
The Japan-U.S. Dialogue

China Risks and China Opportunities

— Implications for the “Free and Open Indo-Pacific Strategy” —

Conference Papers

March 2, 2018

Tokyo, Japan

Sponsored by

The Global Forum of Japan (GFJ)

Co-Sponsored by

Carnegie Endowment for International Peace (CEIP)

The Japan Forum on International Relations (JFIR)

Rules of Proceedings

Keynote Speech: 15 minutes

Presentations: 10 minutes

Allocated time is 15 minutes for a keynote speech and 10 minutes for a presentation.

One of the staff members will ring a bell to let you know the remaining time.

- The first bell-----1 minute remaining for your presentation
- The second bell-----The end of your presentation

Comments in Free Discussions: 2 minutes

Allocated time for a comment is 2 minutes.

One of the staff members will ring a bell to let you know the remaining time.

- The first bell-----1 minute remaining for your comment
- The second bell-----The end of your comment

Thank you for your cooperation.

Table of Contents

1. Program	1
2. Biographies of the Panelists	3
3. Presentation Papers	6
Session I: China's Strategy and Policy in the Indo-Pacific Region	6
KAWASHIMA Shin	6
Michael SWAINE	12
IIDA Masafumi	17
Mira RAPP-HOOPER.....	18
ITO Asei	21
Session II: How Should Japan and the United States Respond?	22
Evans REVERE	22
HOSOYA Yuichi	24
James SCHOFF	25
OBA Mie.....	31
Nicolas SZECHENYI.....	32
4. Appendix: Introductions to Co-sponsoring Organizations.....	34
(1) The Global Forum of Japan (GFJ).....	34
(2) Carnegie Endowment for International Peace (CEIP)	35
(3) The Japan Forum on International Relations (JFIR)	36

1. Program

<p>日米対話／The Japan-U.S. Dialogue</p> <p>チャイナ・リスクとチャイナ・オポチュニティ</p> <p>—「自由で開かれたインド太平洋戦略」へのインプリケーション—</p> <p>China Risks and China Opportunities</p> <p>--Implications for the “Free and Open Indo-Pacific Strategy--</p> <p>2018 年 3 月 2 日／March 2, 2018</p> <p>国際文化会館「講堂」／“Lecture Hall,” International House of Japan</p> <p>主催／Sponsored by</p> <p>グローバル・フォーラム／The Global Forum of Japan (GFJ)</p> <p>共催／Co-sponsored by</p> <p>米カーネギー国際平和財団／Carnegie Endowment for International Peace (CEIP)</p> <p>公益財団法人日本国際フォーラム／The Japan Forum on International Relations (JFIR)</p>
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開会挨拶／Opening Remarks	
14:00-14:10	
開会挨拶（5 分間） Opening Remarks (5 min.)	渡辺 蘭 GFJ 執行世話人／JFIR 専務理事 WATANABE Mayu, President, GFJ / Senior Executive Director, JFIR
セッション I／Session I	
14:10-15:55	インド太平洋地域における中国の戦略と政策 China's Strategy and Policy in the Indo-Pacific Region
議長 Chairperson	神谷 万丈 防衛大学校教授／GFJ 有識者世話人／JFIR 理事・上席研究員 KAMIYA Matake, Professor, National Defense Academy of Japan / Academic Governor, GFJ / Director and Superior Research Fellow, JFIR
基調講演（15 分間） Keynote Speech (15 min.)	川島 真 東京大学教授 KAWASHIMA Shin, Professor, the University of Tokyo
報告 A（10 分間） Paper Presenter A (10 min.)	マイケル・スウェイン カーネギー国際平和財団上級研究員 Michael SWAINE, Senior Fellow, CEIP
報告 B（10 分間） Paper Presenter B (10 min.)	飯田 将史 防衛研究所主任研究官 IIDA Masafumi, Senior Fellow, National Institute for Defense Studies
報告 C（10 分間） Paper Presenter C (10 min.)	ミラ・ラップーフーパー イェール大学法科大学院上級研究員 Mira RAPP-HOOPER, Senior Research Scholar in Law, Yale Law School
報告 D（10 分間） Paper Presenter D (10 min.)	伊藤 亜聖 東京大学准教授 ITO Asei, Associate Professor, the University of Tokyo
自由討議（50 分） Free Discussion (50 min.)	出席者全員 All Participants
15:55-16:15	休憩／Break

セッションⅡ / Session II	
16:15-17:50	日米はいかに対応すべきか？ How Should Japan and the United States Respond?
議長 Chairperson	神谷 万丈 防衛大学校教授／GFJ 有識者世話人／JFIR 理事・上席研究員 KAMIYA Matake, Professor, National Defense Academy of Japan / Academic Governor, GFJ / Director and Superior Research Fellow, JFIR
基調講演（15 分間） Keynote Speech (15 min.)	エヴァンス・リヴィア オルブライト・ストーンブリッジ・グループ上級顧問 Evans REVERE, Senior Advisor, Albright Stonebridge Group
報告 A（10 分間） Paper Presenter A (10 min.)	細谷 雄一 慶応義塾大学教授 HOSOYA Yuichi, Professor, Keio University
報告 B（10 分間） Paper Presenter B (10 min.)	ジェームズ・ショフ カーネギー国際平和財団上級研究員 James SCHOFF, Senior Fellow, CEIP
報告 C（10 分間） Paper Presenter C (10 min.)	大庭 三枝 東京理科大学教授 OBA Mie, Professor, Tokyo University of Science
報告 D（10 分間） Paper Presenter D (10 min.)	ニコラス・セーチェーニ 米戦略国際問題研究所日本部副部長 Nicholas SZECHENYI, Deputy Director, Japan Chair, CSIS
自由討議（40 分） Free Discussion (40 min.)	出席者全員 All Participants
総括セッション / Wrap-up Session	
17:50-18:00	
総括（10 分間） Wrap-up (10 min.)	ジェームズ・ショフ カーネギー国際平和財団上級研究員 James SCHOFF, Senior Fellow, CEIP
	神谷 万丈 防衛大学校教授／GFJ 有識者世話人／JFIR 理事・上席研究員 KAMIYA Matake, Professor, National Defense Academy of Japan / Academic Governor, GFJ / Director and Superior Research Fellow, JFIR

[NOTE] 日本語・英語同時通訳付き／English-Japanese simultaneous interpretation will be provided.

2. Biographies of the Panelists

[U.S. Side]

Michael SWAINE

Senior Fellow, CEIP

Michael SWAINE is a senior fellow at the Carnegie Endowment for International Peace and one of the most prominent American analysts in Chinese security studies. Formerly a senior policy analyst at the RAND Corporation, Swaine is a specialist in Chinese defense and foreign policy, U.S.-China relations, and East Asian international relations. He has authored and edited more than a dozen books and monographs and many journal articles and book chapters in these areas, directs several security-related projects with Chinese partners, and advises the U.S. government on Asian security issues. He received his doctorate in government from Harvard University.

Mira RAPP-HOOPER

Senior Research Scholar in Law, Yale Law School

Mira RAPP-HOOPER is a Senior Research Scholar in Law at Yale Law School, as well as a Senior Fellow at Yale's Paul Tsai China Center. She studies and writes on US-China relations and national security issues in Asia. Dr. RAPP-HOOPER was formerly a Senior Fellow with the Asia-Pacific Security Program at the Center for a New American Security (CNAS), a Fellow with the CSIS Asia Program, and the Director of the CSIS Asia Maritime Transparency Initiative. She was also a Stanton Nuclear Security Fellow at the Council on Foreign Relations. Dr. RAPP-HOOPER's academic writings have appeared in *Political Science Quarterly*, *Security Studies*, and *Survival*. Her policy writings have appeared in *The National Interest*, *Foreign Affairs*, and *The Washington Quarterly*, and her analysis has been featured in *The New York Times*, *The Washington Post*, and on NPR, MSNBC, and the BBC. Dr. RAPP-HOOPER was the Asia Policy Coordinator for the 2016 Hillary Clinton presidential campaign. She is a David Rockefeller Fellow of the Trilateral Commission, an associate editor with the International Security Studies Forum, and a senior editor at *War on the Rocks*. She holds a B.A. in history from Stanford University and an M.A., M.Phil., and Ph.D. in political science from Columbia University.

Evans REVERE

Senior Advisor, Albright Stonebridge Group

Evans REVERE is a Senior Advisor at the Albright Stonebridge Group. He is also Nonresident Senior Fellow at Brookings, where he focuses on the Korean Peninsula. During a distinguished career as one of the U.S. Department of State's top Asia hands, he served as Acting Assistant Secretary and Principal Deputy Assistant Secretary of State for East Asian and Pacific Affairs. His diplomatic career included service at the U.S. Embassy in Seoul and also in China, Taiwan, and Japan. His commentary on North Korea and on Asian affairs is highly sought after by leading media outlets in the United States, Asia, and Europe. Mr. REVERE is a graduate of Princeton University, a U.S. Air Force veteran, and a member of the Council on Foreign Relations. He is fluent in Chinese, Japanese, and Korean.

