

Does Japan's military relationship with China need to be closer to ensure Northeast Asian stability over the next decade?

Colonel Andrew Lowe, AM

Australian Army

Abstract

This paper examines Japan's relations with other states in Northeast Asia, and particularly addresses the question of whether Japan's military relationship with China needs to be closer to ensure the stability of Northeast Asia. It contends that while Japan has turned to the US for security, it nevertheless remains heavily reliant on its economic relations with the region and, indeed, that Northeast Asia's stability is founded on the economic prosperity of regional states, and their economic interdependence.

The paper acknowledges that the security and stability of Northeast Asia will continue to be affected by territorial disputes and longstanding antipathy and mistrust between key states—and that regional states will continue to leverage these issues to their advantage. However, it concludes that the outcome sought will generally be economic rather than security related, and that stability in Northeast Asia will continue to be predicated on the relationship of individual states with the US, rather than with China.

Introduction

This paper will argue that Japan does not need a closer military relationship with China to ensure the stability of Northeast Asia over the next decade. Northeast Asia is defined as China, Japan, the Republic of Korea (South Korea) and the Democratic People's Republic of Korea (North Korea).¹ For the purposes of this paper, 'stability' is defined as the probability that the region retains its essential characteristics; that no single nation becomes dominant; that most of its members continue to survive; and that large-scale war does not occur.² China's dominance in Northeast Asia is balanced by the US, hence it too will be considered in this analysis.

The paper will first contend that the historical legacy of Japan's relations with other states in Northeast Asia, notably relating to imperialist colonialism, remains topical but relatively normalised. Second, the paper will explore the strategic position of China, Japan and the Koreas, and argue that economic dependencies rather than military relationships dominate regional stability (and that the economic interdependence between Northeast Asian states exists despite the bipolarity of security relationships with the US or China). Finally, it will argue that stability in Northeast Asia is predicated on the relationship of individual states with the US, as the dominant global and regional power, concluding that transactional US relations will shape the next decade.

Historical legacy

The relationship between China and Japan has common ground through millennia of 'oriental' heritage. For example, the formative era of Japanese culture from the 7th century saw Japan borrow heavily from Chinese culture.³ However, Japan's failed quest to be the 'elder brother' of East Asia in the 20th century, through the enforcement of its 'Greater East Asia Co-prosperity Sphere', remains a particularly emotive issue in China's living memory.⁴

For its part, China has long viewed itself—and traditionally has been viewed within the region—as 'the Middle Kingdom', culturally superior and existing as the centre of the world. Ming Wan describes a view of Japan-China relations as seen through the lens of Chinese cultural arrogance, with contempt for Japan and an intent to dominate provoking Japanese resentment which endures today.⁵ However, the cultural similarities between Japan and China, through formative Chinese cultural dominance, have been overshadowed by what China perceives as its more recent 'century of humiliation', predominantly at the hands of Japan.

Alison Kaufman describes this 'century of humiliation' as the period between 1839 and 1949, when China suffered political, military and cultural indignities.⁶ These indignities, involving the loss of territory, as well as loss of control and loss of international standing, define the modern Chinese narrative of insecurity.⁷ Richard Bush summarises China's present sense of identity as being influenced by a history of victimhood to an evil Japan, continued doubts as to the sincerity of Japan's atonement for its actions in the lead-up to and during World War 2, and frustration with what it perceives as Japanese resistance to China's resurgence to its rightful place in the world.⁸

The respective historical guardedness between Japan and China, nurtured over millennia, suggests that a political-military relationship of veneer politeness will remain the status quo, and that contemporary opportunities towards encouraging stability exist primarily through other avenues of national power, namely the economy. To that end, the paper will briefly examine each Northeast Asian state, as well as regional state relationships with the US, to determine the leading factors shaping Northeast Asia's stability.

