## Does Japan matters on the international scene?

by
Lee Poh Ping\*

\* Professor Lee Poh Ping is currently Principal Fellow at the Institute of Malaysian and International Studies (IKMAS) at the National University of Malaysia. He was previously Head of the Department of Political and Administrative Studies — University of Malaysia. He has recently co-edited a book with Tham Siew Yean and George T. Yu entitled "The Emerging East Asian Community, Security and Economic issues".

## **Changing Conceptions of the Japanese Role**

There are many who today are dismayed by the apparent inability of the Japanese to act more positively in the international arena. Once impressed not so long ago by the tremendous potential of Japan, these have now swung to the other extreme, believing that Japan has lost its relevance (1). This article takes neither position but makes a critical assessment of the various conceptions of the Japanese role beginning from the period about two decades ago, when Japan was all the rage among scholars, to the present.

## Conceptions of the Japanese Role in the 1980s and early 1990s

The 1980s and early 1990s were heady days for those conceiving scenarios for the Japanese role in the world. Mightily impressed by the Japanese economic machine and awed by the great boost to Japanese financial clout brought about by the Plaza Accord of 1985, many saw a world where Japan would play a very important, if not a dominant, role.

They posited three scenarios. These consisted of a kind of Pax Nipponica, a world dominated by the United States and Japan, and a world controlled by a triad of powers involving Japan, the United States and Western Europe.

One scholar who alerted the world to the fact that Japan's day in the sun might have arrived was Ezra Vogel. In 1979 he published a book *Japan as Number One* (Vogel.1979) in which he argued that because of the great achievements of Japan since the war it might now be the turn of the West to learn from Japan as Japan had looked towards the West in the past.

He identified various characteristics of the Japanese experience the West could emulate, such as the adoption of an industrial policy and an elite bureaucracy. He also suggested that the West should look at how Japan aggregated its interests and how it developed a communitarian vision.

That book made a tremendous impact, not least in Japan, as many Japanese found flattering such praise from a professor from one of the most prestigious institutions of higher learning in the West. In a subsequent article in 1986 in *Foreign Affairs* on Pax Nipponica, (Vogel.1986) Vogel wrote of the Japanese possibly dominating the world economy, giving among many reasons, the Japanese prowess in the application of the new industrial revolution in the manufacturing sector, and the great emphasis Japan put on research and development. He raised the possibility of a Pax Nipponica, but one whose pattern would be a limited and uneven one and would be led by a country of modest military strength.

There were however others who believed that Japan could not stand on its own. Its economy, though very impressive, was too interdependent with the American economy. They quoted Zbigniew Brezinski, the well-known American geopolitical analyst, who created the term *Amerippon* to describe this interdependence (see Inoguchi 1988-1989).

They were also mindful of the constitutional and other constraints on Japan to deny any explicit political/military role befitting that of a true hegemon. Instead, they suggested that Japan could use its economic might to help the United States shoulder its responsibilities, particularly in the Asia-Pacific region. They elaborated on a situation where Japan would help fund American global security responsibilities and would co-lead with the Americans the global economy. In such a scenario, the US and Japan would, as one scholar, Fred Bergstein said, establish a "bigemony" (Inoguchi.1988-1989).

A third group of thinkers saw the world as ruled not by one or two but by three powers. These believed that Western Europe should not be left out. The famous

Japanese writer, Kenichi Ohmae (Ohmae 1985) was one of them, writing a book on the role of the triad of Japan, Western Europe and the United States in the world.

Though primarily concerned with how corporations in order to become competitive in the global arena have to be "insiders' in one of the triad countries, his book puts Japan alongside with the other two powers as the most powerful economies of the world.

The Trilateral Commission epitomized this concept. Originally conceived by luminaries in the United States and Western Europe to draw out an economically mighty Japan to play a greater role in the world, the Trilateral Commission was concerned with how the three powers could intellectually and politically organize the world (Hummel.1998).

None of these three scenarios have, or are likely to, come to pass. The three scenarios were based on the belief that Japan was (or was becoming) the dominant economic power in the world or if not, was at least the unique dominant economic power in Asia.

The bursting of the Japanese economic bubble in the early 1900s and the subsequent decade of Japanese economic stagnation that followed showed to the world that the Japanese economic machine was not what people thought in the first place.

