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Series Editor [Brian Job](#) Associate Editor [Erin Williams](#)

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The Abe Dilemmas

Joseph Caron

Japanese Prime Minister Abe recently caused a stir by visiting the Yasukuni shrine, which commemorates those who have lost their lives in service to Japan, including 14 Class-A war criminals. In this issue of Canada-Asia Agenda, former Canadian Ambassador to both China and Japan, Joseph Caron, assesses Japan's foreign policy under Abe. He argues that the act of simply visiting the shrine conveys to a domestic audience a broad range of Abe policy orientations. He concludes that although Abe may be a nationalist, he will have to be more sensitive to Japan's neighbours' view of their long shared history in order to maintain the delicate balance of power and friendships in the region.

On December 26, 2013, Japanese Prime Minister Abe Shinzo visited the Yasukuni Shrine in central Tokyo for the first time in his current administration. Such visits have been highly controversial and provocative among Japan's immediate neighbours, as the shrine commemorates those who lost their lives – including 14 Class-A war criminals – in service to Japan. As predicted, the visit was condemned widely in China and Korea, and received negative commentary in Washington and other capitals. Within Japan, opinion has been equally predictable: all of the major media polls indicate that Abe's standing has actually risen, though not in support of the Yasukuni visit per se, but rather as an impatient response to foreign criticism.

This latest round of reactions and counter-reactions is fraught with danger, and is playing out within the broader geopolitical context of China increasingly flexing its muscles as an expected consequence of its accumulation of raw political and economic power. The United States, acting like an orchestra conductor who has lost the attention of his musicians and parts of the score, has to contend with the reality that its version of the political order in the Western Pacific is being seriously challenged. Nobody knows what type of new order will emerge, how the pieces will be assembled, or even how long it will take to develop. But what is clear is that it will be primarily the United States, China, Japan and Korea – and more specifically, their leaders – who

will be responsible for assembling this new order. Needless to say, views on the region's future, as seen from its various capitals, are not currently aligned. Nor do South Korean President Park Geun-hye, Chinese President Xi Jinping or Prime Minister Abe seem to find advantage in trying to see the problems from the other's perspective.

President Xi must drive China's growing power and his policies through the largest political and bureaucratic organizations in the world, each with its own internal dynamics, and an increasingly restive public. President Park must steer the globe's fifteenth-largest economy while seeking to find her place in Korean politics. US President Barack Obama has launched an ill-defined and ambiguous 'pivot' to Asia, but has yet to determine its practical objectives and the means to achieve them, all while developing a 'new type' of superpower relationship with China.

Prime Minister Abe has identified his primary tasks as reinvigorating the Japanese economy and returning Japan to the Tier One status that it appeared to have achieved in the 1980s. While both of these objectives are understandable, and indeed, welcomed in Japan and to some extent abroad, whether Abe can achieve one set of objectives without the other is still unclear. Quite possibly, he might not.





Yasukuni Shrine

Source: Wikimedia Commons

Leaders undertake economic liberalization and reform in order to improve access to economic growth and opportunity in other countries. For Japan, the greatest potential for anchoring long-term growth remains in Asia, primarily China, but also Korea and Southeast Asia. These are all countries and regions that have received considerable Japanese investment and technology over the past four decades. Many of Abe's economic objectives only make sense if they accelerate Japan's integration with Asia, writ large.

Abe, however, has also tied Japanese repositioning to a strong nationalist agenda whose regional, and indeed international, ramifications continue to play themselves out. Japan's desire to rev up its economic engines, which have been stuck in first gear for the past two decades, is understandable. But many outside Japan find it difficult to accept the nationalist component of Abe's strategy. Some in the immediate region genuinely find it either frightening or threatening, while others want to use it to their own ends.

The combined effect of the two strands of Abe's strategy – economic revitalization and the assertion of foreign policy independence – has created a set of dilemmas that complicate the achievement of both objectives. Surely, Abe knows this. But it remains to be seen whether he can navigate his way through this contradiction without triggering much more serious challenges to Japan.