James SCHOFF

Senior Fellow, CEIP

James SCHOFF is a senior fellow at the Carnegie Endowment for International Peace. His research focuses on U.S.-Japan relations and regional engagement, Japanese security policy, and the private sector's role in Japanese policymaking. He previously served as senior adviser for East Asia policy at the U.S. Office of the Secretary of Defense and as director of Asia Pacific Studies at the Institute for Foreign Policy Analysis (IFPA). Prior to IFPA, he was program officer in charge of policy studies at the United States-Japan Foundation, following six years living in Japan and other parts of Asia working in the fields of business, education, and journalism. SCHOFF's publications include *Uncommon Alliance for the Common Good: The United States and Japan after the Cold War* (Carnegie, 2017) and "What Myanmar Means for the U.S.-Japan Alliance," (Carnegie, 2014).

Nicholas SZECHENYI

Deputy Director, Japan Chair, CSIS

Nicholas SZECHENYI is a senior fellow and deputy director of the Japan Chair at the Center for Strategic and International Studies (CSIS). His research focuses on U.S.-Japan relations and U.S. strategy in Asia. Prior to joining CSIS in 2005, he was a news producer for Fuji Television where he covered domestic politics and U.S. foreign policy in Asia. He holds an M.A. in international economics and Japan studies from the Johns Hopkins University School of Advanced International Studies (SAIS) and a B.A. in Asian studies from Connecticut College.

(In order of appearance)

【Japanese Side】

WATANABE Mayu

President, GFJ / Senior Executive Director, JFIR

Graduated from Chiba University. Received M.A. in Education from the Graduate School of the University of Tokyo in 1997. Joined the Japan Forum on International Relations (JFIR) in 2000 and appointed to Senior Research Fellow in 2007, during which period she specialized in global human resource development and public diplomacy. Appointed to Executive Director in 2011 and assumed the current position since 2017. Concurrently serving as Acting Vice-President of the Council on East Asian Community (CEAC).

KAMIYA Mataka

Professor, National Defense Academy of Japan / Academic Governor, GFJ / Director and Superior Research Fellow, JFIR

KAMIYA Mataka is concurrently adjunct research fellow at the Japan Institute of International Affairs and Member of the Board of Directors of the Japan Association for International Security. . He served as Distinguished Research Fellow at the Centre for Strategic Studies: New Zealand, during 1994-1995, and as editor-in-chief of Discuss Japan - Japan Foreign Policy Forum from 2013 to 2016. He has published extensively on international relations, Asia-Pacific security, U.S.-Japan security relations, and Japanese foreign and security policies including Japan's non-nuclear policy. He is co-editor of Introduction to Security Studies, 4th edition, (Aki-shobo, 2009), the most widely read textbook on security studies in Japan (Chinese and Korean translations have been published). His English-language publications include "The U.S.-Japan Alliance: Enhancer or Brake on Japan's power?" (Japan's World Power, Routledge, 2017), "Strong, but Worrying: The U.S.-Japan Alliance in the Trump Era" (The National Committee on American Foreign Policy, 2017), "Realistic Proactivism: Japanese Attitudes Toward Global Zero" (Stimson Center, 2009), and articles in The Washington Quarterly and Arms Control Today among others. He is a graduate of the University of Tokyo, and Columbia University (as a Fulbright grantee).

KAWASHIMA Shin

Professor, the University of Tokyo

KAWASHIMA Shin is the professor of the Department of International Relations, the Graduate School of Arts & Sciences, the University of Tokyo. He teaches the history of international relations in East Asia at Komaba Campus. He was educated at the Tokyo University of Foreign Studies (B.A.1992) and the University of Tokyo (Oriental history, M.A., 1992 and Ph.D, 2000). He taught at Hokkaido University's Department of Politics, Faculty of Law during 1998-2006 before moving to the University of Tokyo in 2006. He served as a visiting scholar at the Academia Sinica in Taipei (Institute of Modern History, 1995-96), the Beijing Center for Japanese Studies (vice director, 2000-2001), National Chengchi University in Taipei (department of history, 2005) and Beijing University (department of history, 2005), and Awarded Japan Scholar at Woodrow Wilson International Center for Scholars (2009). He has studied Chinese diplomatic history based on Chinese diplomatic archives. His first book, the Formation of Chinese Modern Diplomacy (Nagoya University Press, 2004), was awarded the Suntory Academic Prize in 2004.

IIDA Masafumi

Senior Fellow, National Institute for Defense Studies

IIDA Masafumi holds a B.A. in Policy Management and M.A. in Media and Governance from Keio University, in addition to an M.A. in East Asian Studies from Stanford University. He has held various positions within NIDS, and most recently was assigned as Senior Staff to the Defense Policy Bureau within the Japanese Ministry of Defense (MOD). Additionally, he has completed a term as a Visiting Scholar with the Center for East Asian Studies at Stanford University in 2010 and with the China Maritime Studies Institute at U.S. Naval War College in 2014. Professor Iida has focused his research primarily on China's foreign and security policies and in particular, the growing maritime implications of this relationship within East Asia.

ITO Asei

Associate Professor, the University of Tokyo

ITO Asei is associate professor at the Institute of Social Science, University of Tokyo. He obtained PhD in Economics from Graduate school of Economics, University of Keio, Japan. His research covers the Chinese industrial development, China's outward FDI activities, and innovation in China and Asia. He is the author of Industrial Clusters in Contemporary China: "The Workshop of the World" and A Bottom-up Economic Development (the University of Nagoya Press, 2015, in Japanese) and China Unmanned Aerial System Industry Report 2017: An emerging industry from an emerging economy (the Institute of Social Science, University of Tokyo, in Japanese), and one of co-editors of China's Outward Foreign Direct Investment Data (University of Tokyo, 2014, in English) and Understanding Contemporary China: Lecture Series at the University of Tokyo (University of Tokyo Press, 2014, in Japanese).

HOSOYA Yuichi**Professor, Keio University**

Received his M.I.S. from the University of Birmingham and Ph.D. from Keio University. He is also Senior Researcher at Institute for International Policy Studies (IIPS) and at the Tokyo Foundation (TKFD). Served as Visiting Professor and Japan Chair at Sciences-Po in Paris (2009–10), Visiting Fellow at Princeton University (2008–2009). His research interests include the postwar international history, British diplomatic history, Japanese diplomacy, and contemporary international security. He was a member of Prime Minister's Advisory Panel on Reconstruction of the Legal Basis for Security (2013-14), and a member of Prime Minister's Advisory Panel on National Security and Defense Capabilities (2013), in which capacity he assisted to draft Japan's first National Security Strategy.

OBA Mie**Professor, Tokyo University of Science**

Graduated from International Christian University in 1991. Received M.A. in 1994 and Ph.D. in 2002 from the University of Tokyo. Served as Visiting Research Fellow, Institute of Defence and Strategic Studies (IDSS) at Nanyang Technological University in Singapore (2004), Academic Associate, Program on U.S.-Japan Relations at Harvard University (2006-2007), and Associate Professor, Tokyo University of Science (2007-2014) before assuming current position in 2014. Her major is International Relations and the politics in Asia-Pacific. Her current research interests include the development of regionalism in this region as well as theories of regional integration and regionalism.

(In order of appearance)

3. Presentation Papers

Session I: China's Strategy and Policy in the Indo-Pacific Region

Keynote Speech

Chinese Strategy and Regional Order

KAWASHIMA Shin

Professor, the University of Tokyo

CHINESE FOREIGN POLICY IN 21C

- Jiang and Hu's first administration kept so called "Taoguang Yanghui" (韬光养晦) to strengthen the importance of economic growth on its foreign policy.
- Hu announced China contributed on global governance and denied the discourses China threat.
- In 2006-2008, China revised the terminology of official documents on foreign policy, and added "sovereignty and security" to economic growth on the purpose of foreign policy.

SELF-PERCEPTION AND FOREIGN POLICY UNTIL 2012

- Self perception: 1) developing country, but one of the great power
- 2) G2 ?
- Category of Foreign Policy: 1) foreign policy for great power
- 2) foreign policy for surrounding countries
- 3) foreign policy for developing countries
- Japan: great power + surrounding countries

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XI ADMINISTRATION

- China became the second largest economic power in 2010.
- → In previous days, China was criticized as “free rider” and was expected to be a stake-holder or contributor to the international norm.
- However, China intentionally criticized the security allies of USA and started providing the regional image and the **international public goods** as a hegemon in the world. (ex. New Concept of Security of Asia)

ONE BELT ONE ROAD (2013-)

- 1) List up previous projects by China and Combination of foreign policy for surrounding countries(China + ASEAN, SCO, China + SAARC, and so on)
- 2) China provides regional image, international public goods (infrastructure and capital), and so on.
- → **vague combination of** ”economy” and “security/politics”

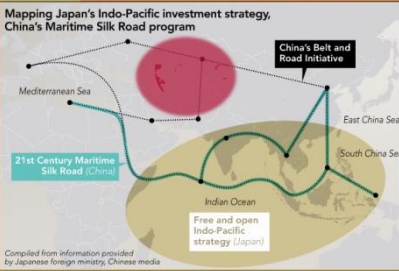
MULTILATERAL NETWORKS IN INDIA-APCIFIC UNDER OBAMA ADMINISTRATION

- Obama administration made the multi-lateral frameworks both economy(TPP) and security(multi-lateral security networks of allies)
→ For China, these were so irritating.
- [*]However, Trump administration...
- How do we keep such multilateral norms in this region?