The technological lead Japan was presumed to have over the West was not as great as first believed. At any rate, the West had been catching up with what Japanese technological advance there was. In the so-called advent of the knowledge economy, the United States was still far ahead.

And then there was the rise of China. In the 1980s and the early 1990s, China, though making impressive economic strides, was perceived as a country too busy trying to adjust to the international economy after a long period of autarky to be a competitor to Japan. But by the early 21<sup>st</sup> century, China's economy had expanded enormously and was having such a tremendous impact on Asia if not the globe that Japan's dominant economic position in Asia was being challenged. This can be seen, for example, by the fact that the Chinese GNP, when measured in terms of purchasing power parity, is now larger than the Japanese GNP and by China stealing a march over Japan in Asia with the Chinese free trade agreement with ASEAN.

Faced with such developments and with the continuing difficulty the Japanese have with rejuvenating their economy since the bursting of the bubble, many thinkers have now swung to the other extreme, arguing that Japan is facing irrelevance. We went from 'Japan bashing' to 'Japan passing'.

The 'Japan passing' phrase gained much currency in Japan itself in 1998 when then President Clinton visited China and bypassed Japan in the process (Glosserman. 2008). The media saw it as the proof that Japan was no longer even significant enough for people to get bashed!

Neither the Japan boosters nor the Japan pessimists have it right. Japan is still relevant and in fact has a very important role to play. This can be seen from recent scenarios put forward. Even if they are more modest than those conceived previously, they still outline the role of Japan as a counterweight to China, as a middle power and as an important peripheral state.

## Japan as a Counterweight against China

Many, who may be wondering whether some Asian power can be used as a balance against a rising China, have considered Japan as the natural counterweight.

The great political scientist, Hans Morgenthau (Morgenthau 1948) had retained three patterns in the history books as a way to create a balance between two powers.

The first one is by direct opposite alliance: for example creating an alliance system, such as NATO and the Warsaw Pact, opposed to one another. The second one is the pattern of neutralized competition (both or more powers agreeing not to seek for support from neutral countries as happened in the independence of Belgium in 1830). The third one is to have a third power to provide the balance. Great Britain was the holder of the balance in the European continent in the 19<sup>th</sup> century though there were more than two competing European powers then.

It is not the purpose here to engage in a theoretical disquisition of how such patterns work. What matter for Morgenthau's patterns to work is indeed the existence of a counterweight that may affect others. The prerequisite is the power and the will to be such a balancer.

Has Japan the power and the will to balance China? If we consider the two most important aspects of power, those that pertain to the military and economic, if Japan has yet to match Chinese military strength, in the economic arena Japan can probably give the Chinese a run for their money.

Japan has probably the most sophisticated military machine in Asia. Its military budget, at about 40 billion USD per year, is only slightly less than the official figures for the Chinese military budget. Thus, in a way, Japan could, if necessary, act as a formidable balance against China's military capability, particularly if it remains an ally of the United States. But whether Japan has such an intention remains uncertain.

While many in Japan, particularly the younger generation, no longer want to hold on to the mentality of a defeated nation, Japan is still unable to develop a consensus on becoming a 'normal' nation as this normalization would involve the revision or abolition of article nine of the Japanese constitution to allow for the deployment of Japanese forces overseas for collective security and for other purposes that any 'normal' nation can undertake.

It would seem that Japan was heading towards normalization under the Abe administration. But the Abe administration did not last (the Prime Minister resigned on September 2007) and the current Fukuda administration is less enamored with wanting Japan to be a 'normal' nation. The Fukuda administration is more interested or rather more overwhelmed with domestic problems and with the need to get along with its Asian neighbors than to spend energy and political capital to move the country towards normalization. This trend suggests that while Japan is keen to move away from its obsession with war guilt, it remains unable to develop a new consensus on its future direction.

What is likely to happen is that Japan will take incremental steps to become a more active military player (upgrading the Defense Agency to a full ministry, participating in the missile defense system with the US, etc.). But it would take some cataclysmic event for Japan to develop a consensus to be a 'normal' nation. If it were to happen, then Japan would move very quickly to do so.

Notwithstanding, in the economic arena, the Japanese capacity and will remain quite impressive even when compared to China. Despite China's fast growing economy, Japan has still the larger economy of the two if measured in US dollars terms rather than in purchasing power terms. In this regard, Japan is in fact the