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## Natural partners? Europe, Japan and security in the Indo-Pacific

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Luis Simón & Ulrich Speck (Eds.) - November 2018





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# Elcano Policy Paper

## Natural partners? Europe, Japan and security in the Indo-Pacific

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## Introduction

*Luis Simón & Ulrich Speck*

Europeans and Japanese are often described as ‘natural’ partners. As liberal democracies, market economies and close allies of the US, they have similar world views and share many interests. They also have a long history of cooperation, whose foundations go back to Japan’s embracing of modernisation and industrialisation in the late 19th century along European lines.

Both during and after the Cold War, Europeans and Japanese have worked closely to uphold and promote the institutions that make up the liberal, rules-based international economic order, such as the World Trade Organisation (WTO), the International Monetary Fund (IMF), the World Bank (WB) and the G7. In more recent years, Europeans and Japanese have shown a keen interest in extending their cooperation to the security domain, both on a bilateral basis (ie, between Japan and individual European countries) and through the EU and NATO.

Given their shared values and interests, the foundations for a meaningful security relationship between Europe and Japan appear strong. Yet both sides continue to focus primarily on their immediate neighbourhoods and their respective relationships with the US. For Japanese and Europeans alike, the US has played an equally vital strategic role: guaranteeing security in their respective regions and upholding a liberal international political and economic order from which they have benefited enormously.

In recent years, significant geopolitical developments have altered the context in which both Europe and Japan operate, and may force the two sides to change the way in which they look at each other.

Russia and China have begun to challenge more openly and forcefully the rules-based liberal international order, both regionally and globally. The Russian and Chinese regimes are attempting to build an international order that is more in line with the political and economic interests of their ruling elites. They both seek to modernise their military capabilities and are engaging in acts of political intimidation and economic blackmail that threaten to disrupt the status quo in Europe and East Asia, respectively.

At the global level, Moscow and Beijing reject the notion of a liberal and open system, a level playing field where economic and political actors can compete freely. Instead, they prefer a controlled, top-down order. Geopolitically this translates into spheres of influence, whereby great powers call the shots and medium and small powers have no say, losing the certainty and protection offered by international rules and organisations and being left with nothing but the prospect of submission.

At the same time, it has become less clear in recent years –especially since the election of Donald Trump as President– to what extent the US is willing to underwrite the current global trade and economic order. This has implications that are global –witness the Trump Administration’s seeming disdain for the WTO– as well as regional, given the US withdrawal from the Trans Pacific Partnership (TPP) and its equivocal position in relation to the Transatlantic Trade and Investment Partnership (TTIP).

When it comes to security, concerns about China’s rise, Russia’s growing assertiveness and the prospect of a relative US decline have sparked some doubts amongst Europeans and Japanese about America’s commitment to preserving deterrence in their respective regions. Uncertainty has been further fuelled by Trump’s rhetoric on alliances.

The developments mentioned above are compelling both Japanese and Europeans to adapt their respective foreign policy strategies. In recent years, Japan has adopted an increasingly active diplomatic and security role in East Asia, a process dubbed by some ‘normalisation’. Certainly, Tokyo has not abandoned the principles that have shaped its (pacifist) identity in the past decades and it continues to see military force as a last –defensive– resort. However, an increasingly threatening regional environment has led Japan to increase its defence budget, ease the legal restrictions on its Self-Defence Forces, strengthen its bilateral alliance with the US and expand its diplomatic and security ties with several countries across East Asia and the broader Indian Ocean region. This is reflected in Prime Minister Abe’s vision of a ‘Free and Open Indo-Pacific’ (FOIP).

Japan’s FOIP is partly a response to China’s Belt and Road Initiative (BRI), an attempt to re-order the Indo-Pacific and Eurasian spaces according to China’s priorities and rules. Moreover, in view of the growing uncertainty about Washington’s vision on trade, Tokyo has embraced the flagship of global free trade –including a robust defence of the WTO– and taken a leading position on TPP after the US withdrawal.