Japan

The historical legacy of Japan and China's relationship is one of cyclic dominance and the swapping of 'adult brother' status. What remains is deep-seated wariness between them. Cultural similarities enable a better insight to the other's thinking, hence the present weaker of the two, Japan, looks towards a third party, the US, to balance China's dominance. Using international relations theory, Stephen Walt contends that Japan is 'bandwagoning' with the US—aligning itself with a superpower (albeit without the US posing a threat)—to balance China's regional dominance.⁹ Hence, Japan's neo-realist solution to Northeast Asian security is to seek the most stable system through bipolarity, based on the 1960 Treaty of Mutual Cooperation and Security between Japan and the US.¹⁰

Millennia of cultural ties and borrowing from China are outweighed by Japan's interpretation of China's historical dominance and, perhaps more pointedly, Japan's seeming reluctance to acknowledge its more recent treatment of China. Moreover, while Japan continues to balance its apologies for war behaviour against domestic expectations of national pride through acts such as senior-level visits to the Yasukuni Shrine, it is unlikely that its apologies will be fully accepted within the region. Japan's stance on the non-proliferation of nuclear weapons—based on its 1945 experience—is similarly contradictory, given the country's post-war security reliance on US nuclear deterrence.

In a region where it has been unable to develop close strategic relationships with its neighbours, Japan remains committed to the US for regional security, and in balancing China. Issues such as the Senkaku/Diaoyu Islands dispute with China, Japan's re-interpretation of its constitution with respect to the deployment of the Japan Self-Defense Forces, and Japan's continuing reluctance to accept responsibility for its role in historical conflict remain topical. But it is primarily economic issues that dominate Japanese considerations regarding regional stability, with Christian Wirth asserting that 'Japan remains politically distant from its neighbours despite deepening social and economic interdependence in East Asia'.¹¹

Japan's main effort has been to regain economic ground following the 'two lost decades' of the 1990s and first decade of the 21st century. Prime Minister Abe's economic reforms, colloquially referred to as 'Abenomics', has sought to arrest Japanese stagnation and address an ageing population, population decline and increased social spending. Edward Carr and Dominic Ziegler contend that '[Abenomics] sounds as if it is an economic doctrine; in reality, it is at least as much about national security', with Japan seeking to achieve stability in Northeast Asia through economic interdependence, rather than through its security relationship with the US.¹²

In 2016, for example, 29 per cent of Japan's total trade was with China (inclusive of Taiwan, Hong Kong and Macao), which was almost double its trade with the US.¹³ Japan's next largest trading partner was South Korea at 6 per cent, rounding out Northeast Asia's dominance of Japanese trade, totalling over one-third of the market share. Such is Japan's quest for stability in Northeast Asia—it is content to look to the US for regional security, notwithstanding that the two were wartime adversaries; equally, it is content to look to China for economic interdependence, despite their historical enmity and ongoing mutual distrust.

China

China's dominance as Japan's largest trading partner extends regionally, where China is the largest trading partner with South Korea and North Korea, and extends globally to include the US, where China is its largest trading partner.¹⁴ China's approach to Northeast Asia stability is not to dwell on historical experience or shape tensions towards conflict but rather posture to best gain economic advantage. Chinese economic growth is slowing but growth remains nonetheless—and the ruling Communist Party's main effort is to ensure that growth continues.

For China, the importance of economic progress outweighs its concerns about territorial disputes, its dislike of Japanese arrogance, its wariness of US regional supremacy, and its concerns that others in the region are using their relationship with the US to balance China's influence. Robert Blackwill and Ashley Tellis contend that China's economic interdependence sustains high internal economic growth, which ensures a pliant populace and a more powerful state.¹⁵ Interestingly, they contend it also ensures pliant neighbours, who avoid overt opposition to China in order to maintain the economic benefits. Ross Babbage continues this observation of global and regional compliance towards China and suggests that it is a weakness that China is exploiting, asserting that China's expansion into the South China Sea is consistent with the Chinese view of 'the inevitable restoration of their country's global pre-eminence'.¹⁶

Countering Babbage's pessimistic view of China's intentions are commentators such as Paul Dibb and John Lee, who argue that it is not inevitable that China will rise to overtake the US.¹⁷ They contend that China is fragile at home and lonely abroad, challenging the notion that China's cultural determinism is regionally assured. They also argue that China is becoming increasingly challenged to sustain the three recognised methods for economic growth: adding more capital inputs, adding more labour inputs, or using capital and/or labour more productively.

