

**CIGS Seminar with Dr Sheila A. Smith
On July 17th 2013 at CIGS Meeting Room 3**

Summary

On July 17th 2013, Dr Sheila A. Smith, Senior Fellow for Japan Studies of the Council on Foreign Relations (CFR) was invited to speak at the Canon Institute for Global Studies (CIGS) in Tokyo followed by a discussion with some thirty local experts on the issues of “the Abe administration and the US-Japan alliance.”

Dr Smith focussed on the following points:

- Where is the US-Japan alliance today?
- What kind of pressures and challenges does a rising China pose to the US-Japan alliance?
- What should be the nature of relations between Washington and Tokyo in the short to long-term future?

This is a summary of the main points covered:

(1) Perceptions of the Abe government

In his visit to Washington in February 2013 Mr Abe reassured the United States by stating that Japan would take no action which might lead to an escalation of tension over the East China Sea. The Japanese government’s decision on participation in the TPP agreement, the energy agreement on LNG gas and the agreement to revise the defence cooperation guidelines with the US government also contributed to a warm reception in Washington.

(2) Situation in Northeast Asia

Washington has serious concerns about Japan’s relationship with China and South Korea.

In a Track II meeting in Beijing at the end of June 2013, Dr Smith discovered that emotions still ran high on the sovereignty dispute. Although this may have been an attempt to shape US opinions about what is happening in Japan, particularly the history issues and constitutional reform, it illustrated the difficulty the Chinese have regarding the discussion of the East China Sea issues at this time. This situation will continue for some time despite signs of a willingness on the Chinese side to discuss

solutions to impasse in broader Sino-Japanese relations.

(3) The perception gap between Japanese and American specialists regarding the rise of China.

Japanese specialists take a static view on China's current status and do not regard a rising China as an indication of global geostrategic change as many American specialists do. There is little doubt that China is emerging, but it is difficult to predict the nature of China's political evolution over the next ten years and accordingly how the institutions of global governance will be shaped. The international community was disappointed by China's stance at the Copenhagen Climate Change Conference of 2009: there were hopes that China may consistently behave like a responsible stakeholder. These hopes still exist.

There is still an underlying fear in Japan of the proposed 'G2 model'; that the US may have as close a relationship with China as it does with Japan regardless of whether China is democratic state or not. However, this is not the priority of the US. They are of the opinion that China be either restrained or engaged for the interests of the international community.

The North Korea issue is not evolving in a direction that is positive for China. Accordingly there is a room for temporary cooperation between the US and China on this issue.

(4) What does this mean for the US-Japan alliance?

The US and Japan are entering into a new phase of their alliance. The last fifty years of the alliance, particularly in the Cold War era, had the potential for Japan to be embroiled in conflicts in support of the US. With the Senkaku/Diaoyu issue, the roles may be reversed: Japan could potentially find itself in an armed clash with China which leads to US intervention. The question is if the US and Japan are ready or not for such situation. This was the motivation behind Dr Smith's CFR 'Contingency Planning Memorandum No. 18' in April

<http://www.cfr.org/japan/sino-japanese-clash-east-china-sea/p30504>).

A larger question concerns crisis management: what kind of calculations, goals and communication strategy does the US-Japan alliance need? The US government is in the process of finding frameworks and developing mechanisms to answer these questions. It is important for us to recognize that this is an important juncture in the alliance. For Japan it is important to carefully consider the risks, the benefits and the opportunities of antagonising a country which could possibly lead to an armed conflict. This does in some ways call into question some of the basic premise of Japanese post-war strategic policy. The outcome largely rests on how Japan proceeds in its diplomatic relationship

with Beijing; neighbouring countries, in particular South Korea, but also the US.

(5) Japan-China and the US-China economic relationships

It is notable that the Japanese business community is confident about maintaining a good economic relationship with China. They are comfortable with the level of economic interdependence between the two countries and do not think that political issues will affect their economic relationship.

On the other hand, the American business community is much more ambivalent; while keen to pursue business and investment opportunities in China there are concerns about intellectual property rights and cyber security.