On the European side, a new debate has emerged around the concept of European ‘strategic autonomy’, underscored by the 2016 European Global Strategy. In this context, Europeans have embarked on a number of new initiatives aimed at strengthening European defence cooperation, both in the context of the EU (eg, Permanent Structured Cooperation, European Defence Fund, Coordinated Annual Review on Capabilities) and outside it (eg, European Intervention Initiative).

Moreover, Europeans remain committed to reinvigorating transatlantic trade and economic ties, and the notion that such ties can help raise global standards in key areas such as free trade and environmental protection. Indeed, after European Commission President Jean-Claude Juncker’s meeting with Trump in July 2018, the idea of some form of ‘TTIP light’ has emerged.

Against the backdrop of these broader geopolitical changes, Europe and Japan have shown a growing interest in strengthening their strategic ties with each other. The progressive



normalisation of Japan's foreign and security policy and opening up of its defence industry has paved the way for greater security and defence cooperation with Europe. The UK and France have led the way, stepping up their military and defence-industrial cooperation with Japan in recent years, and countries like Italy and Spain are following suit. Germany, for its part, has developed a growing diplomatic and economic interest in Japan, a country with which it shares a preference for rules and multilateralism.

The rising cooperation in European-Japanese relations goes beyond individual countries and has also affected Europe's collective institutions. The EU and Japan have recently concluded the negotiation of their Economic Partnership Agreement (EPA), the biggest bilateral trade agreement ever negotiated by the EU. The EU-Japan EPA promises important direct economic benefits for both parties. More broadly, however, it signals that the EU and Japan consider free trade to be the backbone of a multilateral liberal order. In addition to the EPA, the EU and Japan have concluded a Strategic Partnership Agreement (SPA) that aims to lay more solid foundations for deeper political and security ties between Japan and the EU. The SPA will be 'a legally binding pact covering not only political dialogue and policy cooperation, but also cooperation on regional and global challenges, including environment and climate change, development policy and disaster relief, and security policy'.<sup>1</sup>

Japan has also taken a number of steps to strengthen its relationship with NATO. This has resulted in a number of practical initiatives in recent years, such as the secondment of a Japanese Self-Defence Forces officer to NATO headquarters and the official designation of its Embassy to Belgium as its Mission to NATO, which was accepted by the North Atlantic Council in June 2018.

The strengthening of Europe-Japan relations –perhaps best illustrated by the EPA-SPA– is a timely phenomenon. With a US President following a disruptive approach towards international trade, and an uncertain US commitment to the global economic order, Japan and the EU –the two other key pillars of the liberal global economic order– are not only holding the fort but deepening their economic, political and security ties. The shared challenge in the years to come is to engage the US and bring it back into the fold of the liberal, rules-based international order. After all, and despite current problems, the US remains essential to the security of both Europe and Japan, as well as for the integrity and stability of the liberal international order.

The big shadow looming over European-Japanese relations is China. For many years Europeans have looked at Asia –and the broader Indo-Pacific region– primarily as a place for business. European business, especially German, has built strong ties with China and such economic ties have paved the way for political and diplomatic links between Europe and China. Thus, a key question for the future is how Europeans will balance their economic interdependence with China and their growing interest in developing security and economic ties with Japan, especially as Beijing's neo-mercantilist approach and challenging of international rules clashes with Tokyo's vision of a Free and Open Indo-Pacific.

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<sup>1</sup> See [https://eeas.europa.eu/headquarters/headquarters-homepage/19223/eu-japan-political-relations\\_en](https://eeas.europa.eu/headquarters/headquarters-homepage/19223/eu-japan-political-relations_en).

### *About this Policy Paper*

Against the backdrop of these geopolitical changes, and given the growing interest on both sides, it is appropriate to take stock of the European-Japanese relationship and explore the potential for increasing cooperation. This paper's aim is to explain how Europe's key players and institutions are approaching Japan, and to outline some possible ways to move the relationship forward.