There are clear connections linking Abe's economic policies to Japan's relations with Asia, especially China and Korea. For example, eighteen percent of Japan's exports go to China, and twenty-one percent of its imports originate from there, trending towards one billion dollars per day. Korea is Japan's third-largest export market. Thirty percent of Japan's

FDI stock is in Asia, and increasingly, Asia is investing in Japan. While Japan's balance of trade is negative, and has been since 2011, this is due to its energy imports. Its non-energy merchandise trade with Asia is positive. These measures of economic integration show the potential for ongoing growth if Asia, with its size and dynamism, remains at its centre.

Even if Abe sought to shift the centre of gravity of Japan's economic relations away from its immediate neighbours (and there is no indication that he is seeking to do this), economic linkages are subject to market forces that are infinitely more powerful than political intent or even long-term strategic redirection. (Think of Canada's decades-long effort to achieve some escape velocity from America's gravitational pull.) Whether their current leaders like it or not, China, Korea and Japan are now mutually dependent. And it is generally better to like it.

Abe wants to double farm incomes in Japan through improved productivity and higher farm outputs. With the country's population in decline – only 1.21 million Japanese 20-year-olds celebrated Coming of Age Day on January 14th, down from a peak of 2.5 million in 1970 – the people who will consume Japan's agricultural production will largely be in the richest and closest markets in Asia. Two-thirds of Japan's agricultural exports and three-quarters of its marine shipments are sold in Asia.

Doubling tourism is another Abe objective. Last year, forty percent of tourists to Japan came from China and Korea, more than half of the seventy-five percent that come from Asia. No other region can be expected to replace these tourists in such high numbers.

Abe wants more young Japanese to learn English and study abroad, a laudable, and indeed, essential component of progressive Japanese social globalization. But while knowledge of English is necessary in the modern world, it is also true that language use follows economic power, and some of that power rests increasingly with Japan's near neighbors. Chinese and Korean languages will also have to be part of the curriculum.

In the late 19th century, writer and educator Fukuzawa Yukichi, one of the towering figures of the Meiji era (1868-1912), articulated the view that Western civilization had advanced so much over the East that Japan needed to 'leave Asia' and embrace the institutions and technologies deemed necessary to compete with the West. While highly contested, this stream of thought was one of the pre-war guiding principles of Japanese modernization.

But the 21st century differs from the 19th. Neither 'Leave the West' nor 'Return to Asia' provide practical guidance for today's Japan. Instantaneous and cheap globalization is the norm, and governments and the private sectors are responding with multi-directional foreign policies and trans-regional trade and investment agreements.

Japan's policy choices have to explicitly and actively promote greater integration with Asia. Fukuzawa's either/or options no longer exist. Abe knows this and has been active in renewing and modernizing Japan's relations with what we can refer to as More Distant Asia.

Since 1977, Japan has pursued, through diplomatic efforts and money, the development of a broad-based strategic relationship with ASEAN and the governments and private sectors of Southeast Asia. Ties now include financial stabilization institutions, large-scale infrastructure development through ODA, pro-FDI policies that have encouraged Japanese manufacturing and non-manufacturing investment into the region, education assistance, disaster alert and management systems, and expansive people-to-people exchanges. A Comprehensive Economic Partnership Agreement with ASEAN, which essentially functions as an FTA, has been in place since 2008.

Abe has reinforced these trend lines by adding political profile (he visited all 10 ASEAN capitals last year); money (a new \$20 billion regional development fund); and enhanced cooperation on security with nine out of ten ASEAN members. In December 2013, during a three-day Japan-ASEAN summit, maritime security based on rule of law and peaceful dispute settlement took center stage in the Leaders' deliberations and their concluding statement. Just a few days earlier, China had announced its Air Defense Identification Zone (ADIZ).

In his 2007 book, *Towards a Beautiful Country: My Vision for Japan*, Abe speculated that India might someday surpass China and the United States in its ties with Japan. While it is unclear whether Abe wrote this because he actually believes it or because he considers it good politics, the statement does reflect his hopes for increasingly strong relations with a newly expansive India, a country with which Japan has a long history of cordial relations. An Imperial visit last December highlighted the closer ties, which, while characterized by increased Japanese investment in India, remains a relative backwater for Japanese manufacturers. Japan is one of the few countries still allowed to provide ODA to India. (Canada was thanked for its past contributions and asked to leave in 1996.) A Comprehensive Economic Partnership Agreement between Japan and India has been in place since 2011. Here, there is also a new emphasis on



Shinzo Abe

Source: Wikimedia Commons

regional security. Japan's recent strategic security doctrine states that 'India is becoming increasingly influential' and that its location is of great strategic importance to Japan. Abe was the 'Chief Foreign Guest' this year at India's Republic Day parade.