(6) Issues for Japan and the US in the near future

Bearing in mind that the public perception of China's ascendancy will have an effect on the policies of the US and Japanese governments, the following challenges are worth consideration:

(i) The Abe government must enter into diplomatic negotiations with China after the upper house election in July 2013. Without a bilateral diplomatic opening there is a high possibility of a dangerous spiral of political rhetoric on both sides.

(ii) There are serious worries about August 15th. If an attempt to land the Senkaku/Diaoyu islands is made by activists either from China or Japan (or both as happened on that day last year), it may evolve into an incident between the Japanese coast guard and Chinese maritime surveillance vessels.

(iii) After August 15th, Japan must start talking with China for maritime confidence building. Another possibility would be for the Korean-Chinese naval conversation to be expanded into trilateral talks.

(iv) The East Asia Summit is another opportunity for Japan to force a high-level conversation on maritime security together with the US, Australia, India, Korea or other Asian countries.

(v) This is a good opportunity for the Abe's cabinet to make the Japanese defence planning process not just for defence but for regional engagement as well.

(vi) Dr Smith noted that the Obama administration's Alliance Management Team is currently in a transitional phase and expressed hope that the transition will be settled by the beginning of September. In addition Japan will have a new US ambassador by mid-September. The incoming ambassador enjoys a close relationship with the President.

(vii) Dr Smith expressed less confidence regarding the Obama administration's rebalance to Asia which she says lacks clarity.

(viii) An improvement in the relationship between Japan and South Korea is still a

priority issue in Washington.

(ix) Japan's historical perception issue has become a dominant narrative in Washington, and is undermining not only the relations between Washington and Tokyo but also general strategic situation in Northeast Asia. Dr Smith conceded that events in the last several months – including Deputy PM Aso's visit to the Yasukuni shrine and PM Abe's statement about the definition of aggression – are not what most Japanese people would regard as an accurate representation of their history. However, Dr Smith highlighted the need for the Japanese government to embrace the fact that the perceptions outside the country, which affect Japan's diplomatic flexibility and effective management of alliances, will be a strategic liability for Japan if these perceptions remain.

Further points made in the Q & A session included:

- Japan should avoid any provocation of China. It is important for Japan to go through all possible scenarios of armed conflict with China and determine any potential individual or combined response with the US. In this way Japan and the US can agree on possible political or diplomatic strategies. Prime Minister Abe correctly reviewed the rules of engagement and communicated it to China. This surprised the US public who saw it as an escalation of the situation. However, this was diplomatically correct, and should be a means to prevent China from committing any miscalculation or misjudgement over the disputes.
- Some people draw a comparison between China's rise and the Japanese military in the early 20th century or Germany before World War I. We must analyse the rising China as a phenomenon of geostrategic transition and at the same time make an effort to address the "problems are in front of us" such as the Senkaku/Diaoyu issue or history issues. In no event should we regard China as a hostile power. We should study policy options addressing both the structural transformation of the East Asian region and issues preventing us from improving the relationship with China.
- Japanese people must be aware that a debate in Japan for revising the constitution will cause vocal response not only from China and South Korea but also from the US. Nevertheless, the owner of the Japanese constitution is Japan and it has demonstrated its commitment to democracy for more than a half century. Accordingly Japan is free to change their own constitution as they wish. However, this should not start with changes to Article 96. Instead, the Japanese people should have a full discussion on the current constitution and what changes they think are necessary to shape the country for the future. A more fundamental problem is that Japanese, particularly younger Japanese, are ignorant of their country's history and therefore lack perspective. All countries need to be aware of

their history. Japan should not make a decision on its constitution based on reactions to the criticism from China, the US and other countries, but should be grounded on its recognition of history as this will affect future generations.

- If estrangement between Seoul and Tokyo is protracted it will completely alter the political landscape of Northeast Asia. It will have a significant impact on many issues in the region including the relationship with China and issues in the Korean Peninsula. Japan must seek strategic stability in the region by improving its relationship with South Korea.