What Kind of Country Will Japan Aim to Become in the Reiwa Era?

By Kazumasa Kusaka

The 30-year Heisei Era in Japan, which was marked by a stagnant economy and a series of natural disasters, has been succeeded by the new imperial era Reiwa ("beautiful harmony"). Prior to Heisei, the 64 years of the Showa Era encompassed both World War II and the subsequent high-growth boom, but what path will the younger generation in Japan today pursue?

The people born in the first decade of Showa, though having experienced the great setback of defeat in war, bounced back with a rapid growth period. Young people in that period believed they would enjoy a richer life than their parents did. By contrast, those born in the last decade of Showa and who grew up in the Heisei period and also those born in Heisei have not experienced any "success story" in the post-bubble economy, and feel doubtful about economic growth. But now could be the time for those who were born and grew up during Heisei to begin exploring its identity.

One emerging concept of recent times is that of "middle power" – a nation not as powerful as a superpower but with sufficient abilities and leadership to influence global governance. Its own military strength and more importantly geostrategic position will dictate its potential choices. In the context of the Asian continent, there are two major military-political powers, Russia and China, and China is also now a major economic power. In Europe, the United Kingdom has successfully exercised its influence so that no single hegemon dominates the continent. However, in East Asia, for more than 2,000 years, China has most of the time been the dominant power, while the key challenge for neighboring countries has been to manage their relationship with China.

A middle power with good leadership and a certain set of values, such as democracy and commitment to the legitimate international order, could be a model for other nations. According to Portland Communication's "Global Ranking of Soft Power 2018", Japan ranks fifth after the UK, France, Germany and the United States. Joseph Samuel Nye, Jr. originally introduced the concept of soft power as being the influence a country can exert through means other than military power, and thus an effective government policy tool. The concept has been further broadened to capture the attractiveness of a culture, society or ideology.

Rome during the Roman Empire, Changan (present-day Xi'an) in the Tang Dynasty, and cities such as London and Paris are examples from history of places that have attracted diverse human resources, and traded in goods and currencies from all over the world. The Tang Dynasty accepted Buddhism and

multinational talents through the Silk Road, and that in turn enhanced its attraction for other countries. But we will have to see whether the "Belt and Road Initiative" (BRI), a current version of the Silk Road, will serve a similar purpose.

In times of leadership transitions, the Ancien Régime in France used to register skepticism. Faced with the rise of the US, French political scientist Alexis de Tocqueville pointed out the possible danger of democracy degenerating into a soft despotism. When, in modern times, Russia offered an alternative model to market capitalism, the spread of its highly contagious Communist ideology invited a strong reaction from Western countries in the form of the Cold War. Are we now witnessing a Chinese model blending state capitalism and Communist Party dictatorship staking claims to global leadership but provoking criticism from some Western nations over its aggressive initiatives to dominate the developing world, such as the BRI?

Japan is facing the demographic challenge of a graying population as a frontrunner among nations that will soon follow, and for the first time has dared to actively seek multinational human resources. This policy will create job opportunities for graduating foreign students and they could help Japan to form more open and diversified communities. Can Japan also offer a safe space for dissidents in Asia to continue to study in universities and research institutions?

Whether one likes it or not, a country cannot move to the other side of an ocean or continent. The only true means of connecting neighboring countries is "trust". With trust, we can share the responsibility of keeping global and regional institutions relevant to meet today's challenges, by providing human resources, knowhow and finance.

Should "One's Own Country First" become more than a campaign slogan and be translated into policies that lead to the sabotage of global public goods, the soft power of that country will be damaged. Soft power backed up by democracy and trust has been an important element in Japan's foreign policy throughout the postwar era. Japan is now at a crossroads as to whether it will be a middle-power model with these elements or not.

Kazumasa Kusaka is chairman and CEO of the Japan Economic Foundation (JEF), as well as being a professor of public policy at the University of Tokyo. He previously served as special advisor to the prime minister on global warming after having been vice minister for international affairs at the Ministry of Economy, Trade and Industry.