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# How Best to Build Japan's Future Path in Asia By Mikio HARUNA



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Today, we are entering a period of change in hegemonic states, which occurs almost every 100 years. Moreover, two of the three countries that are expected to vie for hegemony in the 21st century are in Asia. Thus, the vast region ranging from East Asia to the Indian Ocean constitutes the center stage of the struggle for hegemony. Japan's Asian diplomacy needs to be attuned to such prospects. Japan must give serious thought to how best to make its presence felt strongly without being ignored in both economic and military power under the shadow of the fast-rising prospective superpowers China and India.

Short-sighted diplomacy at a time when a medium- to long-term perspective is called for will only result in sowing seeds of future trouble. So let us dwell on the present and future of Asian diplomacy from a basic viewpoint of "intelligence."

## Change in Hegemonic States & Development of New Energy Sources

History shows us that changes in hegemonic states coincided with changes in energy sources. The "maritime empire Netherlands" of the 17-18th centuries made active use of water and wind power. The succeeding British Empire of the 18-20th centuries led the Industrial Revolution by utilizing coal. The United States, the hegemonic state from the 20th century to the present, has secured petroleum by forming an alliance with Saudi Arabia, making much use of petroleum for both industrial and military strength. In all these cases, a change in energy sources gave rise to a new hegemonic state.

The international oil majors of Europe and the Unites States, known as the "Seven Sisters," used to command 80% of the world's petroleum reserves. However, forced into the background by a wave of petroleum nationalization, they have been replaced by the state-run petroleum companies of seven countries – Saudi Arabia, Russia, China, Iran, Brazil, Malaysia and Venezuela – which, dubbed the "New Seven Sisters," now command 80% of the world's petroleum deposits.

In 1956, the US administration of President Dwight Eisenhower enacted the Highway Act and went on to build a nationwide expressway network, establish a motorized society and lead the world's petroleum and automobile industries. But this is already a thing of the past.

The alarming progress of global warming and the collapse of General Motors Corp. (GM) sounded the death knell of the era of fossil fuels, indicating the advent of an era of new and renewable energy sources.

Nonetheless, the United States, now the only superpower, has refused to make its exit, striving to develop new energy sources.

The Advanced Research Projects Agency Network (ARPANET), developed by the Defense Advanced Research Projects Agency (DARPA) of the US Department of Defense, evolved into the Internet, which is now in explosive demand. Taking its cue from this, the US administration of President Barack Obama has set up the Advanced Research Projects Agency-Energy (ARPA-E) in the Department of Energy and is now devoting strenuous efforts to the development of new energy sources. Nevertheless, it will take a considerable time to develop new clean energy sources that can replace fossil fuels.

Goldman Sachs, in its 2003 report, predicted that in terms of gross domestic product (GDP), China will rank first with \$45 trillion in 2050, followed by the United States (\$35 trillion) and India (\$27 trillion), with Japan trailing far behind, in fourth place with \$5 trillion. This prediction will not necessarily come true, but competition will undoubtedly grow in intensity.

#### US, China Competing in South China Sea

China and India are exerting relentless efforts for economic growth and military expansion to catch up with the United States. As a result, a three-way struggle for hegemony among these countries will get into full swing from now on. Intelligence authorities will hereafter need to pay close attention to not only negotiations for the prevention of global warming and technological competition for the development of new energy sources, but also a geopolitical struggle for the acquisition of natural resources, stepped-up moves to secure sea lanes and the expansion of armaments.

The struggle for hegemony is already coming into the open in the vast area ranging from the East China Sea to the Indian Ocean via the South China Sea.

In March 2010, China notified the United States of its new policy describing the South China Sea, a connecting route of military and commercial importance between Northeast Asia and the Indian Ocean, as an area of "core interests" to that country. Thus far, a similar policy has also been declared regarding such areas as Taiwan and the Tibet and Xinjiang Uighur autonomous regions. Now China has clearly stated that the South China Sea is also of vital importance to that country.

In response, US Secretary of State Hillary Clinton requested the guarantee of the "freedom of navigation" in the South China Sea and sought to restrain China by indicating a US stance of intervening in territorial disputes in the region.

In March 2009, a US Navy survey ship, while operating in the

international waters of the South China Sea, was subjected to obstruction by five Chinese naval vessels. At that time, the US Navy was apparently probing a Chinese submarine. To cope with the resulting row and protect the survey ship, the United States even dispatched an Aegis-equipped naval craft. With the buildup of the Chinese Navy, there is the danger of US-China confrontation on the sea assuming serious proportions.

