

# Japan and the Vision of a Free and Open Indo-Pacific

#### Abstract:

Northeast Asia's regional order has undergone a rapid evolution during the last decade because of different political, military and economic dynamics. Japan is one of the most affected countries by this regional transformation and its strategic position has been severely deteriorated by multiple factors. This report will analyse briefly the Japanese foreign policy since World War II. After that, we will see the origins and the background of the Vision of a Free and Open Indo-Pacific and we will develop the bases of this strategy. Finally, we will see the response that this strategy has received from several regional stakeholders.

# Keywords:

Japan, Indo-Pacific, China, Abe Shinzo, geopolitics.

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#### Introduction

Northeast Asia's regional order has undergone a rapid evolution during the last decade because of different political, military and economic dynamics. Japan is one of the most affected countries by this regional transformation and its strategic position has been severely deteriorated by multiple factors.

In the first place, the economic and military growth of the People's Republic of China, is doubtlessly, the main strategic challenge for Japan. The Chinese economy has grown vigorously since the 2000s overtaking the Japanese economy in 2010<sup>1</sup> and becoming the second global economic power. This economic growth has spilled over the Defense budget and its military capabilities in the ground, air, maritime and space domains. China's Defense budget has expanded considerably and if we pay heed to the official numbers from the government, nowadays, China's Defense expenditure would amount to \$239.2 billion while Japan's would reach \$45 billion<sup>2</sup>. Along with this bigger budget there has also been an increasing Chinese assertiveness regarding the claims over the Senkaku islands (Diaoyu for China) and the naval incidents around the archipelago have multiplied with critical episodes in 2010 and 2012 that has generated an increasing worry in Tokyo.

Secondly, the situation in the Korean Peninsula is a source of tensions and frictions for Japan's diplomacy. The Democratic People's Republic of Korea is a strategic and security problem for two reasons: On the one hand, because of the development of its nuclear program and on the other hand, because of their constant tests of medium-range and long-range missiles, some of them crossing Japan's airspace or falling within Japanese territorial waters. To the south, in the Republic of Korea, the relationship has worsened in the last year. The Supreme Court's decision that affected Japanese enterprises opened the door to reparations due to the activities of those enterprises during Japan's occupation of Korea from 1910 to 1945. Another factor was the dissolution of the foundation created by Japan to manage the reparations for the so-

<sup>&</sup>lt;sup>2</sup> China Power. CSIS. "What does China really spend on its military?" Available at: <a href="https://chinapower.csis.org/military-spending/">https://chinapower.csis.org/military-spending/</a>



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<sup>&</sup>lt;sup>1</sup> MONAHAN, Andrew. "China Overtakes Japan as World's No. 2 Economy". *Wall Street Journal*. Available at: <a href="https://www.wsj.com/articles/SB10001424052748703361904576142832741439402">https://www.wsj.com/articles/SB10001424052748703361904576142832741439402</a>





called "comfort women" that stemmed from the bilateral agreement signed in 2015. Finally, the trade restrictions imposed by Japan to the export of technological material ended up unleashing a bilateral crisis still ongoing.

For Japan, the alliance with the US, that turned 60 this year is an essential factor in its foreign policy and national defense. Despite the fact that in the past the relationship has also experienced turbulences, as it happened with the US pressure to reduce the bilateral deficit in the 80s or the criticism for the lack of Japanese military support in the Gulf War, Trump's arrival to the White House has generated constant shocks in the economic domain (criticism of the trade relationship with Japan) as well as the defense domain (criticism to the cost of the US' presence in Japan). The good relationship between Abe and Trump has not managed to erased the doubts of the former regarding the commitment of the latter with Asia's security and free trade, making Japan see the need for more autonomy and independence in the global stage.

Because of these changes, Japan's foreign and defense policy has evolved in order to adapt to the new global and regional context. Japan's strategy since Abe's return rests on a double initiative. The first one is the internal reinforcement through a bigger investment in the Defense budget and the adaptation of the Self-Defense Forces to new domains such as space or cyberspace. The second rests on an external strengthening through the formation of a network of strategic partnerships in several domains with a multiplicity of stakeholders in Asia, Oceania and Europe. That network will be developed through the Vision of a Free and Open Indo-Pacific unveiled by Abe Shinzo in 2016 during the Sixth TICAD.

For a better understanding of this strategy, the document will be structured as follows: First, we will analyze briefly the Japanese foreign policy since World War II. After that, we will see the origins and the background of the Vision of a Free and Open Indo-Pacific. Then, we will develop the basis of the strategy and, finally, we will see the response it has received from several stakeholders.