Hence, as a priority above other instruments of national power, it can be argued that China is pursuing economic reform through the pursuit of domestic productivity, strengthening trading lines of communication and cooperation, and encouraging international crediting through its initiatives such as 'One Belt, One Road' and the Asian Infrastructure Investment Bank.¹⁸

The Koreans

As China seeks to strengthen and broaden its economic power from which to meet its domestic social needs and gain increasing international influence, it will continue to be impacted by the geopolitical realities (and inferred responsibilities) stemming from its border with North Korea. North Korea presents an ongoing challenge for Northeast Asian states and the US, as well as China, predominantly because of its erratic behaviour and rejection of international norms relating to nuclear-weapons proliferation.

Importantly, however, North Korea does provide a buffer between China and South Korea, a longstanding security partner of the US. Hence, the maintenance of a status quo North Korean state, separated physically and politically from South Korea, is China's preferred outcome. China is intent on

ensuring the US gains no strategic advantage through the potential demise of North Korea, and the possibility of a unified Korean peninsula, as displayed by China's condemnation of the US Terminal High Altitude Area Defense (THAAD) anti-missile system recently deployed in South Korea.¹⁹

Despite China's condemnation of the THAAD system, which China fears could also intercept its ballistic missiles, it is widely acknowledged that major conflict on the Korean peninsula would see North Korea lose, likely resulting in unification on South Korean terms.²⁰ Any such conflict could be expected to precipitate the mass migration of refugees into China, which China neither wants nor could readily handle. A unified Korea would also put extreme pressure on South Korea's economy, particularly given the example of German reunification in the early 1990s.

Despite North Korea's continuing missile tests and ongoing disturbing rhetoric, the influence of China and the separate allied front of the US, Japan and South Korea seem capable of providing sufficient containment of North Korean aggression, as recent apparent solidarity stances attest.²¹ North Korea's actions undoubtedly antagonise the US and its allies, and frustrate China. However, it is in no-one's interest that the issue degenerates into conflict.

South Korea's relationship with North Korea, while often strident in its public messaging, appears warmer than South Korea's relationship with Japan, despite their common bonds with the US. South Korea shares close cultural and familial ties with North Korea and, unlike Japan and the US, trades heavily with North Korea, accounting for approximately 24 per cent of the North Korean market, second to China's majority share of 65 per cent.²² South Korea's interest in supporting North Korea is primarily to avert the prospect of a failed state, which would become a 'one Korea' problem, to the economic detriment of South Korea.

Like China, the Koreans maintain a legacy wariness of Japan's intentions, deriving from periods of imperial colonisation during the last century, national humiliation at Japan's treatment of so-called 'comfort women' during World War 2, and lingering, ongoing territorial disputes over the Dokdo/Takeshima islands.²³ The perceived insincerity of Japan's acknowledgement of its use and treatment of Korean 'comfort women', and its refusal to provide compensation, is a particularly enduring inhibitor on more positive relations.²⁴

United States

Northeast Asia and the US have strong bonds of economic interdependence. The US also has long-established security relationships with Japan and South Korea, dating from World War 2 and the Korean War respectively. The US would prefer that Japan and South Korea shared a stronger bilateral security relationship. However, the enduring veracity of its security relationships in the region is more dependent on continued favourable economic ties with China.

According to World Trade Organisation statistics, the US and China dominate global markets with a combined 21 per cent of exports and 23 per cent of imports.²⁵ The US is the leading global importer, with China second, while China leads the global export market, with the US second. China is the largest trading partner of the US, Japan and the Koreans, while the US is the largest trading partner of China, with Japan and South Korea second and third.²⁶

It is acknowledged that in terms of 'purchasing power parity' (GDP with adjusted national income), China is already the world's top economy. It is further acknowledged that China has four times the population of the US and, although slowing, China's economic growth consistently outpaces that of the US.²⁷ However, China is unlikely to overtake the US in terms of its superpower status in the near to medium term.