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“FREE & OPENED” INDIA-PACIFIC & SUPPORT FOR CENTRAL ASIA

Mapping Japan's Indo-Pacific investment strategy, China's Maritime Silk Road program



Compiled from information provided by Japanese foreign ministry, Chinese media

Japan-Central Asia: Japan supports “opened, stable and autonomous development in Central Asia.”

The concept of “Free & opened” india-Pacific is shared by US, Australia, India and others.

XI JINPING'S STATEMENT IN 2017



- Xi prospected China in the future in 2050. Xi set the new national target to show the Chinese people.

QUESTION ON CHINA'S CONCEPT OF NEW INTERNATIONAL RELATIONS

- 1) China and other countries make “win-win” relationship, and it will advance to be the “partnership”, and “friendship chains”, and finally such chains enhance to the “common destiny.”
- 2) Xi estimated that the “common destiny” will be realized in most 2150.
- → Chinese New International Relations also will be emerged in 2050.
- How about Chinese power and initiative in this new international relations?

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NEW RELATIONS ON PARTNERSHIP

Hierarchy of the partner countries



中国主要“伙伴关系” 国家或组织	
全面战略伙伴关系	俄罗斯
更加紧密的战略合作伙伴关系	巴基斯坦
全面战略合作伙伴关系	越南、柬埔寨、老挝、缅甸、泰国
全面战略伙伴关系	印度尼西亚、马来西亚、英国、意大利、法国、巴西、西班牙、丹麦、葡萄牙、哈萨克斯坦、秘鲁、墨西哥、南非、希腊、白俄罗斯、欧盟
战略合作伙伴关系	韩国、印度、斯里兰卡、阿富汗
战略伙伴关系	东盟、非盟、乌兹别克斯坦、塔吉克斯坦、土库曼斯坦、德国、蒙古国、阿拉伯联合酋长国、安哥拉、阿根廷、波兰、尼日利亚、加拿大、塞尔维亚、智利、乌克兰、委内瑞拉
全面合作关系	刚果、克罗地亚、尼泊尔、坦桑尼亚、孟加拉国、埃塞俄比亚

XI SAID CHINA'S BEHAVIOR WILL BE...

- Xi said that China will be the socialism and modernized strong country with Chinese style until 2050.
- And Chinese people can come true their “Chinese dream”, and complete the great revival of China.
- 1) China will contribute to create and maintain global governances.
- 2) China will contribute world economic development and peace-building.

WHAT'S KIND OF HEGEMON ?

- Xi said China will be the strong country.
- 1) economic power
- 2) contributor to the global governance
- → “win-win” seemingly means China will pay attention to the communications with other countries.
- However, Xi also said China will be **the most influential country** in the world, and Chinese people will be **standing on the summit** among the all peoples in the world until 2050.

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ABE ADMINISTRATION'S APPROACH TO CHINA

- PM ABE ADJUSTED ITS POLICY TOWARD CHINA IN 2017.
- 1) He required to held top meeting and invited Chinese top leaders to Japan.
- 2) He **evaluated BRI positively** with some conditions that Japanese companies can join “free and open” and non-politicized projects of BRI. He also said he couldn’t recommend some projects that would be utilized by military activities.

ABE ADMINISTRATION'S APPROACH TO CHINA

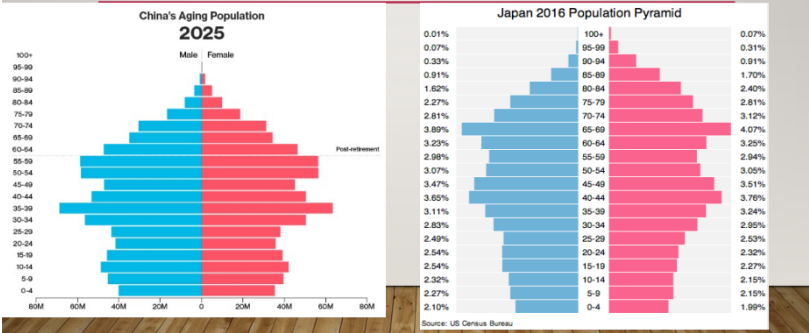
- However, both Japan and China doesn’t change its policy in East China sea.
- Chinese media doesn’t report ABE’s conditions, and expect that Japan compromise in East China sea. → Both government advances the negotiations the communication mechanism on maritime emergencies.

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YU ZHENGSHEG'S SPEECH ON DEC.,13TH, 2017.

- 中日两国是近邻，是搬不走的邻居。中日民间交流历史悠久，底蕴深厚。中国将按照亲诚惠容理念和与邻为善、以邻为伴周边外交方针，深化同包括日本在内的周边国家的关系。
- 今年是中日邦交正常化45周年，明年将迎来中日和平友好条约缔结40周年。中日两国要从两国人民根本利益出发，准确把握和平、友好、合作大方向，以史为鉴、面向未来，世代友好下去，共同为人类和平作出贡献。
- ➡Japan: surrounding countries

NEW POTENTIALITY



[END]

China Risk and China Opportunity China's Strategy and Policy in the Indo-Pacific Region

Michael SWAINE
Senior Fellow, CEIP

China, the US and the Global Order: What Order?

The U.S. Trump Administration has recently issued statements and strategy documents that for the first time define China as a “predatory” and “revisionist” power that is directly seeking to replace the existing “free world order” with a “repressive world order.”

This supposed fundamental threat to Western values and interests is only vaguely defined at best, with references made here and there to threats to: the rules-based international order, the sovereignty of smaller powers, predatory economic practices, universal political values, and free access to the maritime global commons.

Nowhere is a serious effort made in these policy sources to define what a “free world order” consists of specifically, much less to provide substantive, fact-based evidence of China's categorical violation of that order as a whole, as alleged.

In fact, one can take issue with the notion that a clearly understood “free world order” or “liberal international order” actually exists as a coherent entity. Observers in different countries define it in various ways, according to their frame of reference and priorities. Also, observers disagree significantly over what constitutes a clear violation of key elements of such an order.

These differences relate in part to the basic question of whether and to what degree any such order exists independently of the major powers that played the largest role in creating its supposed norms. If the global order only derives from the views of those powers, then presumably only they can define its rules and by definition are incapable of violating it, a clearly preposterous stance.

In fact, the US can itself be shown to be in violation of or opposed to some elements of what many might consider to be part of the LIO, e.g., The International Court of Justice, the International Criminal Court, the application of political and economic sanctions and trade barriers in apparent violation of the WTO and the UN system, the US invasion of Iraq in 2003 without UN authorization, and certain maritime claims in the South Pacific in apparent violation of UNCLOS. And Congressional opposition, on sovereignty grounds, to a range of human rights or arms control related agreements has led to cases where the US signs agreements but then does not ratify them. UNCLOS is a perfect example.

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At the same time, the US can also be seen to agree with China on specific elements of what many would consider to be the core of the current global order, e.g., the central importance of sovereignty in developing regimes and norms, economic institutions such as the IMF, World Bank, and the WTO (before Trump), some key WMD counter-proliferation regimes (NPT, CTBT), and (again before Trump) the climate change regime. And both Washington and Beijing opposed the recently concluded Treaty on the Prohibition of Nuclear Weapons that was supported by over 60% of the UNGA members.

In addition, China is a strong defender of the UN Security Council system, alongside the U.S. And it has also become more active in PKO at the request of the UN, even to the point of deploying combat forces for the first time.

In addition to these complexities, there is the issue of what exactly “revisionism” means. Whereas the Trump Administration seems to vaguely focus its attention on China’s supposed revisions or violations of norms (such as free trade, freedom from coercion, freedom of maritime navigation, and various political freedoms), in fact an arguably more critical area of supposed revisionism (as a potential war or peace issue) involves changes in the basic US-centered distribution of power, especially in Asia. Perhaps this is the “order” that is most at risk of being revised by Beijing.

The Real Issue: Five Security and Economic Challenges

Taking all this into consideration, it is vastly more accurate to refer to a stronger China potentially or actually challenging specific US/Western preferred norms, processes, and power relationships in Asia, not an across-the-board clash of coherent “orders” per se. From this more focused, definable perspective, the specific potential risks presented by China’s strategy and policies in the Indo-Pacific can be boiled down into five main areas:

First, escalating political-military crises and possible armed conflict between the US and its allies and China over several specific security-related issues: Taiwan, Korea, maritime disputes involving China and U.S. allies, and US/allied and Chinese military (primarily naval) ISR operations and exercises in the W. Pacific.