In the meantime, China is moving to undermine the solidarity of the Association of Southeast Asian Nations (ASEAN) by such means as the supply of weapons to Thailand and the promotion of economic cooperation with Indonesia. Under these circumstances, background maneuvering by the United States and China against each other will become more and more intensified. The rivalry between the two countries has aroused deep concern about the inflow of conventional weapons into Southeast Asian nations.

### Intensified Cold War in Indian Ocean

As much as 70% of the world's total petroleum transport volume passes through the Indian Ocean. China, which procures natural resources in the Middle East and Africa, has steadily built civilian and military ports at key points facing the Indian Ocean in a bid to expand its sphere of influence, while India has taken countermeasures. Both countries thus continue to build up their naval strength.

US journalist Robert Kaplan contributed a shocking article, "*The Center Stage of the 21st Century*," to the March/April 2009 issue of the US magazine *Foreign Affairs*, calling attention to China's ongoing construction of a port network, dubbed the "Pearl Necklace," around the Indian Ocean.

That network includes naval intelligence facilities at Sittwe Port and Great Coco Island in Myanmar, Hambantota Port in Sri Lanka, Chittagong Port in Bangladesh and Gwadar Port in Pakistan. China's facilities at these ports, excluding Great Coco Island, appear to be for both military and civilian use. These Chinese facilities, linked on the map, have been likened to a "necklace." (*Map*)

Since the 1960s, India has built naval bases in the Andaman and the Nicobar islands, both Indian territories located northwest of Indonesia's Sumatra Island and south of Myanmar, in addition to the defense of its coastal areas. China's naval intelligence facility built on Great Coco Island, just scores of kilometers north of the Andaman Islands, is intended to keep a close watch over India's military moves. Moreover, India has reached an agreement with the Maldives on the construction of a naval reconnaissance base on Gan Island at the southern end of the island republic.

China and India have improved their relationship since the latter half of the 1980s, accompanied by interchange in the military field as well. Nevertheless, they have yet to resolve territorial problems in their border area, with both nations building up their naval power out of deepening vigilance against each other.

India has a British-made secondhand aircraft carrier and, as its successor, intends to buy the Russian aircraft carrier Gorshkov by 2012. China for its part seems to have started the construction of an aircraft carrier on its own.

The vigorous entry of China has completely changed the Indian Ocean into a scene of fierce rivalry between China and India.

# Great power competition in Indian Ocean



Source: International Maritime Bureau

#### United Front Needed against "Beijing Consensus"

Let's turn to Japanese diplomacy before concluding this article. To be frank, this writer once supported former Prime Minister Yukio Hatoyama's two proposals – (1) the 25% reduction of Japan's greenhouse gas emissions by 2020 compared with 1990 levels and (2) the formation of an East Asian Community. But I was disappointed after all. The reason I supported his proposals was my hope that these proposals would have the effect of restraining China's behavior while hiding such real motives.

The first proposal was conditional on "the consent of principal countries." This would have enabled Japan to ask China to drastically reduce its greenhouse gas emissions. As regards the second proposal, China had earlier stressed a similar idea. I thought that Hatoyama should go ahead with his proposal and restore the leadership on whatever pretext he pleases, such as his pet slogan of "fraternity," in an effort to prevent China from being excessively assertive in Asia. However, it is not the case.

With increasing clarity, East Asia is marked by a pattern of the Japan-United States-South Korea team being pitted against the China-North Korea team in the wake of Pyongyang's adventurous military assault stemming from that country's problem of leadership succession.

As for the Japan-China confrontation over the Senkaku Islands, the Obama administration, apparently indecisive at first, has now come forward in clear support of Japan's position, declaring that the Japan-US Security Treaty "applies to the Senkaku Islands."

Next, it is important to provide against emergencies on the Korean Peninsula. The United States and South Korea are pushing ahead with the formulation of a strategic plan for military operation – Operational Plan (OPLAN) 5029 – in anticipation of the collapse of North Korea's internal power structure. Washington will ask Tokyo to allow the free use of US military bases in Japan in the event of emergency. Japan should seek agreement on that score at a summit meeting with the United States scheduled for this year.

Japan, the United States and South Korea should form a united front to prevent China from achieving a "Beijing Consensus" in Asia.

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