CIGS East Asian Security Quarterly (CIGS-EASQ) A View from Tokyo on Regional Politico-Military Developments

August - September 2012 ver.20

By Kuni Miyake, Tokyo / Yuki Tatsumi, Washington, D.C. Ken Jimbo, Bangkok / Kohtaro Ito, Tokyo

> CIGS / FANS Tokyo, Japan October 2012

(Disclaimer: the views expressed here are just those of ours at CIGS Foreign Affairs and National Security Team and do not represent CIGS or any other governments / organizations in Japan or elsewhere.)

Dear CIGS-EASQ readers.

The Foreign Affairs and National Security (FANS) Team at the Canon Institute for Global Studies (CIGS) presents to you the third issue of CIGS-EASQ, our analyses on politico-military developments in East Asia for the third guarter of 2012.

Overview: Senkaku II, a Game Changer

Japan finds itself in a very contentious neighborhood in recent months. First, the decades-long dispute over Takeshima resurfaced between Japan and the Republic of Korea (South Korea). In more recent weeks, the heightened tension between Japan and China shows little sign of softening. Washington, in the middle of the presidential election politics, is neither willing nor able to intervene for good reasons.

While the recent Japan-South Korea and Japan-China tensions are often discussed together, the developments in these two bilateral relations have to be considered separately. As we discuss later in this issue, it will be fair to say that the current tension in Japan-South Korea relations is very much the product of domestic political dynamics in Seoul. The incumbent Lee Myung-Bak, increasingly desperate to boost his popularity by appealing to the public, went too far in his political performance not only by landing on Takeshima but also reportedly "insulting" the Japanese emperor. Although considerable damage has been done in Japan-South Korea relations, we are cautiously optimistic that the leaders in Tokyo and Seoul may be able to find a window of opportunity in early 2013: by then, both capitals may have new administrations, providing a chance for the countries of both leaders to start re-building the relationship.

Japan-China relations are far more complicated. It is clear that the Japanese government's (GOJ) announcement to purchase ("nationalize" is not a good translation) three of the Senkaku Islands (what is not known is that September 11 announcement by the GOJ does not cover all of the Senkakus), driven by the GOJ's incentive to prevent the purchase of the islands by now former Tokyo Governor Shintaro Ishihara, triggered China's strong reactions. So far, China seems to be determined to make Japan give up the Senkakus. What we are witnessing in China's response may very well be Beijing's application of its A2/AD operations in the East China Sea, in addition to the South China Sea.

The confluence of the political calendars of the two countries contributed to today's unfortunate situation. From the perspective of Noda government in Tokyo, the government purchase is a lesser evil compared to allowing Governor Ishihara to purchase the islands. Given the financial situation of the Senkaku's landowner (who is reportedly heavily in debt and eager to seal the sale of the islands), Prime Minister Noda and his advisors determined that the GOJ purchase was a happy medium where all the four parties (including China) can meet—Governor will be happy, as he had been pursuing the GOJ purchase of the Senkaku

for decades; Noda government will be pleased to be able to keep Ishihara away from Senkaku; the landlord of the islands would be happy to be able to make profits from the islands, and China will get the "lesser evil" between the Japanese government and Governor Shintaro Ishihara for the owner of the island.

Even though the reaction looked impulsive, the Noda government did what it could do not to escalate tension. One critical element working against them was timing. It would have been difficult for them to announce their intention of nationalization any other time than when they did.

Most unfortunately, this year particularly was not the year that Chinese leadership could buy such an argument made by Japan. With the Party Congress upcoming in November, the outgoing Hu Jintao and other leaders did not want "the accommodation to Japan over the Senkakus" as their legacy. The incoming Xi Jiping and his leaders would not be able to start their leadership with the "soft" stance vis-à-vis Japan. In additions, China has an incentive to continue to look tough toward Japan—Southeast Asia is closely watching the developments in East China Sea, as Chinese behavior can be applicable in the dispute over the South China Sea.

Furthermore, China might have misread the Japanese reaction. What Chinese officials do not seem to understand is that the rising tension over the Senkakus served as an important "game changer" in Japan's policy toward China, with its full implication not yet known. Just like the 1998 North Korean missile launch was the first occasion when the Japanese felt direct threat against their national security, the Chinese reaction over the Senkakus is providing the first experience for an ordinary Japanese to see "threat from China" in tangible manner. Unlike other times when Japan-China tension has risen, Japanese public is not calling for "tamping down the tension for the sake of Japan-China friendship" this time. Instead, they are rather fed up with China's high-handed approach. With the leadership transition fast approaching in China and the election looks closer in Japan, Tokyo and Beijing may not be able to find an opportunity to begin the efforts to return to a normal (meaning "from worse to bad") relationship until the first half of 2013.

The U.S.: Territorial Neutrality and Alliance Obligations

The United States is in the final stage of the presidential campaign following the Republican and Democratic Party Conventions at the end of the summer. Less than two weeks left before the Election Day, the US is predominantly focused on its own politics.