With security at the centre of the exercise, the paper more specifically focuses on the Indo-Pacific, a concept so far officially embraced by the Japanese and US governments but that offers much potential to Europeans –to the extent that the Indian Ocean remains Europe's main gateway into what some argue will be an Asia-Pacific century. However, we approach the Europe-Japan relationship through the lens of one of the sides: Europe.

In a way, the question of how to frame security cooperation with Japan in the Indo-Pacific is a proxy for a broader question: how will Europeans position themselves at a time increasingly defined by the shift in the global centre of strategic and economic gravity towards the Indo-Pacific?

In this paper a group of experts address these questions from the viewpoint of Europe's main powers and institutions, using Japan and the Indo-Pacific as a compass. How will Europe's key players and institutions balance their relationship with China and Japan, and how will they navigate their competing approaches to rule and order in the Indo-Pacific? Put differently, how will they balance their economic interest in strong ties with China and their political and strategic interest in Japan, and their (supposed) alignment with Tokyo's vision for a Free and Open Indo-Pacific? In addressing these broad questions, each of the authors has been given the editorial freedom to approach them through the lens and specificities of each individual case.

In the first essay, Céline Pajon examines France's efforts to step up its security cooperation with Japan in recent years. In particular, France's military and defence-industrial prowess, its maritime capabilities and its status as an Indian-Ocean power open up important opportunities for greater security cooperation with Japan. In the second essay, Philip Shetler-Jones depicts the UK's relationship with Japan as a 'quasi-alliance' underpinned by a long history of cooperation and their common nature as sea-borne powers.

While France and the UK –two maritime powers with global interests– have stepped up military cooperation with Japan, Germany is also increasingly interested in deepening ties with Tokyo but is primarily stressing diplomacy and shared norms, as explained by Ulrich Speck in the third essay.

Europe's other maritime powers (Italy and Spain) are also showing an increasing interest in the security of the Indo-Pacific and in building stronger security ties with Japan. As Alessio Patalano's contribution shows, Italy sees Japan as a like-minded country and is sympathetic to Tokyo's vision of upholding a Free and Open Indo-Pacific. In particular, Italy has shown

interest in working with Japan in East Africa, where its longstanding economic and political ties converge with Tokyo's emphasis on connectivity and infrastructure development. Similarly supportive of the concept of a Free and Open Indo-Pacific is Spain, which has signed a Strategic Partnership with Japan in 2018, as detailed by Mario Esteban and Elisa Lledó.

In the sixth essay, Jacek Bartosiak looks at Japan and the Indo-Pacific from the point of view of Poland. While its continental location may make the connection with Japan (and the Indo-Pacific) less obvious, Poland's condition as Europe's gateway to China's BRI makes it an interesting case. More broadly, as Bartosiak points out, there is a significant parallelism between Poland and Japan, as they are both emerging as the centrepieces of the US-led regional deterrence architecture in Europe and East Asia, respectively.

Europe's multilateral institutions have also shown a growing interest in Japan. As Lisa Picheny points out, NATO and Japan consider themselves 'natural partners' and have a history of cooperation in the Alliance's mission in Afghanistan. And in recent years NATO and Japan have strengthened their cooperation even further as they now hold annual consultations and are cooperating on a number of specific projects, including in the area of cyber-defence.

In the final essay, Daniel Fiott discusses the EU's growing interest in Japan in the context of the EPA-SPA and looks more closely at the potential for greater security cooperation. Certainly, Brussels continues to look at Japan primarily through an economic and diplomatic lens and is trying to maintain a degree of neutrality with regard to territorial conflicts in the Indo-Pacific. But the revamping of the EU's Common Security and Defence Policy and the EU's growing interest in defence research and innovation could open up greater opportunities for engaging with Japan.