## Japanese foreign policy since World War II

After the defeat in World War II and the end of Imperial Japan's adventure during the first half of the 20th century, Japan's foreign policy was characterized by the adoption of a pacifist Constitution that abandoned the use of threat and war as a way to solve international disputes and also by an alliance with the United States that would entail that Japan's territory would be covered by the US' security umbrella through the Mutual Defense Treaty of 1951. Those two pillars would conform the so-called Yoshida Doctrine<sup>3</sup> that rested on the following ideas:

- 1. Japan assures its national security through the alliance with the US.
- 2. Japan keeps a reduced defence capacity.
- 3. Japan spends the resources that it saves because of those two decisions on turning the country into a trading nation.

Years later Japan would become an economic superpower, getting to the second place in the global economy in 1968<sup>4</sup>. The end of the Cold War put an end to the block politics that had characterized the period and factors, the economic success and placing a bet on a firm alliance with the US seemed to confirm the success and the correct assessment of the Yoshida doctrine. However, during the Gulf War the Japanese government, complying with its legal system, refused to send troops, and decided to participate only through the financing of the operations instead. That approach was labelled as "checkbook diplomacy" and generated a great deal of criticism in the US towards Japan. The possibility of a decline in the alliance due to the disappearance of the common enemy and the trade frictions of the previous decade showed that the new scenario created after the Cold War would require a revaluation process of Japan's foreign policy.

<sup>&</sup>lt;sup>4</sup> HAMADA, Koichi. "Japan 1968: A reflection point during the era of the economic miracle". *Economic Growth Center*. Yale University. 1996. Available at: <a href="http://www.econ.yale.edu/growth\_pdf/cdp764.pdf">http://www.econ.yale.edu/growth\_pdf/cdp764.pdf</a>



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<sup>&</sup>lt;sup>3</sup> KOSAKA, Masataka. "Nihon Gaiko no Bensho" [Dialectic of Japanese diplomacy] in Koza Kokusai Seiji [International politics], vol. 4, ed. Tadashi Aruga, Shigeaki Uno, Shigeru Kido, Yoshinobu Yamamoto, and Akio Watanabe (Tokyo: Tokyo Daigaku Shuppankai, 1989), 299.



This revaluation of the Japanese foreign and defence policy and the evolution from a reactive posture in face of the international events towards a more proactive posture would unfold slowly during the 90s and the first years of the 2000s through limited initiatives that gradually would give Japan the means and the wherewithal to play a more important role in the international scenario. The challenges and changes abovementioned have accelerated the evolution. This evolution has happened during the tenure of Prime Minister Abe Shinzo that aimed to broaden Japan's strategic horizon and to normalize its status in the global stage. The first pillar of this broadened strategic horizon was the modifications introduced by the security and defence legislation, the other pillar being the Vision of a Free and Open Indo-Pacific

### Origins of the Indo-Pacific idea

The creation of the FOIP Vision has not been an isolated and sudden event within the Japanese foreign policy. It has been the result of a progressive evolution in the Japanese strategic thinking in the last decade. The beginning of this strategy could be the initiative of an "Arc of Freedom and Prosperity" unveiled in 2007 by the Minister of Foreign Affairs Aso Taro. During a discourse in the 20th anniversary of the Founding of the Japan Forum on International Relations the Minister pointed out that "creating an Arc of Freedom and Prosperity is first and foremost an attempt to broaden the horizons of Japan's diplomatic activities and, indeed, Japan's outlook. In addition, it represents the undertaking of a new investment by Japan in the foundations of the Japan-US alliance"<sup>5</sup>.

Months later, Prime Minister Abe delivered a speech in the Indian Parliament called "the confluence of two seas". In Abe's words "The Pacific and the Indian Oceans are now bringing about a dynamic coupling as seas of freedom and of prosperity. A "broader Asia" that broke away geographical boundaries is now beginning to take on a distinct form. Our two countries have the ability —and the responsibility— to ensure that it broadens yet further and to nurture and enrich these seas to become seas of clearest transparency"<sup>6</sup>. During the speech Abe laid out the bases of what would come to be

MOFA. 'Confluence of the Two Seas'. Available at: <a href="https://www.mofa.go.jp/region/asia-0">https://www.mofa.go.jp/region/asia-0</a>
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<sup>&</sup>lt;sup>5</sup> MOFA. On the "Arc of Freedom and Prosperity". Available at: https://www.mofa.go.jp/policy/pillar/address0703.html



known as Indo-Pacific, the importance that India is going to have in this framework and the need to broaden the region to include other stakeholders such as the U.S. and Australia. In 2007 Abe will also try to revive the so-called Quad whose origins go back to the cooperation between the U.S., Japan, India and Australia after the 2004 tsunami in the Indian Ocean. However, Abe's resignation at the end of the year put a brake on these initiatives.