These contentious issues, almost all of which involve uncompromising, zero-sum sovereignty claims associated with regime legitimacy and domestic political fortunes, could trigger crises as a result of a direct use of force, coercion or intimidation in violation of the UN Charter, compounded by miscalculations of intent and purpose due to poor communication and inept crisis management skills. Based on past evidence, both China and the U.S. and its allies could conceivably make such mistakes, especially as China’s military capabilities in Asia increase relative to those of the U.S. and Japan, thereby increasing the possibility of overreach by Beijing and overreaction by Washington. Most concern at present is focused on Beijing, however, due primarily to its significantly expanded military and non-military presence and more assertive stance in the South China Sea (SCS) and the East China Sea (ECS). China has repeatedly indicated that it is committed to the peaceful resolution via bilateral negotiation of any disputes in the above two regions. But it has also clearly sought via the use of military and para-military assets in both areas to create a situation more favorable to its stance, thus increasing the chance of crisis and conflict.

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Second, attempts by China to obstruct commercial freedom of navigation across the region, but especially in the SCS and ECS. This is a very finite issue, which could presumably be identified rather clearly. And the evidence, based on policy statements and actions, as well as commercial activities to date, indicates that Beijing has neither the incentive nor the apparent desire to obstruct such navigation. This is thus a purely speculative concern based on exceedingly vague suspicions about changes in future Chinese views. The real issue involves the possible obstruction of foreign military access into disputed areas controlled by China. Here, Beijing at times applies an interpretation of international law shared by many other coastal states, while the U.S. and most Western nations apply a more dominant counter-interpretation. These divisions do not reflect differences between “free” and “repressive” orders. It also, however, at times acts to inhibit or obstruct the activities of foreign militaries entirely independent of any clear legal argument, based on purported risks to maritime safety.

Third, intended or unintended efforts to weaken the use of generally accepted international legal procedures for defining maritime jurisdiction (as per UNCLOS). This issue area, again relating primarily to Chinese sovereignty claims in the ECS and SCS, arguably provides the greatest evidence of Chinese violations of legal norms and processes. China has made exceedingly vague claims regarding its authority over various waters in the SCS while acting as if it enjoys preferential or sovereign control in places. It has also explicitly rejected the decisions of a PCA recently convened to rule on the application of UNCLOS statutes to land features in the SCS, created artificial islands in disputed areas (some in violation of the PCA ruling), and has for the first time used military and para-military assets to assert its sovereignty claims in the ECS, albeit allegedly in response to Japanese actions. These all increase the potential for crises and conflict. Whether China’s rejection of legal rulings on this matter will create precedents that could weaken international law in general or UNCLOS in particular, however, is a matter of debate. Much will depend on whether China (and other countries?) rejects additional legal procedures and rulings. But regardless, additional legal decisions or a greater affirmation of accepted legal procedures will almost certainly not alone prevent such future actions, much less resolve the present issue.

Fourth, trade wars triggered by punitive tariff barriers and other economic measures. This is a very complex issue, involving potential and actual violations of existing economic practices and regimes. In general, China has observed WTO procedures in resolving trade disputes, and has often won such disputes. At the same time, it is apparently employing non-WTO compliant policies and practices in the trade and investment area. And it is showing signs of exerting political controls in commercial areas more assertively than in the past. At the same time, the USG under Trump is threatening to employ likely non-WTO compliant punitive trade and investment policies to China, using extremely weak national security arguments and a completely illogical interpretation of the danger of trade imbalances. In other words, both sides are likely contributing significantly to the potential for mutually destructive economic actions. Trumpist arguments that China is pursuing “predatory” mercantilist economic policies, reflected in the activities of the BRI, the AIIB, and other Chinese initiatives, are largely made in the absence of substantive evidence. At this point, they are more political rhetoric than reality.

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Fifth, the creation of exclusive or privileged political, ideological, and/or economic relationships between China and other regional states that threaten the prosperity and political stability of the US and U.S. allies and friends. This concern is almost entirely theoretical at present. It largely employs as evidence occasional remarks made by Chinese leaders taken out of context and in some cases subsequently clarified or corrected, e.g., “Asia for the Asians” and China as an “example for other developing countries”. It also employs speculations about the supposed “real” intent of Chinese initiatives such as the BRI, etc., and the assumed future evolution of Chinese trade policies toward ever greater levels of mercantilism, all largely unproven. Exactly how and why China would act in the future to create such relationships is usually left unstated. None of this is to say that China would never attempt to create the sort of dominant, ideology-based coalition of Asian states that the Trump Administration now explicitly advocates in the guise of the so-called Quad of democratic Asian nations (U.S., Japan, India, and Australia). But if it does, it will probably be more in response to U.S. actions than as a result of its own initiative.

Turning Risks Into Opportunities?

As the above list indicates, the major actual and potential risks that China poses for the U.S./Japan alliance are relatively finite (albeit serious) and often result from an interactive process between Beijing and Washington, Tokyo, and others. Some risks are largely theoretical, based more on speculation than substance. Moreover, all of the above risks exist within a larger framework or environment marked by several positive features: a common focus on sustaining peace and prosperity in the region through trade, investment, and the non-violent negotiation of differences; the related absence of any desire to seize the territory of other states in order to maintain economic growth; ongoing efforts to enhance regional cooperation and deepen regional integration (despite the obstacles presented by the Trump Administration) through longstanding and recent fora and structures, such as APEC, EAS, TPP+11, and RCEP; and a recognition of the need for all states to cooperate in order to address an array of common transnational threats, from climate change to WMD proliferation and pandemics.

These factors suggest that opportunities exist for reducing the likelihood of the above crises, for managing effectively any crises that do erupt, and for building a stronger foundation for moving the region, and the U.S.-Japan alliance, in a more positive direction.

Despite growing mutual suspicion and some animosity and threat mongering by both sides, China and Japan have strong incentives to improve their overall relationship and reduce the volatility of their sovereignty dispute over the Senkaku/Diaoyu Islands. This derives largely from their deep economic interdependence and need for peace, and the greater strategic maneuvering room for both capitals that would arguably result from Tokyo moving closer to Beijing by separating itself from the highly adversarial stance toward China now adopted by the Trump Administration. Although Tokyo and Beijing have recently moved to improve relations, much more could be done.

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But perhaps the greatest opportunity for reducing risks and improving the climate in Northeast Asia lies in the development of a clearer consensus between the United States and Japan, and eventually between the alliance and China, regarding the future power distribution and disposition of volatile issues across the region. As I have written elsewhere, long-term stability in the Western Pacific (and the larger Indo-Pacific region) will depend on the creation of a stable version of the rough balance of power between China and the US and its allies that will almost inevitably emerge in the years ahead. As indicated above, such a balance will increase the propensity for miscalculation on both sides, thus raising the likelihood of future crises and even conflicts over Taiwan, maritime disputes, and other regional issues.

One can hope to muddle through this situation by trying to maintain effective military counter-measures (a process also known as arms racing) while strengthening confidence-building and crisis management activities of various sorts and trusting that deeper economic integration will reduce the incentives for serious conflict. But history suggests that this is unlikely to produce the enduring level of predictability and restraint necessary to maintain regional stability. A more promising (albeit difficult to implement) set of actions would involve more proactive efforts to transition toward a mutually acceptable, denial-oriented defensive force posture on both sides, along with a set of reassuring understandings on the region's most volatile issues, from Korea to the South China Sea.

Unfortunately, present negative policy trends in the US, China, and Japan do not offer much reason for confidence that such actions will occur. All three countries, led now most prominently and aggressively by the Trump Administration, are adopting a zero-sum mindset and strategic approach that will fuel offensive arms racing while reducing any incentives for developing mutual understandings. In my view, it is up to policy analysts, former officials, and scholars to present the case for a stable balance of power in Asia. And Japan could arguably provide the best environment for fostering such a view among these elites, given its strong pro-peace sentiment, support for limited, defensive-oriented armed forces, and lack of hegemonic ambition. Indeed, without Japan's active advocacy, it is unlikely that U.S. officials would even contemplate efforts to build a stable balance in Asia. And without U.S. movement, it is almost certain that Beijing will resist supporting such a concept.

[END]

China's Strategy and Policy in the Indo-Pacific Region

IIDA Masafumi

Senior Fellow, National Institute for Defense Studies

CCP's Strategic Objectives

Establishing a great modern socialist country

- Great country: predominant international position
- Modern country: sustainable economic development
- Socialist country: continuous one party dictatorship by the CCP

Direction of external policies

- Rejecting democratic values:
Revision of liberal international order, "a community with a shared future for mankind," "a new form of international relations" etc.
- Opening up economy:
Promoting free trade and globalization, BRI
- Building formidable military:
Organizational reform for winning informationized local wars, strengthening power projection, space and cyber capabilities

China's Military Activities in the IPR

Active operations around Japanese territories

- PLAN warships getting closer to the Senkakus, increasing flights of PLAAF aircraft in ECS, bombers operations in Japan Sea and WP, frequent exercise around Taiwan
- Stronger claim over Senkakus, pressure on SDF & USFJ, preparation for Taiwan conflict

Strengthened military presence in Southeast Asia

- Militarization of the Spratly Islands, amphibious exercises, combat patrol by bombers, exercise by carrier strike group, deployment of SSBN
- Control of Spratlys, area denial against USF, basis for expansion to Indo-Pacific Ocean

Higher operational capabilities in the Western Pacific

- Frequent naval exercise, long-range flight by strategic bombers, possible joint exercise by Navy and Air Force, diversified routes into WP, deployment of ASBM
- A2/AD capabilities against USF

Advancement into Indian Ocean

- Continuous participation in anti-piracy operations, military base in Djibouti, enhancing port accesses, dispatching submarines
- Secured SLOCs in Indian Ocean, military pressure on India

[END]

China's Approach to the International Order

Mira RAPP-HOOPER

Senior Research Scholar in Law, Yale Law School

Introduction

In recent months, especially with publication of Trump Admin's NSS and NDS, it has become common parlance to state that great power competition again defines international politics and that a risen China is challenging the liberal international order, especially in Asia

Argument

If the United States and Japan want to craft a thoughtful strategic response to China we must understand what the international order is and isn't, how China's international strategy interacts with it, and where opportunities exist for the allies. I will start by defining the liberal international order, explain why we should expect that China's rise will result in some changes to existing rules and regimes, offer a framework for how we might think about China's strategy for the international order, and conclude with what that tells us about how United States and Japan might respond.