Japan's painful – and thus Abe's brave – decision to finally join the Trans-Pacific Partnership (TPP) is another significant element in Japan's Asian and Pacific diplomacy, with its clear economic security dimensions. The TPP's centre of gravity is the Pacific, not Asia, although important regional players such as Australia, Malaysia and Singapore are active participants and promoters of a deal.

All well, good and positive.

Abe also needs, as do all weaker members in asymmetrical alliances – think Canada-US – to adjust Japan's relations with the United States on an ongoing basis. The steps China is taking, many of them unilateral, to change the geopolitics of the region make this adjustment all the more urgent.

The US is by far Japan's most important partner. Their relations, like Canada's relations with the US, are both big-picture, as well as at a daily, micro-level relationship with

millions of touch points. The US remains Japan's second-largest trading partner, valued at \$220 billion in 2013 (as compared with \$330 billion with China).

In addition, there is the huge and mostly asymmetric security relationship that has been in place for 62 years. But US protection of Japan is not just a matter of US power providing maritime security in the waters surrounding Japan, or the 36,000 US troops based in Japan, or even the close cooperation between the two countries on ballistic missile defense, communications security, or disaster response. (Following the 3/11 Tohoku earthquake and tsunami, 24,000 U.S. service members, 189 aircraft, and 24 naval ships participated in rescue Operation Tomodachi, at a cost of \$90 million.) The asymmetry also stems from the extent to which Japan depends on American hardware for its own defense. Japan must source from the US or through joint development and manufacturing programs, its Aegis destroyers, its next-generation fighters, its missile defense systems, its UAVs and a multitude of other equipment. While Japan builds state-of-the-art platforms for its navy and its armour and aircraft, virtually all of their major weapons systems come from the US or other suppliers. And of course, Japan does not have aircraft carriers, nuclear submarines or any nuclear weapons.

Given America's extensive security and economic interests in Asia, the US needs Japan as a base and rear-area ally. But it does not have the same degree of dependence on Japan, as Japan has on the United States. And the US has to manage not only a bilateral relationship with China, but a regional relationship with it as well.

The US strongly supports Abe's economic revitalization plans; indeed, US companies stand to benefit considerably if these plans are actually implemented. And the US encouraged and led the process of bringing Japan into the TPP negotiations.

But what the US cannot accommodate is much space between its own and Japan's strategic approaches to the region. Yet that space appears to be widening. Official Washington, especially Washington insiders, have consistently discouraged Abe from making statements or taking symbolic steps that leave him open to severe criticism abroad. By all accounts, so do senior Kantei, or PMO staff. In fact, on recent visits to Washington, some of Abe's political allies have sought to 'explain' Abe's nationalist statements as not contesting the judgments of history or shifting Japan away from its post-war pacifist roots. But the nationalist packaging appears to have convinced no one. The Americans do not wish to see anything coming out of

Japan that increases strategic risk, especially in an already complicated East China Sea situation.

More than anything, the US wants to break the tit-for-tat verbal cycle between Japan and China and Korea. It is well known that Chinese and Korean criticism of Abe's nationalistic excesses has had the effect of expanding Abe's domestic political space. To the extent that Abe provokes this, knowing that he has the US security guarantee in his pocket, the more he alienates Washington. This possibility provides China an incentive to rev up the anti-Japan propaganda machine, thereby keeping the cycle going.

This is dangerous, not because it will lead to a fundamental break between Japan and the US – something China ardently desires – but because it raises the stakes if a low-grade encounter between Japanese and Chinese vessels around the Senkaku/Daiyou islands were to get out of hand. It also complicates the atmosphere in which the US and China test each others' capabilities and intentions. Neither the US nor China wants confrontation, but what we are witnessing on a daily basis is the messy process of adjusting power relations.



China and Japan in Senkaku/Daiyou Islands

Source: Wikimedia Commons

Given Abe's more immediate domestic goals and the self-defeating nature of putting pressure on the alliance, why, then, did he go to Yasukuni?