Figure 1. Democratic security diamond. Source. Asia Society.

Abe's return to office in 2012 introduced a new step in the evolution of the Japanese strategic thinking with the concept of "Democratic security diamond" bolstering the creation of a group of democracies that would protect the peace, stability and freedom of navigation in the Indian and the Pacific Ocean in a moment of tension in the South China Sea. In the words of the Prime Minister "Japan [...] should have a more active role besides Australia, India and the U.S. preserving the common good in both regions". Besides the new concept, the government created the National Security Council and published a National Security Strategy. This Strategy (the first one since WWII) began the policy of "Pro-active contribution to peace" whose aim is to guarantee Japan's security and adapt the Defense policy to the new international and regional context. The National Security Strategy prepared the way for a qualitative expansion of

# paci/pmv0708/speech-2.html

<sup>&</sup>lt;sup>7</sup> ABE, Shinzo. Asia's Democratic Security Diamond. Project Syndicate. Available at: <a href="https://www.project-syndicate.org/onpoint/a-strategic-alliance-for-japan-and-india-by-shinzo-abe?barrier=accesspaylog">https://www.project-syndicate.org/onpoint/a-strategic-alliance-for-japan-and-india-by-shinzo-abe?barrier=accesspaylog</a>





the Self-Defense Forces captured in the National Defense Program Guidelines<sup>8</sup> and in the Mid-Term Defense Program for the FY 2014-2019 (currently the Program is in force for the period 2019-2023<sup>9</sup>).

Progressively the government began to submit initiatives to modify the role and functions that the Japanese Self-Defense Forces had until then. After three years of legislative processes, in 2016 the new security legislation came into force introducing the following changes:

- 1. Providing the necessary logistics, support and search & rescue to armed forces of foreign countries.
- 2. New functions and tasks in missions supporting the U.N.
- 3. Participation in missions outside the U.N. Peacekeeping Operations, with certain conditions.
- 4. Rescue of Japanese citizens and ship inspection operations.

Finally, the last step will happen during the Sixth Tokyo International Conference on African Development in which Abe unveiled the Free and Open Indo-Pacific strategy. In the speech, Abe pointed out that "When you cross the seas of Asia and the Indian Ocean and come to Nairobi, you then understand very well that what connects Asia and Africa is the sea lanes.

What will give stability and prosperity to the world is none other than the enormous liveliness brought forth through the union of two free and open oceans and two continents.

Japan bears the responsibility of fostering the confluence of the Pacific and Indian Oceans and of Asia and Africa into a place that values freedom, the rule of law, and the market economy, free from force or coercion, and making it prosperous.

<sup>&</sup>lt;sup>9</sup> Ministry of Defense. Medium Term Defense Program. Available at: <a href="https://www.mod.go.jp/j/approach/agenda/guideline/2019/pdf/chuki\_seibi31-35\_e.pdf">https://www.mod.go.jp/j/approach/agenda/guideline/2019/pdf/chuki\_seibi31-35\_e.pdf</a>



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<sup>&</sup>lt;sup>8</sup> Ministry of Defense. NATIONAL DEFENSE PROGRAM GUIDELINES. Available at: https://www.mod.go.jp/j/approach/agenda/guideline/2019/pdf/20181218 e.pdf



Japan wants to work together with you in Africa to make the seas that connect the two continents into peaceful seas that are governed by the rule of law. That is what we wish to do with you"<sup>10</sup>.

In this discourse Abe had already clarified the bases upon which the Indo-Pacific geopolitical framework would be built. Geographically the Free and Open Indo-Pacific will try to merger a vast territory from the eastern coast of Africa to the western coasts of the U.S. Regarding the content of the idea, the three pillars that will provide substance to the FOIP will be the following:

- 1. Promoting and supporting the rule of law, freedom of navigation and free trade.
- 2. Promoting economic prosperity.
- 3. Commitment to peace and security.

Through the construction of a network of strategic partnerships, trade agreements and common rules in this vast and complex geopolitical space that represents the Indo-Pacific, Japan intends to underpin the liberal order that has been the basis of its prosperity and security and also intends to rearrange the regional order. Through the three pillars that will be analysed in the next section the Japanese strategy will try to build a more favourable scenario for its interests that would protect the freedom of navigation (a vital factor for an archipelago such as Japan), the free trade (critical for a Japanese economy that's outward-looking), the rule of law and the international law (avoiding North Korea's nuclear proliferation and missile launch or intrusions in Japanese waters near the Senkaku Islands).