The Liberal International Order and China's Rise

- International political order refers to the governing arrangements among states that establish fundamental rules, principles, and institutions
- Because they are constructed by sovereign states, arrangements have always been transitory
- Throughout history, order has most commonly broken down through major wars, and new orders after settlement, as states seek to create new rules based on new power configurations.
- We associate major changes to the international order with violence between great powers
- The "liberal international order" is one type of order, with foundational principles drawn from Woodrow Wilson, extended and institutionalized after WWII
- Principles: pacifying role of global trade, interstate arrangements to prevent the use of force, seeks an international system based on cooperation for mutual gain
- Institutions can reinforce cooperation over time, democracies are aptly suited to lead
- UN, Bretton Woods, additional layers added over time; Extended to Asia in the 1960s and 70s
- China benefitted; order experienced crises; Appeared to triumph after collapse of USSR
- The post-1945 liberal international order was never a monolithic or crystalline structure
- It was a pragmatic project to create the infrastructure to make sustained cooperation possible, and to mitigate the most dangerous forms of economic and security competition.
- International order is always a function of the powers who created it
- It holds that a new major superpower would seek to adjust that order to reflect its interests
- When we simplify the debate over China's rise to Thucydides Trap, questions of whether US-China conflict is inevitable, suggest that international order is a single structure to be broken, we miss the entire domain of peaceful international change.

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Question

Where and how does China seek to adjust the international order, and are those changes inimical to US, Japanese, and other regional interests?

We must look at China's engagement with different parts of global and regional order to identify where it is really challenging and how the US and Japan might respond

China's Approaches to International Order

	Economic	Security
Global	<i>Reformist Participant</i> WTO IMF G20	<i>Increasing Contributor</i> UN peacekeeping, sanctions Climate change
Regional	<i>Entrepreneur</i> BRICS Bank AIIB Belt and Road	<i>Challenger/spoiler</i> UNCLOS/Maritime claims North Korea

TABLE 1- CHINA'S APPROACHES TO INTERNATIONAL ORDER

Global level: China tends to uphold rules and norms

- Economic: pushed for IMF and G20 reform, challenges WTO through mastery of rules
- Security: has increased its funding of UN, peacekeeping, leads on climate change

Regional level: Push back or seek change

- Economic: undeniable entrepreneurship, new economic and development institutions Chinese rules and standards; domestic economic benefits, strategic advantages
- Security: China's interpretation of UNCLOS, island building, nonparticipation in PCA, all at odds with international law, including LOS as viewed by most of the world; island bases will allow Beijing to project power 1k miles from its shores, obstruct military FON; Beijing increasingly sees DPRK as liability, but has not yet meaningfully changed its strategy to prioritize regional security over stability in Pyongyang

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U.S.-Japan Strategy

- Should be as variegated as Chinese participation
- Regional Security- CLOSER COORDINATION WITHIN EXISTING STRUCTURES
 - Area where competition is most likely to be zero-sum
 - U.S.-Japan alliance, networking with other like-minded partners (Australia, India) to uphold LOS in SCS
 - Prepare long-term containment/deterrence regime for DPRK, strengthen PSI
- Regional Economics- NEW STRATEGY NEEDED
 - U.S. strategy is entirely lacking; Japan more proactive
 - Craft alliance strategy that is not zero-sum
 - Identify liabilities; provide aid to target countries
- Ungoverned space
 - Move to develop rules and norms on AI, cyber

[END]

Comments on "China's Strategy and Policy in the Indo-Pacific Region"

ITO Asei

Associate Professor, the University of Tokyo

1. China's Belt and Road Initiative: Contents, Rationale, and Implementation

1) Contents

Connectivity based on infrastructure, Trade and investment facilitations, Monetary cooperation, and policy coordination/cultural exchange

2) Disaggregating BRI

Land/Sea, Economics/Politics, Domestic/International, Physical/Digital, Zero-sum/Plus-sum, Institutional/non-Institutional

3) Implementation

According to official stat, China's outward investment in 2017 was 120 billion USD, declined by 29.4 % compare to previous year

"BRI related investments" in 59 countries was 14.4 billion USD, increased by 3.5%, accounted for 12% of total outward investment in 2017

4) Digital expansion of Chinese firms in Indo-Pacific region

2. Japan's response

1) With regard to BRI

Japanese Gov shifted stance from disregard to conditional and selective engagement.

Note that, there is no institutional cooperation framework or joint-document yet

2) Mainstream of Japan's policy

TPP, Japan-EU EPA, and Indo-Pacific Strategy

Indo-Pacific region covers emerging economies such as South East Asia, India, and Africa

3) Potential of "Quad + ASEAN" cooperation

It potentially can expand "East Asian Production Network" to "Indo-Pacific (or Asia-Africa) Production Network" based on market force. Role of ASEAN-India FTA and beyond.

[END]

Session II: How Should Japan and the United States Respond?

Keynote Speech

China's Strategy and Policy in the Indo-Pacific Region: How Should the United States and Japan Respond?

Evans REVERE

Senior Advisor, Albright Stonebridge Group

Changing Regional Dynamics

- The U.S. and Japan are concerned that power dynamics in Asia and the Indo-Pacific region are shifting as a result of China's rise.
- China is in the ascendant.
 - Growing economic power means increased military expenditures, greater power projection capacity, more robust naval and air patrols, and improved PLA war-fighting capability.
 - Beijing is staking out assertive positions on territorial issues in the South China Sea and East China Sea; creating land in the South China Sea and militarizing it; testing Taiwan's defenses; and challenging Japan in the Senkakus.
 - The PRC is raising its global economic profile. China's Belt and Road Initiative (BRI) has helped Beijing develop new markets, promote the Chinese economic model, and expand its "soft power."
 - As a rising and increasingly dominant economic actor, China naturally expects to have an influential voice in setting the rules when it comes to trade.

Whither China?

- China's growth, uncertain ambitions, and lack of transparency are major challenges.
- Nevertheless, Washington and Tokyo are committed to maintaining positive, productive, and transparent ties with China.
- But China's policies and behavior suggest future relations with the PRC will be complicated.
- There are strong doubts about Beijing's commitment to the open, rules-based international order that the United States and Japan support.
- China's industrial policies favor indigenous innovation and are geared to ensure a major role for the state – and the Party.
- Theft of intellectual property continues to be a problem. The U.S. business community is no longer the major cheerleader for U.S.-China relations that it once was.

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- China's political development is a major concern.
 - Authoritarianism is growing. Centralization of decision-making in the hands of China's leader is increasing. The end of term limits for President Xi Jinping is an ominous sign.
 - The crackdown on human rights advocates, lawyers, women's groups, environmentalists, and labor organizations continues. These trends suggest that the order China seeks to impose in connection with its rise will be both illiberal and problematic.

The Response

- Responding to China's challenge by relying on confrontation, trade wars, sanctions, and military steps will exacerbate tensions.
- A better approach involves exercising vigilance and vigorously defending and promoting the principles of the liberal, open, rules-based system that the U.S. and Japan have traditionally advocated.
- Simultaneously, we should press the PRC to act constructively and responsibly, shape Beijing's choices, criticize those practices we find objectionable, and seek areas of common interest.
- China must understand our concerns and our red lines.
- We should be clear about those principles we will defend, including the importance of open sea-lanes.
- The United States and Japan should work with like-minded countries to strengthen the institutions that help preserve and promote our principles and interests.
- Institutions that promote democracy, free trade, open sea-lanes, the rule of law, Internet freedom, and human rights must be key priorities.
- American leadership is essential.
 - But Washington's rhetoric and actions have raised questions about its commitment to multilateral cooperation, alliances, and even regional leadership.
 - The U.S. withdrawal from the TPP and the Paris Climate Accord sent the worst possible message to allies, partners, and adversaries.
 - Thus far, Washington's promotion of an "Indo-Pacific strategy" is a slogan in search of a strategy.
- Japan, which has promoted such a concept in recent years, can and should play an important role in shaping a viable Indo-Pacific strategy.
- Don't underestimate the value of Japan's voice. And don't underestimate Washington's need to hear that voice.

[END]

Japan's Initiative to Provide both Leadership and Vision: Japan's Strategy in a Time of the US-China Rivalry

HOSOYA Yuichi

Professor, Keio University

Japan's Initiative in Maintaining Liberal International Order

- Japan's government under Prime Minister Shinzo Abe recognizes that Japan needs to fulfill the gap caused by American retreat from its leadership role in sustaining liberal international order as symbolized by its rejection of the TPP.