China trails the GDP of the US by US\$7 trillion; it also has a lower GDP per capita by a factor of seven (US\$7594 for China compared to US\$54,630 for the US).²⁸ In military terms, the US defence budget of US\$596 billion is more than double (and almost three times) China's defence budget of US\$215 billion. When viewed as a percentage of GDP, Chinese defence spending is 1.9 per cent, compared to the US figure of 3.3 per cent.²⁹ This is emblematic of China's domestic challenges that require priority financial resourcing.

Conclusion

This paper has argued that Northeast Asia and the US are economically interdependent and that it is economic rather than security relationships that ensure regional stability. It has also noted that both China and the Koreans possess an enduring wariness of Japan, stemming from imperialist colonisation and ill-treatment during the last century, which has resulted in a regionally-isolated Japan turning to the US for security.

Nevertheless, out of economic necessity, Japan remains heavily reliant on its relations with the region. Similarly, China—while globally lonely in terms of security allies—economically dominates both regional and global markets, demanding economic respect on par with the US. While North Korea is a pariah

state from a Western perspective, it too demands regional economic respect, at least from China and South Korea. If North Korea was to falter, the economic ramifications regionally would demand global attention and action.

Hence, Northeast Asia's stability is heavily founded on the economic prosperity of regional states, and their economic interdependence, as well as the regional balancing function of the US, particularly in terms of China. The security and stability of the region will continue to be affected by multiple territorial disputes, perceived containment and expansionist strategies, historical distrust, and atonement scepticism. However, this paper would argue that the frequency and cyclic nature of these issues has largely normalised their impact on regional stability.

While it can be expected that a number of these issues will continue to be used by individual states to leverage advantage, the outcome sought will generally be economic rather than security related. Accordingly, it is assessed that the existing security partnerships between the US and Japan and South Korea will endure beyond the next decade, even as China strives, and perhaps stalls, in its quest to close the gap with the superpower status of the US.

Notes

- 1 Gilbert Rozman, *Northeast Asia's stunted regionalism*, Cambridge University Press: Cambridge, 2004, p. 3.
- 2 Karl W. Deutsch and J. David Singer, 'Multipolar power systems and international stability', *World Politics*, Vol. 16, No. 3, April 1964, p. 390.
- 3 Ming Wan, *Understanding Japan-China relations*, World Scientific Publishing Company: Singapore, 2016, p. 51.
- 4 Ruth Benedict, *The chrysanthemum and the sword*, Houghton Mifflin Company: Boston, 1989, p. 53.
- 5 Wan, *Understanding Japan-China relations*, p. 52.
- 6 Alison Kaufman, 'China's narratives regarding national security policy', Testimony before the US-China Economic and Security Review Commission, 10 March 2011, p. 2, *US Government Printing Office* [website], available at <<https://www.uscc.gov/sites/default/files/3.10.11Kaufman.pdf>> accessed 6 June 2017.
- 7 Kaufman, 'China's narratives regarding national security policy', p. 4.
- 8 Richard Bush, *The perils of proximity*, Brookings Institution Press: Washington DC, 2010, pp. 30-1.
- 9 Stephen M. Walt, 'Alliance formation and the balance of world power', *International Security*, Vol. 9, No. 4, Spring 1985, p. 4.
- 10 Kenneth N. Waltz, 'Stability of a bipolar world', *Daedalus*, Vol. 93, No. 3, Summer 1964, p. 882.

Does Japan's military relationship with China need to be closer to ensure Northeast Asian stability over the next decade?