#### Foundations of the vision of a free and open Indo-Pacific

Before beginning the analysis of the FOIP's three pillars we must comment on the qualities that define this strategy. First, Japan's strategy is adjustable for two reasons. The first reason is the magnitude of the area it tries to embrace. The contrasts and differences that exist between countries and regions included in the strategy are such that establishing a rigid scheme would end up making it ineffective and irrelevant. The

<sup>&</sup>lt;sup>10</sup> MOFA. Address by Prime Minister Shinzo Abe at the Opening Session of the Sixth Tokyo International Conference on African Development. Available at: https://www.mofa.go.jp/afr/af2/page4e 000496.html





second reason is the configuration and the political systems of the various countries. That implies that, for example, the pillar regarding the democratic values loses its position when it comes to countries that have democratic deficits but are important, such as the southeast Asian countries. However, when it comes to countries such as the U.S, India or Australia those democratic values are necessary pillars<sup>11</sup>.

In the second place, the FOIP is an inclusive scheme. For Japan, this trait has two incentives. The first one is the possibility of building up multilateral groups in several domains that would consider Japan's main concerns. The CPTPP (Comprehensive and Progressive Agreement for Transpacific Partnership) is a clear example. By setting up a powerful economic block with common rules, the Japanese government intends not only to reap the economic fruit created by the increase of trading exchanges but also intends to show Japan's efforts while trying to turn the agreement in the economic blueprint for other trade agreements. The second incentive is the creation of new diplomatic relations and the deepening of the ones that already exist, thus strengthening a security network that guarantees the peace and stability in the Indo-Pacific against any attempt to subvert the regional order.

Finally, FOIP is a concept composed of many levels, interconnected and complex. Within the Vision we can find several levels of cooperation and coordination. Beginning with the bilateral layer there are Special and Strategic Partnerships with Australia and India or the alliance with the US, there is a minilateral layer such as the Quad, and there are multilateral initiatives such as the CPTPP or the Vientiane Vision. The interconnection between pillars is also one of the main traits. As we will see the different pillars are not self-contained areas but there are deep links between the economic pillar and the promotion of democracy. At the same time, the promotion of the freedom of navigation is an essential factor to the economic prosperity and connectivity pillar. Finally, and because of all the traits abovementioned, the FOIP turns out to be an extremely complex concept that is subject to constant adjustments and modifications provoked by a global and regional scenario in constant flux.

<sup>&</sup>lt;sup>11</sup> White House. Remarks by President Trump, Prime Minister Abe of Japan, and Prime Minister Modi of the Republic of India Before Trilateral Meeting. Available at: <a href="https://www.whitehouse.gov/briefings-statements/remarks-president-trump-prime-minister-abe-japan-prime-minister-modi-republic-india-trilateral-meeting/">https://www.whitehouse.gov/briefings-statements/remarks-president-trump-prime-minister-abe-japan-prime-minister-modi-republic-india-trilateral-meeting/</a>





### A new security network for Japan

After seeing the characteristics, we will analyse each of the pillars. The first one is the promotion and support of the rule of law, freedom of navigation and free trade. Since its first term as Prime Minister, Abe Shinzo has tried to progressively attract the main democracies in the Asia-Pacific region and to build an institutional framework in order to bolster the rules-based international order, sharing common rules accepted by all the states. Australia and India have been two of the countries with which Japan has tried to seek a bigger coordination and cooperation in several sectors, especially in those of defence and security.

The relation between Japan and Australia has developed since the end of the Cold War. The fact of both being democracies whose political values and economic systems are similar has pulled them close naturally. The risks and threats that they face have been similar although the intensity with which Australia perceives some threats such as the rise of China, the nuclear proliferation in the Korean peninsula or the territorial disputes in Asia's seas is much lower compared to that of Japan.

The budding coordination during the 90 and the beginning of the 2000s has given way to an increasingly solid cooperation that has been labelled as a "quasi-alliance" 12. Although in the beginning the relationship between Australia and Japan grew under the shadow of their relationship with the US, in the last years the bilateral relationship has been strengthened regardless of the trilateral framework. During the last few years, several agreements that have consolidated the bilateral relation have been signed. In 2010 the Acquisition and Cross-Servicing Agreement that eases the exchange of services and the delivery of supplies between the armed forces in a series of situations such as military exercises, UN operations or Humanitarian Assistance operations. Two years later the Information Security Agreement would be signed with the goal of facilitating the exchange of information and ensure its protection. In 2014, both countries would set up a "Special Strategic Partnership" and sign the Agreement concerning the Transfer of Defense Equipment and Technology with the goal of creating joint research teams and defence projects of common interest.