Japan's Partial Support for China's Belt and Road Initiative

- Japan's strategy is not intending to deny China's vision of the "One Belt One Road" Initiative, but to supplement and to present an alternative vision of order to the region. This position is basically welcomed by Chinese government, and it makes the current Sino-Japanese relationship better than previous years.

Foreign Minister Taro Kono's Statement on Chinese Rise:

"The international order is shaking. The foremost challenge we are facing is North Korea's nuclear and missile threat. ... The second challenge is how to cope with an emerging China. Chinese economic growth has provided opportunities to the world. At the same time, as symbolized by the construction of aircraft carrier, China is boosting its military capacity in a rapid and non-transparent manner based on its economic power, and is flexing its muscle around the world. Under such circumstances, the big issue now is how to secure the global strategic balance."

Japan's Leadership in Presenting three principles of the International Community

- Foreign Minister Kono argued that "there are three principles the international community needs to uphold"; the first principle is respect for international laws and rules; the second principle is respect for diversity; the third principle is respect for freedom and openness.
- Kono also said that "Japan should play an even bigger role together with like-minded countries in order to uphold these three principles."

More Cooperation in the Sino-Japanese Relations

- Japan's government under Prime Minister Abe now inclines to be more cooperative with China than before, as the two government celebrate the 40th anniversary of the Treaty of Peace and Friendship between Japan and China.

[END]

How Should Japan and the United States Respond: The Security Dimension

James SCHOFF
Senior Fellow, CEIP

- As has been touched on today, the United States is reorienting its policies towards China in ways that assume more intense competition and long-term rivalry, extending across the military, economic, and diplomatic areas. In the United States (especially Washington) we hear increasing worries about China's unfair trade practices, its predatory investments and acquisitions in America, and its efforts to influence public opinion and policy makers.
- I must admit that I have mixed feelings about this development, because I remember in the 1990s experiencing some similar dynamics involving Japan. The United States government and public at times overreacted to the Japanese economic challenge. We assumed adversarial national intentions of Japan that were exaggerated. Thank goodness we were allies and had a long friendship with many internal advocates, who could help us get through that tough political and diplomatic period. Some common sense and the passage of time generally fixed this problem. So, with China, I think it is important not to overreact and possibly accelerate a vicious cycle of zero-sum competition.
- However, the situation is more challenging with China for various reasons, and one big reason is the military dimension. Security issues are politically sensitive (can't be seen as weak), the stakes are high, and effective responses to military challenges require a relatively long lead time. This is a particularly important year as Japan revises its National Defense Program Guideline and Mid-Term Defense Plan, and as the Trump administration rolls out a new National Defense Strategy and benefits from defense budget growth.
- The alliance defense and deterrence posture has to respond to China's growing capabilities to some degree. In addition to this, we will be taking appropriate measures vis-à-vis North Korea's growing nuclear and missile threat, and many of those steps (such as new missile defense investments, possible counterattack capability in Japan, stepped-up anti-submarine warfare cooperation, etc.) will be interpreted by Beijing as meant for China. We have to protect ourselves, but we have to be careful, because the potential for a costly security dilemma is growing.
- Strengthening the alliance defense and deterrence posture vis-à-vis China should be designed to respond to two different levels of Chinese pressure: on the **low end** and on the **high end**. The **low end** refers to Chinese military coercion and its own form of hybrid warfare, primarily at sea but also in cyberspace, espionage, and possibly in outer space eventually. For the "defense of Japan" at this low end, Japan has a lead role, with American support. Japan's 2015 security legislation and our revised Defense Guidelines give us more opportunities to cooperate in these areas. At this level, it is most important to take advantage of the mission integration options made possible by the 2015 legislation and revised Defense Guidelines.
 - Under the revised Guidelines, notably, we have flexibility of when we work together, especially in peacetime, which means we can practice on a regular basis and prepare for low-end challenges.
 - Also, the Intelligence, Surveillance & Reconnaissance (ISR) component—and how it connects to planning, targeting, tasking, maritime security, etc.—is a consistent theme, and I group some of these items together because of their "networked" potential (e.g., missile defense, maritime security, etc.). I think these are priority areas for improvement in our combined effort, which can help deter coercive Chinese action in East China Sea.

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- The high end of defense and deterrence vis-à-vis China is fortunately less of an immediate concern, because the allied position is strong, and because I don't think Beijing has much interest in directly challenging the alliance militarily. Still, some sort of state-to-state conflict involving North Korea or Taiwan could (in theory) push us unintentionally into a high-end military confrontation with China, and a good way to prevent that from happening is to maintain our strength. In the short term, the recent budget agreement in Washington is good news for substantial, predictable U.S. defense spending, but it is important to focus on how we make decisions and share information within the alliance, and how we can promote more "joint" operations within Japan's Self-Defense Forces, so that our alliance cooperation is more seamless. This was a lesson we learned from the March 11 earthquake/tsunami disaster in Japan.
- Before I move onto some specific observations and recommendations, let me share some general ideas about vital components of effective command (not my own formula, but I thought it useful). If we think about these components in a bilateral/US-Japan context and apply them to certain alliance missions, it helps us visualize our near-term priorities.
 - I think the Alliance Coordination Mechanism (ACM) is a critical tool to help us get this right, particularly the first and fourth factor (authority and situational understanding), and to some extent the second (communication).
 - The Extended Deterrence Dialogue (EDD) can also assist with situational understanding.
 - Communication and situational awareness are closely linked to what we traditionally think of with regard to "jointness" and interoperability, all with the aim of accomplishing specific missions. There is a technology aspect, but it's also culture, policies & practice.
 - I assume we will be doing alliance security cooperation in a "supporting-to-supported" relationship, but we will have different roles depending on whether we're talking about a low-end (probably Japan lead) or high-end contingency (when Japan supports the U.S.).
- Let me move onto some more specific issues. I've included a graphic from MOD's FY2018 budget request, and I choose it not so much to get into the details of C3I upgrades, but because I think the image helps explain the challenge that Japan faces.
- Chinese pressure in the East China Sea and the 3.11/Fukushima crisis have pushed Japan to improve its own internal jointness and interoperability [e.g., incompatible communications systems between services (even multiple generations of systems w/in one service), difficulty to provide targeting data from the MSDF to the GSDF for coastal cruise missiles, and such]. Japan is taking steps to address this (and has had some success), but we should understand the magnitude of this challenge. Deciding how to address these challenges is difficult politically (various needs/perceived winners and losers) and financially. Layering interoperability with U.S. forces (and perhaps other U.S. allies) makes this even harder, but it should be our goal.
- We have to take advantage of good opportunities when they arise, because I am anticipating a need for more frequent, faster, higher classified levels of information exchange. Japanese Global Hawks or E-2D surveillance aircraft, for example, should be able to share information easily with U.S. forces, when desired, and vice-versa (for remote island defense or a North Korean contingency). Japan is now building its architecture for Global Hawk Tasking, Collections, Processing, Exploitation, and Dissemination (TCPED)—essentially the Global Hawk data processing center—and we should be thinking now about how that information can be shared with the U.S., and how relevant U.S. data can be shared with Japan. This should be driven by the missions we prioritize for some kind of combined or integrated operations (particular ISR, ASW, asset protection, amphibious operations, and the like).

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- My final slide summarizes some steps for the allies to consider with regard to strengthening their defense and deterrence posture vis-à-vis China in the low end and high end, now and for the future.
 - Network alliance management and refine joint requirements (e.g., link Extended Deterrence Dialogue (EDD) to Roles, Missions, Capabilities (RMC) to the Alliance Coordination Mechanism (ACM)
 - Better leverage existing defense systems & invest in joint/ interoperable communication & situational awareness capability
 - Expand personnel exchanges and use of higher-rank liaison officers at PACOM, for example
 - Build up Japan's information security infrastructure to enhance information sharing and technical exchange (this includes a national background investigation regime, a career track for security professionals, a classified court system...all of which can help the Japanese government and key private sector companies share vital classified information with the U.S. and other partner nations)
 - Expand allied science & technology cooperation in some key strategic areas (e.g., AI, quantum computing, space)

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Defense Guidelines Highlights

- Peacetime
 - ISR, air/missile defense, maritime security (e.g. interdiction, ASW), asset protection
 - logistics, use of facilities, protect critical cyber infra
- Response to Emerging Threats
 - ISR, maritime security, citizen evacuations, refugees
- Armed (& anticipated) Attack (Japan & 3rd countries)
 - ISR, counter missile attacks, defend Japan's air & maritime space



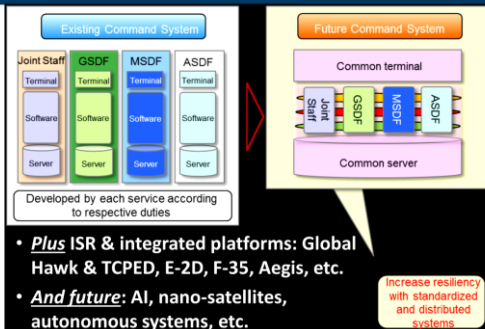
Essential Factors for Effective Command

1. Authority
 - power to direct action with legitimacy
2. Communication
 - ability to convey info to/receive from relevant parties
3. Situational Awareness (SA)
 - knowledge of current facts (what is happening)
4. Situational Understanding
 - higher level insight linking current facts to past, present & future (why is it happening & what to do)