Up to September, there was little enthusiasm for Mitt Romney's candidacy within the Republican Party. Romney failed to receive the kind of boost that the presidential candidates usually receive immediately after their party's convention. In addition, the remarks in which he not only described the supporter of President Obama as someone who depend on welfare, but also argued that he did not want to worry about 47% of the voters cost him the support from seniors, women and minorities. Despite Romney's superb performance in the first presidential debate on October 3, the poll results continue to suggest that Obama is more likely to be re-elected even though his re-election would be with thin margin.

During the presidential campaign, it is rare for foreign policy to become an issue. However, in the face of the persistent anti-US protest triggered by a culturally insensitive film about the Islam—which claimed the lives of US ambassador to Libya and the chief security officer of US Embassy in Yemen already—Obama administration continues to face challenges in the Middle East. With nuclear problem in Iran unlikely to be resolved anytime soon, the question remains on whether the United States can follow-through on its declared commitment to "rebalancing" toward Asia-Pacific region. For the time being at least, the Obama administration has not been able to create a narrative in which it can convincingly make a case that US engagements in the Middle East and in the Asia-Pacific region are not mutually exclusive.

With tension yet again heightening in the Middle East, the US is wary of the recent tensions in Japan-ROK and Japan-China relations. While many Japanese may find comfort in US argument that the Senkaku Islands would be covered by Article Five of the US-Japan Mutual

Security Treaty, one must note that the US would avoid military confrontation with China and therefore, should it intervene, it would do so reluctantly.

Southeast Asia: Getting Ready for the Code of Conduct in South China Sea?

At this quarter, territorial disputes in Northeast Asia mostly occupied the media's attention on maritime security issues in the region. However, silent but important endeavors are underway in managing South China Sea disputes after 'disastrous' ASEAN Ministerial Meeting (AMM) in July. The failure to issue a formal communiqué at the AMM has subsequently delayed the process of formulating the agreement on proposed Code of Conduct on the South China Sea. However, ASEAN has barely managed to agree on Six-Points Principles on the South China Sea on July 20th largely owing to the 'shuttle diplomacy' by Indonesian Foreign Minister Marty Natalegawa. The discussion was carried on at the informal AMM on the sidelines of the United Nations General Assembly in New York in late September, at which ASEAN decided to appoint Thailand, as a non-claimant country, for coordination with China on joint SCS document.

On October 5th, the first Expanded ASEAN Maritime Forum (EAMF) was held in Manila, the Philippines. This forum was proposed by Prime Minister Yoshihiko Noda at the East Asian Summit (EAS) in November 2011, allowing senior officials of all EAS participating countries including Japan, China and the U.S. to attend. Although the first meeting turned out to be a low key in which avoided identifying the specific territorial disputes, it was significant to expand the membership of countries concerned on maritime security in Asia. As the EAMF Chairman's Statement emphasized the 'maritime connectivity' of East and South China Sea, Japan might expect EAMF would become an important platform for 1)connecting two seas (East and South China Sea) for rule-based maritime order while 2) ensuring the U.S. (and other non-ASEAN states) involvement. In his keynote speech, Koji Tsuruoka, Deputy Foreign Minister of Japan, urged that countries should clarify their claims based on the rules provided by the United Nations Convention on the Rules of the Sea (UNCLOS), while emphasizing that claimants must reject the idea of "might is right".

At the Expanded ASEAN Maritime Forum, Japan's expectations on ASEAN's leading role are still intact. Tsuruoka has also mentioned at the forum that "non-ASEAN countries should maintain their commitment to uphold ASEAN's centrality and lead role in finding ways to peacefully settle disputes and strengthen maritime order in the region". It was an apparent reference to China whose preference was still on bilateral dispute management on South China Sea. It is also Japan's high expectation that the Code of Conduct on South China Sea will be materialized, in a manner that it practically reduces the tensions and restrain changes of the status-quo.

Korea: Remains to be Seen

As we stated earlier, South Korean President Lee Myung-bak's visit in August to Takeshima (Dokdo) was an unpleasant surprise to Japanese leaders and the public generally, especially as Lee had been widely seen as a pragmatic leader who carefully avoided politicization of history and territorial issues with Tokyo. Lee had also pressed Japan on the sensitive topic of war-time "comfort" women, contributing to an atmosphere that has served to undermine the strategic cooperation, such as the Japan-Korea General Security of Military Information Agreement (GSOMIA), that has been pursued for years by foreign and defense communities in both countries. It seems unlikely that progress will be made on repairing ties until Lee's term as president finishes this year.

The breakdown in trust is particularly frustrating and unnecessary between Japan and South Korea – the two both have an interest in better strategic relations. North Korea's nuclear and missile programs pose a far more critical and immediate threat to both nations, and Seoul and Tokyo should be increasing intelligence sharing and policy coordination as the Kim Jong-un regime looks to consolidate power. Boosting relations between Japan and South Korea would be a significant deterrent against North Korean provocations. We sincerely hope that whoever succeeds Lee will be able to work closely with Tokyo once election fever has eased – so that both governments can take constructive steps to allow cooler heads to

prevail.

Having said that, as everyone is well aware, anything in South Korea could change after the presidential election in December. We now wait and see the outcome of the election, before we resume commenting on post-Lee Myung-bak South Korean foreign and national security policies.

Middle East: Iran is covered in the U.S. section above and, regrettably, the rest of the Middle East is still too nebular for further comments and predictions. We take a rain check this time.