NIDS. Chapter Australia: The Challenges of the Japan-Australia Quasi-Alliance. Available at: <a href="http://www.nids.mod.go.jp/english/publication/east-asian/pdf/2016/east-asian\_e2016\_06.pdf">http://www.nids.mod.go.jp/english/publication/east-asian/pdf/2016/east-asian\_e2016\_06.pdf</a>





Another essential stakeholder for Japan's strategy is India. Like Australia, India shares with Japan several values and several shared threats such as China or North Korea's nuclear and ballistic program and its ties to Pakistan. Both the Vision of a Free and Open Indo-Pacific and India's Act East policy have seen in each other a partner regarding the changes that are taking place in Asia. Abe's speech concerning the "confluence of two seas" gave way to a bigger push in the partnership between Japan and India which in 2015 turned into a "Special and Global Strategic Partnership". The signing of the Agreement concerning the Transfer of Defense Equipment and Technology and another regarding the protecting measures for classified military information have bolstered the military integration. Also, the U.S.' and India's invitation to Japan to participate in the Malabar exercises is another step for a trilateral integration which has displeased China. China has perceived the US-Japan-India cooperation and the US-Japan-Australia cooperation as a manoeuvre to contain her.



Figure 2. Abe, Trump and Modi in the G-20. Source. US Embassy in India.

Japan, as well as India and Australia, considers the respect for the freedom of navigation and international law as an essential factor. For Japan's economy it is especially important the openness of the Sea Lines of Communication and that is why





during the Shangri-La conference in 2014, Abe made the case for establishing the three principles of the rule of law at sea:

- 1. Making and clarifying claims based on international law.
- 2. Not using force or coercion in trying to drive their claims.
- 3. Seeking to settle disputes by peaceful means.

Along the outreach to Australia, India and the U.S. the Japanese government has also boosted its initiatives in other international fora such as the G7. Precisely, in the 2017 G7 that took place in Taormina, Japan placed the maritime security as an issue within the talks and the final communiqué<sup>13</sup>.

One essential element within this pillar is the support Japan is giving to the armed forces of several Southeast Asian states with the end goal of bolstering the capacities in several domains such as the struggle against illegal fishing, against piracy or the enforcement of their sovereignty with its territorial waters against the inroads of their neighbours. This support is being built within the Vientiane Vision. This initiative began in 2016 with the goal of joining all the Japanese bilateral initiatives in Southeast Asia in one direct structure between Japan and the ASEAN. Within this initiative there is a series of cooperation domains such as the promotion of international law, cooperation in capacity-building, transfer of defence equipment and technology, joint manoeuvres and exercises and the development of human resources and academic exchanges<sup>14</sup>. After 4 years, in the sixth ASEAN-Japan Defense Ministers Meeting the initiative was rebranded as the Vientiane Vision 2.0 that includes three updates to it:

- 1. Introducing three principles of ASEAN-Japan cooperation: "heart-to-heart cooperation", "lasting and tailored cooperation" and "equal and open cooperation".
- 2. Introducing the concept of resilience to support ASEAN's unity and centrality.
- 3. Boosting the synergy between ASEAN's Outlook on the Indo-Pacific and Japan's Free and Open Indo-Pacific.

<sup>&</sup>lt;sup>14</sup> LLANDRES CUESTA, Borja. La región del Mekong, frontera estratégica para Japón. IEEE. Available at: <a href="http://www.ieee.es/Galerias/fichero/docs">http://www.ieee.es/Galerias/fichero/docs</a> opinion/2017/DIEEEO49-2017 Mekong Japon B.Llandres.pdf



<sup>&</sup>lt;sup>13</sup> MOFA. G7 Taormina Summit. Available at: https://www.mofa.go.jp/ecm/ec/page4e 000616.html



Along this multilateral framework, Japan has not ignored the bilateral relations in the defence and maritime security domain. During these years the sale of patrol boats and ships to countries like Vietnam of the Philippines has been a constant that has shown Japan's capacity and will to enhance its political and military presence in Southeast Asia beyond its traditional influence in the economic and ODA domains.

### Japan's commitment to the Indo-Pacific's prosperity

The recent economic history has been marked by the bursting of the economic bubble in the 90s and the lost decade until the 2000s. The economic recovery experienced from 2002 onwards ended with the 2008 crisis and the subdued growth of the following years. Ind 2012, Abe made the economic recovery one of his priorities beginning a series of monetary, fiscal and structural reform policies known as 'Abenomics'.