Abe believes that a more positive sense of national pride is essential to Japan's revitalization agenda. Unarguably, self-confidence is a key driver of economic growth in Asia. But why the controversial choice of symbols to drive that patriotism? Why Yasukuni?

At one level, the objective of honouring those who have given their lives for their country in war is uncontested.

We do this regularly in Canada at national and local levels. The names of two and a half million 'souls' have been enshrined at Yasukuni. Furthermore, within the Shrine's precincts – say, the church steps, but not the sanctuary itself – is the Chinreisha, the Pacifying the Spirits Shrine, a small, non-descript and largely ignored secondary structure. Chinreisha was opened in 1965 to commemorate all of the victims of wars within and involving Japan, beginning from its US Black Ships opening in 1853 until the present. Most people would not be aware of the small shrine's existence were it not for the fact that Abe visited it briefly following the ceremony at the main Yasukuni Shrine. He did so, he said, "to pray for the souls of all the people regardless of nationalities who lost their lives in the war."

If that was the end of it, few would have even paid attention. But also enshrined in Yasukuni are the names of Japan's infamous 14 Class-A convicted and executed war criminals. These names were included in 1978 in secret, a fact that became public the following year. Anyone arguing that this was some sort of Shrine 'business as usual' has to contend with the fact that after the convicted war criminals' names were included, neither the Showa Emperor nor his Heisei Emperor successor have visited the Shrine. Many in and out of Japan believe that if it's not good enough for the Emperor, it shouldn't be good enough for Japan's political leaders either.

To add to the controversy, Shrine facilities also include the Yushukan Museum, among whose exhibits of military hardware include what can be termed a fanciful interpretation of the causes and conduct of Japan's war on the Asian continent and in the Pacific. The Yushukan's view of Japan's engagement hews closely to the well-known works of another famous Japanese writer, Hayashi Fusao, who was one of the strongest proponents of the view that Japan waged war on the Continent and archipelagos of Asia and all the way to Pearl Harbor in order to save Asia from Western imperialism. The language of the Yushukan display acknowledges that there were unfortunate Asian victims in this quest, but that Japan's intentions were nonetheless pure.

Needless to say, this interpretation does not receive strong support beyond the Japanese right-wing. But it is there for everyone who visits the Yushukan to see and ponder. Abe's comment in the Diet last year that Japan's actions in China could not be termed an 'invasion' because historians do not agree on the definition of what constitutes an 'invasion,' suggests to many that he is sympathetic to the Yushukan view of history.



Yushukan Museum

Source: Wikimedia Commons

Abe visits Yasukuni because in the public mind, Yasukuni captures many other elements of the nationalist agenda: historical and constitutional revision, reemphasizing patriotism in the education of young people, increasing defense expenditure, a regional security policy overlaying the US-Japan security treaty, strengthening security policy delivery through a state secrets act (passed by the Diet last autumn) and establishment of a national security council (which is now in place). The prime minister's support for these policy orientations is communicated to greater or lesser degrees by the simple act of visiting the Shrine. They are part of Abe's stated policy agenda. But the narrower story line conveyed by Yasukuni is indelible, for those on the right and for everyone else.

It would be easy to castigate Japan for having leaders who partake of these nationalist views, but of course, it is not that simple.

Japan emerged from the ashes of war-time disaster not only as an economic powerhouse, but also as a force for good in the world. It became one of the world's largest donors of development assistance; it contributes to UN peacekeeping; it honours in spirit and to the letter its peace constitution; it provides capital and technologies that have not only impacted the global economy, but have also enriched the lives of many all over the world.

It is true that some irredentist Japanese political leaders, such as Abe's adored grandfather, Kishi Nobusuke, who also served as prime minister from 1957 to 1960, were part of Japan's post-war turn-around. The Rape of Nanjing and 'comfort women' deniers can be readily found throughout

Japan, including among Cabinet Ministers who are supposed to be bound by the Kono and Murayama Statements of Japanese war-time responsibility and modern regret. These things are never neat.

Abe is not an irredentist. He believes in the importance of patriotism, but also in the need for rethinking Japan's post-war identity. Abe believes that this identity, in addition to patriotism, has to include a renewed economic growth model and the spirit of entrepreneurship. It also has to include a renewed foreign policy that he terms "active pacificism" (it sounds only somewhat better in Japanese), robust bilateral relations with willing partners, and – this is the contentious part – higher defense budgets and space for collective security, exercised when necessary. He is not, either in his own mind or through anything he has done, a militarist in any sense of the word.