Partnering in Jointness

Example: Planned SDF C3I Upgrades in Japan



Source: Defense Programs and Budget of Japan: Overview of FY2018 Budget Request



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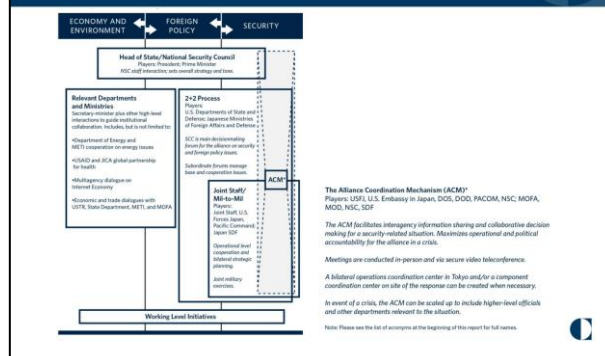
Alliance Steps to Consider

- Network alliance management and refine joint requirements (e.g., link EDD to RMC to ACM)
- Better leverage existing systems & invest in joint/ interoperable communication & SA capability
- Expand personnel exchanges and use of higher-rank liaison officers at PACOM, for example
- Buildup Japan's info security infra to boost sharing
- Expand science & technology cooperation in some key strategic areas (AI, quantum computing, space)

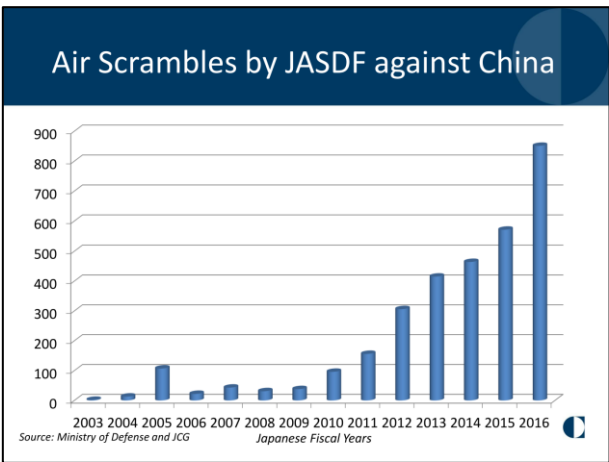
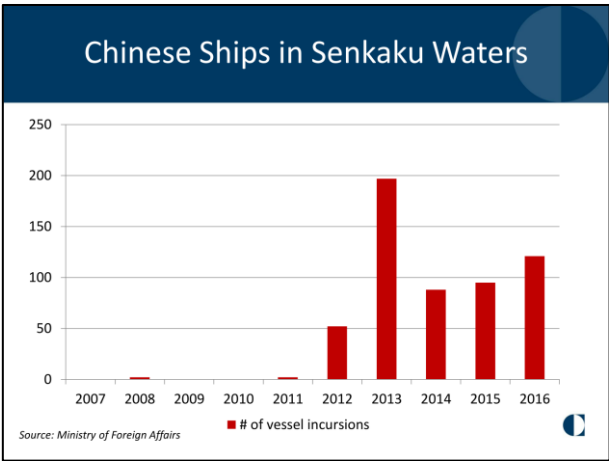
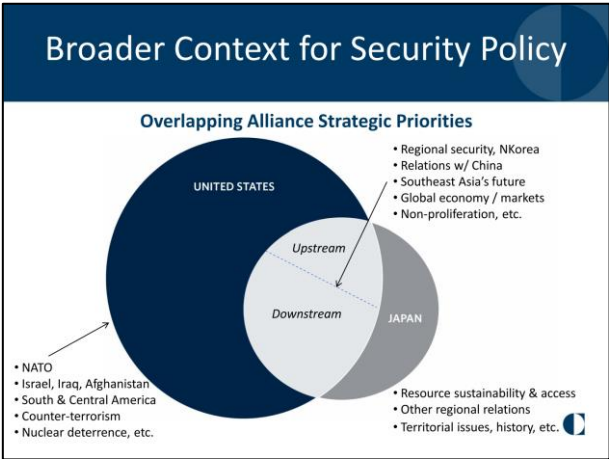
Japan's Security Policy Staircase



US-Japan Alliance Management



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[END]

Japan's approach toward Southeast Asia in constructing new regional order

OBA Mie

Professor, Tokyo University of Science

The Japanese government considers the Association of Southeast Asian Nations (ASEAN) member countries to be partners in promoting a stable and desirable regional order in East Asia. In December 2013, which constitutes the early era of Abe administration, the National Security Strategy stipulated that "Japan will strengthen cooperative relations with countries with which it shares universal values and strategic interests," such as "the countries of ASEAN." In general, the members of the Japanese policy-making circle have shared the expectation that ASEAN countries are "good partners of Japan" until now, and they also expect that these countries, with some exceptions like Cambodia, would stand with Japan and the United States against the expansion of China's presence in the region. In other words, from the Japanese point of view, strengthening the country's cooperation with the ASEAN is an important measure to cope with "China risk."

However, the perceptions of ASEAN member countries regarding China are very complicated. On the one hand, these countries welcome China's proactive economic strategy, including the establishment of the Asian Infrastructure Investment Bank and promotion of the One Belt One Road initiative. The countries require China's economic assistance and investment to facilitate their own economic development, which is one of their critical national interests. Particularly, in Asia, infrastructure development requires huge investment. According to the estimations of the Asian Development Bank in its report titled "Meeting Asia's Infrastructure Needs 2017," developing Asia should invest \$26 trillion during the 15-year period from 2016 to 2030, or \$1.7 trillion per year. Hence, China's decision to invest a significant amount of money in infrastructure development in Asia meets the demands of the ASEAN side.

On the other hand, the policy-makers of ASEAN member countries are worried about the countries' excessive dependence on China. For ASEAN countries, keeping their sovereignty and independence intact is crucial. They are aware that the economic policies and political aims of China are intertwined, and their excessive dependence on China might penetrate their independence as sovereign states. Since the policy-making circles of ASEAN member countries know about "Sri Lanka's case", they understand that they must take measures to avoid the country's destiny.

Japan must understand the aforementioned ambivalent perception of the ASEAN regarding China. In addition, Japan should attempt to provide another choice of support and assistance in ensuring the stability and prosperity of Asia, using which the ASEAN can avoid its excessive dependence on China. However, this does not mean that Japan should compete with China in Southeast Asia. Considering the gap of amount of financial resources between Japan and China, the former should promote both individual support and collaboration with the latter to provide economic assistance to Southeast Asia. If it really includes collaboration with China, the Indo-Pacific Strategy will meet the interests of ASEAN countries.

In many ASEAN countries, issues pertaining to democracy and human rights are increasing. Although the blueprint of the ASEAN Political Security Community envisages that the ASEAN community should promote democratization and the protection of human rights, the level of them in the member countries is not sufficient. In addition, some countries, such as Thailand, Cambodia, Myanmar, and the Philippines, seem to be regressing in terms of the promotion of such values. Moreover, it is noted that China promotes such a trend to some extent by providing a "model" that indicates how a country can develop without democratization. Although Japan should adopt a flexible and sensitive approach toward domestic political situations of ASEAN countries, it should simultaneously formulate a long-term strategy to support the establishment of a democratic and durable regional community in Southeast Asia.

[END]

China Risks and China Opportunities: Implications for the “Free and Open” Indo-Pacific Strategy

Nicolas SZECHENYI

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The fundamental strategic challenge for the United States in Asia is to engage a rising China while maintaining a balance of power favorable to the United States and its allies. A vibrant U.S.-Japan alliance is critical to implementing an approach that recognizes both a desire for stable relations based on broad economic interdependence with China, and the need for enhanced defense capabilities due to uncertainties about China’s long-term military ambitions. How should Japan and the United States manage the risks and opportunities associated with China’s rise, and is there potential for strategic alignment under the “Free and Open Indo-Pacific” construct?

Snapshot of Trump Administration Approach

- Declaratory Policy (National Security Strategy/National Defense Strategy)
 - Strategic competition with China
 - Embrace of the “Free and Open Indo-Pacific” strategy
 - Commitment to increase defense spending and enhance interoperability with allies
- Diplomacy
 - Seeking cooperative Trump-Xi relationship
 - Viewing U.S.-China relations through two lenses: North Korea and trade
- Economy
 - Use of U.S. law to combat China’s unfair trade practices
 - Potential for increased tension in U.S.-China economic relations?