One of the structural reforms is aimed at opening Japan to international trade and will have in the CPTPP (Comprehensive and Progressive Agreement for Trans-Pacific Partnership) as its main example. The CPTPP is a Free Trade Agreement between 11 countries in Asia-Pacific. Alongside Japan this multilateral framework is composed by Australia, Brunei, Chile, Canada, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. We must bear in mind that the United States declined to participate in the CPTPP after the victory of Donald Trump. This setback seemed to certify the demise of the agreement, but it was later saved by the Japanese initiative because of its strong interest in the preservation of the agreement. By revoking and withdrawing a series of clauses promoted by the U.S. the Japanese government secured the participation of the remaining partners in an agreement that represents 13.5% of global GDP <sup>15</sup>.

For Japan, the CPTPP has a great importance. In the first place because it understands that trade protectionism and isolationism are going to be a problem for a Japanese economy that is highly globalized, with enterprises that depend on global value chains with interests in a myriad of countries. The best way to keep the access for Japanese enterprises and consumers to foreign goods and services and promoting the economy's competitiveness is through the construction of a free, transparent, and open system.

<sup>&</sup>lt;sup>15</sup> Government of Canada. What is the CPTPP? Available at: <a href="https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/cptpp-ptpgp/index.aspx?lang=eng">https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/cptpp-ptpgp/index.aspx?lang=eng</a>



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Besides, the U.S. retreat from multilateral trade agreements would also have a negative consequence for Japan: China will fill the void and impose its model and rules to the region.

With this agreement Japan intends to place itself as the economic leader of free trade in the Indo-Pacific, setting up an alternative to the increasing Chinese economic hegemony and underpinning and transforming the trading system (in several domains such as intellectual property, state owned enterprises, labour rights, e-commerce or foreign investment) into one adjusted to the needs of the Japanese economy in the next decades.

Within the second pillar of promoting economic prosperity the investment in infrastructures is going to be one of the main thrusts. If there's a project that has risen expectations and fears in Asia in the last few years, that's the Belt and Road Initiative, whose main goal is to cover the infrastructure deficit in Asia through an ambitious project financed by China to develop numerous infrastructure projects such as railways, ports or highways<sup>16</sup>. Japan did not want to be left behind and, already in 2013, began to design strategies to increase Japanese investments throughout Asia with a special focus in both quality and quantity and not only in the quantity of those projects.

The launching of the Partnership for Quality Infrastructure has several goals<sup>17</sup>. Firstly, Japan's investments in the rest of Asia have been a constant factor within the Japanese foreign policy. Since the boom that industrialized and internationalized its economy, Japan has always sought to invest in other countries with the aim of opening new markets for its products, easing the entrance of its enterprises and ensuring the access to raw materials with the idea of helping the local development and getting a win-win relationship. This new partnership forms part of this economic strategy giving a bigger role to infrastructure projects.

In the second place, China's huge financial display through the Belt and Road Initiative and the funds that sustain it have made the Japanese government understand the need to give an alternative to Chinese financing in order to prevent other Asian countries to

<sup>&</sup>lt;sup>17</sup> MOFA. Announcement of "Partnership for Quality Infrastructure: Investment for Asia's Future". Available at: https://www.mofa.go.jp/policy/oda/page18 000076.html



<sup>&</sup>lt;sup>16</sup> Asian Development Bank. Asia Infrastructure Needs Exceed \$1.7 Trillion Per Year, Double Previous Estimates. Available at: <a href="https://www.adb.org/news/asia-infrastructure-needs-exceed-17-trillion-year-double-previous-estimates">https://www.adb.org/news/asia-infrastructure-needs-exceed-17-trillion-year-double-previous-estimates</a>



end up under China's financial dependence. However, we do not have to see the Japanese initiative as a competition because obviously Japan cannot compete directly against Chinese financing. Japan wants to stress the importance of quality in the infrastructure projects regarding labour rights, environment, financial sustainability, and human rights.

In the third place, thanks to these more stringent requirements for granting funds Japan wants to place its standards as the gold-standard in international aid. The four pillars of the initiative are the expansion and acceleration of assistance through JICA (Japan International Cooperation Agency), an increased collaboration with the Asian Bank for Development (within which Japan has a wide influence), increased participation of the JBIC (Japan Bank for International Cooperation) in projects with a high-risk profile and the promotion of the importance of a quality infrastructure globally while developing international standards.

Through this scheme Japan intends to mobilize more than \$110 billion for financing infrastructure. Among these projects we can mention, for instance, the Thilawa and Dawei Special Economic Zones (both in Myanmar); the East Container Terminal in the port of Colombo; the Special Economic Zone in Mombasa; the High-Speed Railway from Mumbai to Ahmedabad or the port of Patimban in West Java. Through this initiative Japan intends to shape the future of ODA putting the focus on a series of priorities such as resilience, social security, the environment and the development of human resources.