- 11 Christian Wirth, 'Securing Japan in the "West": the US-Japan alliance and identity politics in the Asian century', *Geopolitics*, Vol. 20, No. 2, 6 April 2015, p. 288.
- 12 Edward Carr and Dominic Ziegler, 'Abe's master plan: Shinzo Abe has a vision of a prosperous and patriotic Japan', *The Economist* [website], 18 May 2013, available at <<https://www.economist.com/news/leaders/21578044-shinzo-abe-has-vision-prosperous-and-patriotic-japan-economics-looks-better>> accessed 6 June 2017.
- 13 Japan External Trade Organisation (JETRO), 'Japanese trade and investment statistics, Japan's international trade in goods (yearly) 2015', *JETRO* [website], available at <<https://www.jetro.go.jp/en/reports/statistics/>> accessed 6 June 2017.
- 14 The Observatory of Economic Complexity, 'Top export and top import destinations by country 2014', available at <<https://www.atlas.media.mit.edu>>
- 15 Robert Blackwill and Ashley Tellis, 'Revising US grand strategy towards China', *Council on Foreign Relations* [website], Special Report No. 72, March 2015, p. 13, available at <<https://www.cfr.org/report/revising-us-grand-strategy-toward-china>> accessed 10 June 2017.
- 16 Ross Babbage, 'Countering China's adventurism in the South China Sea: strategy options for the Trump Administration', *Center for Strategic and Budgetary Assessments* [website], 30 August 2016, p. 65, available at <<http://csbaonline.org/research/publications/countering-chinas-adventurism-in-the-south-china-sea-strategy-options-for-t>> accessed 10 June 2017.
- 17 Paul Dibb and John Lee, 'Why China will not become the dominant power in Asia', *ANU College of Asia and the Pacific* [website], 25 March 2015, available at <<http://asiapacific.anu.edu.au/news-events/video/why-china-will-not-become-dominant-power-asia>> accessed 10 June 2017.
- 18 Geoff Wade, 'China's 'One Belt, One Road' initiative', *Parliament of Australia* [website], available at <http://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BriefingBook45p/ChinasRoad> accessed 13 March 2017.
- 19 Robert E. Kelly, 'Why THAAD in South Korea is a red line for China: Beijing is subtly trying to expand its sphere of influence', *The National Interest* [website], 18 January 2017, available at <<http://www.nationalinterest.org>> accessed 10 June 2017.
- 20 Robert E. Kelly, 'The "pivot" and its problems: American foreign policy in Northeast Asia', *The Pacific Review*, Vol. 27, No. 3, 6 May 2014, p. 484.
- 21 Benjamin Katzek Silberstein, 'Is China serious about banning North Korean coal?', *The Diplomat* [website], 21 February 2017, available at <<http://thediplomat.com/2017/02/is-china-serious-about-banning-north-korean-coal/>> accessed 10 June 2017.
- 22 Central Intelligence Agency (CIA), 'The world factbook: East and Southeast Asia: Korea, North', *CIA* [website], available at <<https://www.cia.gov/library/publications/the-world-factbook/geos/kn.html>> accessed 13 March 2017.
- 23 Scott W. Harold, 'How can Japan improve relations with South Korea?', *Asia-Pacific Review*, Vol. 22, No. 1, 22 May 2015, p. 144.
- 24 Sandeep Chakravorty, 'China-Japan-Korea: tangled relationships', *Observer Research Foundation* [website], Occasional Paper No. 39, March 2013, p. 14, abstract available at <<http://www.orfonline.org/research/china-japan-koreatangled-relationships/>> accessed 10 June 2017.
- 25 World Trade Organization (WTO), 'International trade statistics 2015: special focus: world trade and the WTO: 1995-2014', *WTO* [website], p. 44, available at <https://www.wto.org/english/res_e/statis_e/its2015_e/its15_toc_e.htm> accessed 10 June 2017.

- 26 China Daily, 'Top 10 trading partners of the Chinese mainland in 2014', *China Daily* [website], 19 January 2015, available at <http://www.chinadaily.com.cn/business/2015-01/19/content_19343917.htm> accessed 10 June 2017.
- 27 Andrea Willige, 'The world's top economy: the US vs China in five charts', *World Economic Forum* [website], 5 December 2016, available at <<https://www.weforum.org/agenda/2016/12/the-world-s-top-economy-the-us-vs-china-in-five-charts/>> accessed 10 June 2017.
- 28 Jeff Desjardins, 'China vs. US: a tale of two economies', *Visual capitalist* [website], 15 October 2015, available at <<http://www.visualcapitalist.com/china-vs-united-states-a-tale-of-two-economies/>> accessed 10 June 2017.
- 29 Stockholm International Peace Research Institute (SIPRI), 'Military expenditure database, military expenditure data: 1988-2015', *SIPRI* [website], available at <<https://www.sipri.org/databases/milex>> accessed 13 March 2017.