# 1 France and Japan: the Indo-Pacific as a springboard for a strategic partnership

*Céline Pajon*

For decades, the Franco-Japanese partnership has essentially been characterised by a vibrant cultural exchange as well as by sound economic relations. Today Japan is France's second-largest trading partner in Asia (after China) and its leading Asian investor. Without major points of friction between the two countries, the partnership was elevated in 2013 to an 'exceptional' level and a joint roadmap was adopted to expand cooperation to a strategic level, in particular through an annual Foreign and Defence Ministers' Meeting (2+2 summit), a premium for France.

Indeed, despite being geographically distant, France and Japan share a number of converging interests, beginning with their attachment to liberal principles and the rule of law and further ranging from common concerns on unilateral challenges to the international order, to nuclear proliferation, international terrorism, piracy and so on. As a permanent member of the UN Security Council, a nuclear power, a close US ally and a resident power in the Indo-Pacific area, France stands out as a partner of choice for a Japan that is keen to normalise its defence posture and enhance its 'international contribution to peace' under the mandate of Prime Minister Shinzo Abe.

The expansion of Franco-Japanese security cooperation thus benefits from two mutually reinforcing trends: Japan's will to diversify its strategic partnerships to help uphold the international liberal order and balance China; and France's renewed interest in upgrading its international leadership and expanding its security commitment in Asia, an area where it wants to be acknowledged as a responsible stakeholder. A certain convergence between the two countries' strategy for the Indo-Pacific is thus providing a new motivation to develop bilateral security cooperation.

## *Franco-Japanese security cooperation gains substance*

Bilateral security cooperation has expanded and gradually been institutionalised. Beyond the annual 2+2 meeting, an agreement on the transfer of defence equipment and technology, in force since December 2016, has paved the way to joint research and development of a new generation of underwater minesweeping technologies. In July 2018 an acquisition and cross-servicing agreement (ACSA) was signed to allow the sharing of defence supplies and services, an important step in expanding cooperation in peacekeeping and Humanitarian Assistance/Disaster Relief (HA/DR) operations and facilitating more ambitious joint exercises.

So far, the bulk of bilateral cooperation has focused on maritime security, mostly in Asia, where Japan is taking part in HA/DR joint training managed by France in the South Pacific, but also in the Gulf of Aden, participating in multinational anti-piracy operations. In recent years, joint exercises have been upgraded and expanded with quadrilateral training in amphibious operations in Spring 2017 between Japanese, French, US and British ships as

part of France's Jeanne d'Arc mission near Guam. In February 2018 an exercise of control at sea was also conducted for the first time with the Frigate Vendemiaire, based in New Caledonia, and in Spring 2018 two Japanese P-1 aircraft engaged in maritime patrol training in France. Beyond the multiplication of port calls and joint exercises, France and Japan are seeking to expand their coordination in maritime capacity-building assistance activities in South-East Asia, the South Pacific and Africa, with the aim of contributing to maritime security and stability. With its blue-water navy, its overseas territories and pre-positioned military forces in the Indian Ocean and the Pacific, France has a unique position amongst European countries to contribute to the security and better governance of the commons in this strategic region.

Other areas of cooperation include Africa, where the two countries have had neighbouring bases in Djibouti since 2011. A 2015 Joint Plan for Africa provided the groundwork for some modest cooperation efforts such as the joint funding of peacekeeping schools on the continent, the exchange of information and the protection of nationals. Cooperation with France to better understand the complex security environment in Africa, especially in the context of increasing terrorist attacks (10 Japanese citizens died in the In Amenas attacks in January 2013), has been a key element as Tokyo wants to expand its economic presence there. In 2016 Japanese defence attachés were trained in France and in exchange Paris would like to see Japan contributing funds to some security-related activities in the Sahel and West Africa. France also expects Japanese backing to enter multilateral security cooperation forums in East Asia, such as the ASEAN Defence Ministers' Meeting Plus (ADMM+).

The latest joint statements show that there is an ambition to enter a long-term security relationship by expanding cooperation in fields such as space (a Japanese X-band defence communication satellite was launched from French Guiana in March 2018), space-based maritime surveillance and cyberspace.