Snapshot of Abe Government Approach

- Defense
 - Enhance Japan’s defense capabilities
 - Strengthen U.S.-Japan alliance and cooperation with other regional partners
- Diplomacy
 - High-level diplomacy to commemorate 40th anniversary of Japan-China Treaty of Peace and Friendship
 - Desire to realize mutual state visits and signal stability
- Economy
 - Participation in One Belt, One Road initiative

(Continued from the previous page)

Some Alliance Imperatives

- Bilateral defense cooperation (addressed in detail by Mr. Schoff)
- Networking
 - Defense cooperation with ROK, AUS, INDIA
 - To enhance Interoperability
 - The “Quad”
 - To develop common approaches to China
 - Diplomacy with Southeast Asian countries
 - Both bilaterally and in regional institutions
- Regional Economic Architecture
 - TPP 11
 - How to keep U.S. engaged on rules and norms for trade
 - Infrastructure development
 - OBOR vs. alternative approaches
 - APEC
 - Venue to explore avenues of cooperation with China
- Democracy/Human Rights
 - Critical if common strategic objective is to maintain the rules-based international order

U.S.-Japan Strategic Alignment?

- A joint “Free and Open Indo-Pacific” strategy is arguably a long-term project that will evolve in stages, the first of which is to develop a common understanding of the challenges posed by China’s rise
- Two questions:
 - U.S. policy towards China
 - What are the implications of the U.S. emphasis on strategic competition?
 - Risks: Potential for increased tensions
 - Opportunities: More open and honest dialogue about the challenges posed by China’s behavior
 - Rules and norms
 - To what extent will strategic interests converge on the normative aspects of regional strategy?
 - How to sustain a shared commitment to the principles that should undergird the rules-based international order

[END]

4. Appendix: Introductions to Co-sponsoring Organizations

(1) The Global Forum of Japan (GFJ)

Objectives and History

The Global Forum of Japan (GFJ) originates from the Japan Chapter of the Quadrangular Forum (QF), which was established in 1982 in Washington to serve as an informal promoter of the exchange of policy-oriented views and opinions among Japan, US, Europe, and Canada. As the Cold War ended and its aftermath faded away, QF ceased its activity in 1996. The Japan Chapter of QF survived the vicissitudes and developed into the Global Forum of Japan (GFJ) as an independent institution of Japan for international intellectual exchanges. Since then, GFJ has been active as a hub for international exchanges with the global intellectual community at large.

Organization

The Global Forum of Japan (GFJ) is a private, non-profit, non-partisan, and independent membership organization in Japan. Business Member, Political Member, and Academic Member support its activities as Governors and Members. The Secretariat is housed in The Japan Forum on International Relations. GFJ is currently headed by ITO Kenichi as Chairman, WATANABE Mayu as President, and TAKAHATA Yohei as Vice President and Executive Secretary. The membership is composed of 10 Business Members including the 4 Governors, TOYODA Shoichiro, MOGI Yuzaburo, ISHIKAWA Hiroshi, and YAGUCHI Toshikazu; 10 Political Members including the 5 Governors, KAKIZAWA Mito, KOIKE Yuriko, SUEMATSU Yoshinori, SUZUKI Keisuke, and FUNADA Hajime; and 56 Academic Members including the 3 Governors, ITO Go, KAMIYA Mataka, and TAKAHARA Akio.

Activities

- (1) e-forum "Giron-Hyakushutsu (Hundred Views in Full Perspective)" operated on the website of GFJ
- (2) Monthly held meetings of "Foreign Policy Luncheon" and "Diplomatic Roundtable"
- (3) PR and Enlightenment through publication of "Bulletin," the website, mail magazine, etc.
- (4) "International Dialogues" convened 3 to 4 times a year on policy-oriented issues with counterparts invited from various parts of the world. Recent International Dialogues are as follows:

Years and Months		Themes	Counterparts
2018	Mar.	Japan-U.S. Dialogue "China Risks and China Opportunities – Implications for the 'Free and Open Indo-Pacific Strategy' –"	Carnegie Endowment for International Peace (CEIP) (U.S.)
	Feb.	The Dialogue with the World "Eurasia 2025"	The French Institute for International and Strategic Affairs (IRIS) (France)
2017	Aug.	"Central Asia + Japan" Dialogue "Prospects on the Current and Future Japan-Central Asia Relations"	Ministry of Foreign Affairs of Japan
	Jun.	Japan-ASEAN Dialogue "Changing Regional Order in the Asia Pacific and Japan-ASEAN Cooperation"	The S. Rajaratnam School of International Studies (RSIS) (Singapore), Nanyang Technological University / The University of Social Sciences and Humanities, Vietnam National University (VNU-USSH) (Vietnam)
	Mar.	Japan-U.S. Dialogue "The Japan-U.S. Alliance in the Era of the Trump Administration: Crossroads or Continuity?"	Institute for National Strategic Studies, National Defense University (INSS) (U.S.)
	Feb.	Japan-China Dialogue "Prospect of Japan-China Cooperation in Aging Society"	Shanghai International Studies University / Shanghai Academy of Social Sciences / Fudan University (China)
2016	Nov.	The Dialogue with the World "The International Order in Europe and Asia-Pacific after the Ukraine Crisis and Japan's Course of Action"	The Institute of World Policy (IWP) (Ukraine) / The Atlantic Council's Brent Scowcroft Center (BSC) (U.S.)
	Sep.	Japan-China-ROK Dialogue "Japan-China-ROK Relations in the Global Perspective"	Trilateral Cooperation Secretariat (TCS)
	Jul.	Japan-Asia Pacific Dialogue "International Order in the 21st Century and the Security of Maritime Asia"	Meiji Institute for Global Affairs (MIGA) / Meiji Institute of International Policy Studies (MIIPS) / Western Sydney University (Australia)
	Mar.	Japan-U.S. Dialogue "Evolving Japan-U.S. Alliance in a Turbulent Time of Transition: Sustaining an Open, Rules-based Global Order"	Institute for National Strategic Studies (INSS) (U.S.)

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(2) Carnegie Endowment for International Peace (CEIP)

The Carnegie Endowment for International Peace is a unique global network of policy research centers in Russia, China, Europe, the Middle East, India, and the United States. Our mission, dating back more than a century, is to advance peace through analysis and development of fresh policy ideas and direct engagement and collaboration with decisionmakers in government, business, and civil society. Working together, our centers bring the inestimable benefit of multiple national viewpoints to bilateral, regional, and global issues.

In 2006, Carnegie launched a revolutionary plan to build the first global think tank. Since then it has transformed a hundred-year-old American institution into one well-equipped for the challenges of a globalized world. Today, Carnegie has research centers in Beijing, Beirut, Brussels, Moscow, New Delhi, and Washington. The network is supervised by an international board of trustees, and its research activities are overseen by a global management group.

The scholars of each center are drawn from the region and write in the local languages, while collaborating closely with colleagues across the world. The result provides capitals and global institutions with a deeper understanding of the circumstances shaping policy choices worldwide as well as a flow of new approaches to policy problems.

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(3) The Japan Forum on International Relations (JFIR)

The Japan Forum on International Relations, Inc. (JFIR or The Forum) is a private, non-profit, independent, and non-partisan organization dedicated to improved understanding of Japanese foreign policy and international relations. The Forum takes no institutional position on issues of foreign policy, though its members are encouraged not only to analyze but also to propose alternatives on matters of foreign policy. Though the Forum helps its members to formulate policy recommendations on matters of public policy, the views expressed in such recommendations represent in no way those of the Forum as an institution and the responsibility for the contents of the recommendations is that of those members of the Forum who sign them alone.

The Forum was founded on March 12, 1987 in Tokyo on the private initiative of Dr. OKITA Saburo, Mr. HATTORI Ichiro, Prof. ITO Kenichi, and 60 other independent citizens from business, academic, political, and media circles of Japan, recognizing that a policy-oriented research institution in the field of international affairs independent from the government was most urgently needed in Japan. On April 1, 2011, JFIR was reincorporated as a “public interest foundation” with the authorization granted by the Prime Minister in recognition of its achievements.

JFIR is a membership organization with four categories of membership, namely, (1) corporate, (2) associate corporate, and (3) individual. As for the organizational structure of JFIR, the “Board of Trustees” is the highest decision making body, which is in charge of electing the “Directors” and of supervising overall activities of JFIR, while the “Board of Directors” is an executive body, which is in charge of the management of day-to-day operations of JFIR.

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The Forum’s activities are composed of such pillars as “Policy Recommendations,” “e-Forum” “Research Programs,” “International Dialogues & Exchanges,” “Participation in International Frameworks,” “Diplomatic Roundtable,” “Foreign Policy Luncheon,” and “PR and Enlightenment.” Of these pillars of activities, one important pillar is the “e-Forum: Hyakka-Seiho” which means “Hundred Flowers in Full Bloom” (<http://www.jfir.or.jp/cgi/m-bbs/>). The “e-Forum,” which started on April 12, 2006, is open to the public, functioning as an interactive forum for discussions on foreign policy and international affairs. All articles posted on the e-Forum are sent through the bimonthly e-mail magazine “Meru-maga Nihon Kokusai Foramu” in Japanese to about 10,000 readers in Japan. Furthermore, articles worth attention for foreigners are translated into English and posted on the English website of JFIR (<http://www.jfir.or.jp/e/index.htm>) as “JFIR Commentary.” They are also introduced in the e-mail magazine “JFIR E-Letter” in English. “JFIR E-Letter” is delivered bimonthly to about 10,000 readers worldwide.

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