Figure 3. Railway in Dubai. Source. Nikkei Asian Review.





### Peace and stability building in the Indo-Pacific

Finally, the third pillar of FOIP contains a component of security and stability promotion based on the assistance in capacity-building in the Indo-Pacific region and through humanitarian assistance and disaster-reduction operations. Accordingly, patrol boats for the coast guards of countries like Vietnam, Sri Lanka and the Philippines have been delivered. Also there have been training and programs for capacity-building in order to fight against illegal fisheries, providing aviation safety, vessel maintenance, search and rescue activities or maritime security with partners such as Sri Lanka, Thailand, Vietnam, the Philippines, Brunei, Indonesia or Malaysia.

Other countries where this pillar is developing its activities are Kenya, the Maldives or Djibouti. In Kenya, the Japanese government has provided the Maritime Police with 17 Coast guard vessels with the aim of strengthening the maritime security in the African coasts and counterterrorism equipment has also been provided <sup>18</sup>. In Maldives, the Japanese government delivered counterrorism material and natural disaster prevention equipment. As for Djibouti, the base opened in 2011 has been recently enhanced by purchasing another three hectares with the goal of being able to accommodate Japanese citizens in case of a crisis in the region. This base has been an important asset in the fight against piracy activities in the Horn of Africa and has served to broaden Japan's cooperation with Djibouti through training programs for the local forces and the provision of patrol boats for the Coast Guard as well <sup>19</sup>.

Those three pillars constitute the framework through which Japan wants to position itself as an active stakeholder in the region, setting the agenda and influence the interests of the other stakeholders. Japan has succeeded in trying to embed its vision in the strategies of the other partners given that the U.S. as well as India and Australia have connected and adjusted their strategies to the Japanese vision introducing their own interests.

<sup>&</sup>lt;sup>19</sup> Japan Times. Japan to expand SDF base in tiny but strategically important Djibouti. Available at: <a href="https://www.japantimes.co.jp/news/2017/11/19/national/japan-expand-sdf-base-tiny-strategically-important-djibouti/">https://www.japantimes.co.jp/news/2017/11/19/national/japan-expand-sdf-base-tiny-strategically-important-djibouti/</a>



<sup>&</sup>lt;sup>18</sup> Kenya Port Authority. Japan donates patrol boats to improve Kenya's maritime security. Available at: <a href="https://www.kpa.co.ke/Pages/Japan-donates-patrol-boats-to-improve-Kenya%E2%80%99s-maritime-security--.aspx">https://www.kpa.co.ke/Pages/Japan-donates-patrol-boats-to-improve-Kenya%E2%80%99s-maritime-security--.aspx</a>



## Impact of the vision on other countries

In this section we are going to make a brief assessment of the acceptance and the integration of the Indo-Pacific geopolitical framework in the strategy of different stakeholders. We will begin with the U.S. that has accepted fully the idea of the Indo-Pacific and we will continue with India and Australia also briefly assessing its reception in China and the ASEAN.

The close relationship between Japan and the U.S. and the close bond between both countries' leaders (carefully managed by Abe since Trump's election in 2016) has allowed the Indo-Pacific concept to be fully accepted in the U.S.' strategy. In the 2017 National Security Strategy there was already a reference to the Indo-Pacific as a geopolitical region pointing out that "the region, which stretches from the west coast of India to the western shores of the United States, represents the most populous and economically dynamic part of the world. The U.S. interest in a free and open Indo-Pacific extends back to the earliest days of our republic" However, the U.S.' National Security Strategy, contrary to Japan's vision doesn't extend to the eastern coasts of Africa deeming the Indo-Pacific as a narrower space.

Another element that has permeated the U.S.' strategy has been the region's need for quality infrastructure. In 2018 Japan, Australia and the U.S. signed a memorandum of understanding<sup>21</sup> to kick off a trilateral association to promote infrastructure investment in the Indo-Pacific followed by the BUILD Act (Better Utilization of Investments Leading to Development) that created an International Development Finance Corporation enhancing the U.S.' financing in the Indo-Pacific.

<sup>&</sup>lt;sup>21</sup> Office of the Prime Minister of Australia. Joint Statement of the Governments of Australia, Japan and the United States. Available at: <a href="https://www.pm.gov.au/media/joint-statement-governments-australia-japan-and-united-states">https://www.pm.gov.au/media/joint-statement-governments-australia-japan-and-united-states</a>



White House. National Security Strategy. Available at: <a href="https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf">https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf</a>



An event that damaged considerably the Japanese strategy was Trump's decision to withdraw the U.S. from the TPP, putting the agreement's implementation at risk although, as we saw, Japan could salvage it. However, by suspending certain clauses, the negotiators have left the door open for a new government in the White House to sign the agreement and enhancing its impact on regional trade.