He also believes that criticism of Yasukuni and other such symbols would perhaps be more credible if some of the critics themselves were free of extremes of violence in their own modern histories. It all seems so unfair.

The world, however, has never been fair.

The current iteration of China's rise – like those of Persia, Athens, Rome, Constantinople, Delhi, Britain and the United States – is not a matter of fairness but of a conjunction of growing wealth, opportunity and strategy. It is currently the most obvious but certainly not the only manifestation of the rise of Asia as a whole, a historical trend line that post-war Japan itself pre-figured in its own rise, and to which its capital and technologies and widely imitated economic policy approaches have so greatly contributed. In this context, China's rise is a fact of life that other governments' policies have to reflect and exploit to their advantage and to the advantage of their citizens.

Abe has the enormous advantages deriving from a security treaty that is as important for the US as it is for Japan. These include a bruised but hard-working and highly educated population seeking a way out of the doldrums of the last two decades; some initial success in turning the economy around; a desire for broad reform agendas among many of the elites; an industrial base and dynamic corporations second to none; a cultural renaissance built on new technologies; and international partners whose national interests coincide with those of a dynamic Japan redefining itself away from the past.

As difficult as it can be, at some point Abe will have to try to see Japan's history as the Chinese, Koreans and others see

it. Not all critics of Japanese nationalism are cynical political opportunists. Abe not only has to say the right things, as he did on December 26, but he has to acknowledge through his actions that he actually means what he says. Only then will he have done what he can to position Japan in its Near Asian back yard, as Japan is largely succeeding in doing with More Distant Asia.

Perhaps Abe's vision will be saved by the workings of Japanese democracy. Like all elected leaders in free and open societies, Abe has to contend with the realities of a formal Opposition in the Diet, and, in the case of the party he leads, the LDP, an indispensable working relationship with the New Komeito, without whose support Abe does not have a majority in the Upper House. The Komeito is highly uncomfortable with talk of historical revisionism and changes to the Constitution, and says so.

The Japanese public is not revisionist. They like their peace constitution and are extremely wary of moves away from its pacifist legacy. The largest demonstrations in recent history were in opposition to the state secrecy bill, which cost Abe eight to ten percentage points in the polls. The anti-nuclear movement is alive and well and has the support of former Prime Ministers Koizumi and Hosokawa.

The Japanese want Abe to defend Japan's interests in the face of a newly emergent and increasingly militarized China. But they also want peace with their neighbours. Too much emphasis on the nationalist agenda exacerbates regional tensions and draws energy away from pursuing essential economic reform objectives. Opposition to structural change remains strong and ever-alert for opportunity to reverse it. And if Abe's policies do not produce economic benefits that the Japanese can see in their paychecks, all bets are off. National elections are less than three years away, and there are a number of prefectural, local and municipal elections between now and then that the LDP also wants to win.

Abe, having already failed once as prime minister, surely does not want to fail again. Presumably, he does not want to be hounded out of office as was his revered grandfather, Kishi Nobusuke. Abe may be a nationalist, but he also appears to be a realist, pushing the envelope on occasion, but pulling back if his overall strategy is at risk. In a democracy, we can't ask for much more.

About The Author



Joseph Caron joined the Trade Commissioner Service in 1972, and served abroad in Saigon, Ankara and three times at the Canadian Embassy in Tokyo, including as Minister and Head of Chancery. During the 1980s, he undertook private sector assignments involving China, Hong Kong, Korea and Taiwan. In Ottawa, he has held several positions related to Asian and international economic affairs, including G8 summitry. In 1998, he became Assistant Deputy Minister for Asia Pacific and Africa, and served as Canada's Senior Official for Asia Pacific Economic Cooperation. Until 2005, Mr. Caron served as Canada's Ambassador to China, with concurrent accreditation to North Korea and Mongolia. From 2005 to 2008, he was Canada's Ambassador to Japan. In 2008, Mr. Caron was awarded an honorary doctorate from the Meiji Gakuin University. From August 2008 to June 2010, Mr. Caron was High Commissioner to the Republic of India, with concurrent accreditation as Ambassador to the Federal Democratic Republic of Nepal and the Kingdom of Bhutan.

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