deals with international affairs. After a period when the alliance went adrift, which meant Japan and the United States lacked a common mission to accomplish, Japan finally reached the conclusion that the defense of an independent country is intricately linked with the security and stability of neighboring countries. Thus, pacifist isolationism was no longer a viable option for Japan. Although the changeover to the Fukuda administration has slowed the momentum, things are no doubt still moving in this direction.

To bid farewell to the pacifist isolationism, Japan has to make several institutional arrangements.

A mid-term goal of the Abe administration and the Liberal Democratic Party (LDP) was to change the post-WWII constitution that prohibits the use of force except for defensive missions. Article nine outlaws war and, as a result of this interpretation, the Self Defense Forces (SDF) cannot engage in missions that are directly connected to use of force. By interpretation, Japan cannot participate to the collective defense missions, either with the United States or the United Nations. To amend this interpretation, PM Abe set up a Committee to Reestablish Legal Foundations on Security, and gathered influential academics and former government officials to discuss and propose policies.

In the committee, four types of scenarios were brought into discussion about when Japan may exercise right of collective defense. The four scenarios are: the SDF reacting against an

attack on U.S. maritime forces in the high seas, shooting down a ballistic missile that may be directed at the United States, using Japan's missile defense system, the SDF responding to attacks on units of foreign countries during peace operations, and weapons transportation missions and logistical support.

The current Japanese defense arrangements include the following: in January 2007, the Japan Defense Agency was renamed to the Ministry of Defense, and peace operations became the main mission for the SDF. Japan and the United States concluded the General Security of Military Information Agreement (GSOMIA) in May 2007 to promote information exchange for missile defense and other security related projects. In June 2007, the Japanese government extended the Iraq Special Arrangement Law to authorize the Japan Air SDF to continue logistics and transportation mission in the Middle East.

Along with these domestic arrangements, Japan is enhancing its security relationships with other democracies in the region. A tie between Japan and Australia was elevated to a semi-alliance arrangement, and Japan is now strongly committed to enlarging security cooperation with India, who has strong influence in the Indian Ocean where critical sea lanes of communication (SLOCs) run. Furthermore, countries in the region are working cooperatively on energy and environmental issues, nonproliferation, etc.

What may be critical for Japanese policymakers is that multilateral cooperative arrangements are conducted based on strong a Japan-U.S. security alliance, since those arrangements play supplementary roles in the defense of the Japanese homeland. As interests of Japan and the United States converge and develop on a global scale, Japan would support U.S. global strategy through defense and political cooperation while increasing missions to shape the global and regional security environments. This dual track approach is outlined in the Araki

Report issued in October 2003. The cooperation with democratic countries in the Asia Pacific should be understood within this framework.

It is unfortunate for Japan that it could not strengthen its security bonds with immediate neighboring countries who share similar ethnic heritage and culture. It is true that the so called history card is an attractive way to put pressure on Japan, and it is largely successful. Part of the blame is on Japan's side who failed to explain effectively about the post-WWII developments of Japan's policy both domestically and regionally. Therefore, Japan should work carefully not to make history issues spill over into politics and the security field, which could shatter regional cooperation and initiatives.