### *French freedom-of-navigation patrols*

In recent years France has been stepping up its security commitment in Asia, in a move that meets Japan's expectations. The 2017 Strategic Review of Defence and National Security thus clearly acknowledges the importance of the stability of the Indo-Pacific region for French national interests. A 'nation of the Indo-Pacific region', with 1.5 million nationals and a large exclusive economic zone, France maintains a military presence of more than 6,300 personnel from Djibouti to Reunion, New Caledonia and French Polynesia. French trade also relies heavily on the maritime routes of the Indian and Pacific Oceans. In addition, two major defence equipment contracts signed in 2016 with India (for 36 Rafale fighters) and Australia (for 12 submarines) point to a long-term security commitment in the region.

In particular, France is keen to actively demonstrate its commitment to the freedom of navigation and rule-based order in Asia and is now taking the lead in Europe in this respect. In 2016 the Statement of the then Minister of Defence Jean-Yves Le Drian at the Shangri-La Dialogue emphasised the need to discourage unilateral coups de force in China seas for fear they might spread to other strategic areas like the Mediterranean and called for coordination between Europe's navies to ensure a regular and visible presence in Asian waters.

While not taking sides on sovereignty matters, Paris has thus consistently conducted its own quiet freedom-of-navigation patrols in the South China Sea in recent years, encouraging other European countries to join. In this respect, British troops and helicopters joined the Mission Jeanne d'Arc in 2017 and this year Royal Navy ships have sailed alongside French ones. Following Brexit, France will be the only EU Member State able to regularly deploy its forces to the Asia-Pacific region. This renewed French commitment matches Japan's aim of standing up to any illegalities in China's maritime expansion.

The future direction of Franco-Japanese security cooperation will be related to the updated comprehensive French strategy for the Indo-Pacific region, currently under preparation. As it has limited means to defend its interests and contribute to regional stability, France aims to develop a network of strategic partnerships with India, Australia, Japan, Malaysia, Singapore, New Zealand, Indonesia and Vietnam. During his visit to Australia in May 2018 President Macron indeed referred to a 'Paris-Delhi-Canberra axis'. The latter is bound to expand and may lead to an aspirational regional initiative focusing on the governance of commons, including maritime security, with Japan playing an essential role. The unusual occurrence of translating into Japanese language an official booklet from the French Ministry for the Armed Forces on 'France and Security in the Indo-Pacific' is telling of the expectations regarding cooperation with Tokyo.<sup>2</sup>

In March 2018 Paris signed a common strategic vision for the Indian Ocean with New Delhi, stating that third parties would be associated through trilateral dialogue and joint exercises. The Vision Statement between France and Australia signed in May 2018 similarly refers to a close cooperation with likeminded partners in the region, through trilateral or high-level dialogue. The ultimate aim is to build an open, inclusive and transparent cooperation architecture that will lead to a shared maritime domain awareness in order to prevent or manage crises resulting from environmental issues, natural disasters or crimes at sea. The announcement of a first Franco-Japanese dialogue on maritime issues to be held in 2018 demonstrates France's interest in a close association with Tokyo.

### *Limitations and challenges ahead*

The new French approach gives rise to cooperation opportunities with Japan but also presents challenges regarding Tokyo's conception of its own Free and Open Indo-Pacific (FOIP) strategy. In particular, Japan's initiatives and rhetoric are sometimes seen in France as being too confrontational vis à vis China. Paris is also reluctant to join the Quadrilateral Dialogue that Japan has fostered with Australia, India and the US as it might be interpreted as an anti-Chinese coalition of democracies. Rather, French officials highlight the importance of engaging with China and encourage Beijing to play a role as a responsible stakeholder while discussing the future of multilateralism and global governance. This perception gap as regards China is important and enduring, as Tokyo is still suspicious of Paris selling dual-use equipment to Beijing, despite the bilateral consultation forum on defence-export controls set up in 2013 to reassure Japan. Moreover, Japan has been consistently asking France