For India, the Indo-Pacific is a natural extension of a strategy that was already in place, the Act East policy that intends to enhance India's presence and reach in Southeast Asia. As we've seen, the cooperation between Japan and India has increased in the last years and that's a necessary step for Japan's strategy to succeed and it's mandatory for both given the relative isolation and the lack of steadiness in the U.S. foreign policy. For India, China's presence in the Indian ocean and its relations with Pakistan and Sri Lanka are a threat to India's effort to be the main power in South Asia and the Indian ocean. Japan's initiative and its efforts to build a security network that consolidates the relations between stakeholders with similar interests is, thus, an incentive to align India's strategy with Japan's and to bolster India's status in the region. This initiative has been welcomed in New Delhi, especially after the arrival of Narendra Modi.

Australia has also integrated the Indo-Pacific concept in its strategy. The new stage ushered in by the political, economic and military dynamics in the region has made Australia see the need to enhance, reinforce and diversify its relations. Australia has described its relationship with India as a 'natural association'<sup>22</sup> that has advanced in the last years adding to the relations with Japan and the alliance with the U.S. By and large, the U.S., Japan, India and Australia are getting closer and adopting a quadrilateral structure that was highlighted in the four countries' last meeting after the East Asia Summit in Bangkok. This quadrilateral security structure points, progressively, towards the creation of the "Democratic security diamond" that Abe talked about in 2012.

<sup>&</sup>lt;sup>22</sup> The Economic Times. India, Australia 'natural partnership' registers steady growth in 2019. Available at: <a href="https://economictimes.indiatimes.com/news/defence/india-australia-natural-partnership-registers-steady-growth-in-2019/articleshow/72935475.cms?from=mdr">https://economictimes.indiatimes.com/news/defence/india-australia-natural-partnership-registers-steady-growth-in-2019/articleshow/72935475.cms?from=mdr</a>



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China has negatively seen the creation of a geopolitical space and a whole strategy to try to contain its rise. Already during the first bid to institutionalize the Quad, China complained about the attempt to encircle and contain its rise and the danger to the security and stability in Asia-Pacific. This pressure campaign worked and melted the fragile and budding cooperation. The new bid to reassemble the Quad is seen in China with concern although the likelihood of the four powers to create a solid block is remote, for the time being, due to India's misgivings of a firm alliance.

The Southeast Asian countries have developed a response through ASEAN. The ASEAN Outlook on the Indo-Pacific intends to embed ASEAN in the new concept assuming a central role within the scheme to prevent the ASEAN's structures and its importance for regional stability from being replaced by other stakeholders. What's more, as we've analysed in other paper<sup>23</sup>, the southeast Asian countries are deeply integrated with China and they aren't interested in strategies that can raise suspicions in Beijing, choosing to adopt a balanced and neutral approach to prevent being pulled into a conflict.

#### Conclusion

After decades of carrying out a foreign policy qualified traditionally as reactive, the Japanese government has developed a gradual and progressive transformation both of its Foreign Policy and Defense Policy to adapt them to the new strategic framework at a global and regional level.

The Vision of a Free and Open Indo-Pacific is the response of Japan's government to those changes bolstering Japan's presence in this vast territory and leaving aside the reactive approach for a pro-active one. As we have seen throughout the paper, this change did not occur spontaneously of abruptly; rather it was a change that happened throughout a decade being Prime Minister Abe the main driver of it.

http://www.ieee.es/Galerias/fichero/docs opinion/2020/DIEEEO08 2020BORLLA surAsia ENG.pdf



<sup>&</sup>lt;sup>23</sup> LLANDRES CUESTA, Borja. *China's foreign policy in Southeast Asia*. Opinion Paper IEEE 08/2020. Available at:





In order to face these challenges Japan will be forced to position itself as a bulwark of the liberal order on which depend its political and economic system and the well-being of its citizens. From here stems the increasing need of Japan's presence in several regions and the need of more political and military autonomy. This new strategy will find the misgivings of Beijing that has perceived Tokyo's manoeuvre aimed at containing its rise. However, Japan has shown flexibility opening the door to cooperate with China in several areas, trying to shape its initiatives for them to be aligned with international rules and norms.

After decades relying in the strength of its economy, the time has arrived for Japan to bolster the security and defence side and start playing a bigger role in the defence of the global and regional stability. Although the Vision of a Free and Open Indo-Pacific is in its initial phase, it has the possibility to turn into the embryo of a security, political, economic, and developmental consensus in a region whose importance is ever growing.

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