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<sup>2</sup> See 'France and Security in the Indo-Pacific – 2008 Version' [in Japanese], French Ministry for the Armed Forces, [https://jp.ambafrance.org/IMG/pdf/la\\_france\\_et\\_la\\_securite\\_en\\_indo-pacifique\\_-\\_2018-jpn.pdf?25260/a39ac45d774ce539b65a-bebdd8fded4e61a5c7b9](https://jp.ambafrance.org/IMG/pdf/la_france_et_la_securite_en_indo-pacifique_-_2018-jpn.pdf?25260/a39ac45d774ce539b65a-bebdd8fded4e61a5c7b9).

to clarify its stance regarding China, while Paris considers 'megaphone diplomacy' to be counterproductive.

Other differences between the two countries can also emerge regarding the nature of the security challenge posed by Russia, as Tokyo has been courting Moscow despite the annexation of Crimea in 2014.<sup>3</sup>

More generally, frustration can arise in Paris as Tokyo's commitment to shift from chequebook diplomacy to more tangible security contributions may be slow in materialising and as Japan remains very much US-centred, particularly in terms of defence procurement. Finally, many Japanese officials still perceive the UK as a more capable security partner than France in Asia –and certainly as a more US-compatible ally than Paris.<sup>4</sup> A general underestimation in Tokyo of the advantages of deeper Franco-Japanese security cooperation may be a natural brake to the strategic partnership's growth.

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<sup>3</sup> See, eg, James D.J. Brown (2016), 'Japan's "New Approach" to Russia', *The Diplomat*, 18/VI/2016.

<sup>4</sup> Michito Tsuruoka (2018), 'The era of France-Japan strategic partnership. Why France?', *Huffington Post.jp*, 27/VI/2018 [In Japanese].



## 2 Britain's quasi-alliance with Japan

*Philip Shetler-Jones*

The UK-Japan relationship is anchored in the mutual perception of each another as serious countries in strategic terms. This comes from a history of engagement –as both allies and enemies– at critical junctures in their national destinies.

Late Victorian Britain recognised the rise of an industrialised power on the eastern flank of Eurasia and, contradicting a reputed preference for 'splendid isolation', formed an alliance with Japan in 1902 based on a shared interest in containing Russian expansion into their Imperial spheres (India and Korea, respectively). Although the term 'Indo-Pacific' was not then in use, it nonetheless describes the scope of the alliance. Japan went to war with Russia in 1904 with 'every form of non-military assistance' from its new ally.<sup>5</sup> When British-trained Admiral Tōgō (alias the 'Nelson of the East') sank the Tsar's Baltic fleet at Tsushima, he ensured the resounding defeat of the Russian forces. So resounding, in fact, that it came to be seen as a turning point in world order. The subordination of the destiny of Asian peoples to the interests of European Empires could no longer be assumed.

Ironically, the coup de grace to the UK's far-eastern empire came at the hands of Japan. The loss of Singapore, termed by Churchill 'Britain's worst defeat', marked a point of no return for the Empire and transformed British power in Asia. The Pax Americana that followed the allied victory in 1945 cast Japan and the UK in similar roles as geopolitically critical components of the US-led Cold War containment strategy, especially in the maritime domain.

This history may strike some as nostalgia for a bygone age, but it stands as a reminder that immutable geopolitical facts give Japan and Britain a place in each-other's strategic consciousness that is distinct from that of any other European and Asian pair. This bond explains why they are 'each other's closest security partners in Europe and Asia respectively',<sup>6</sup> and why Japan and the UK are drawn together again into a 'quasi alliance' by a familiar geopolitical pattern: the challenge a powerful Eurasian power poses to a world order built largely by and for maritime states.

### *China's rise as a joint challenge*

Today it is not Russia but rising China that is re-animating UK-Japan strategic cooperation. China's growing economic power intimidates Japan, and Beijing's definition of 'core interests' and growing military strength places Japanese sovereignty at risk. Britain (perhaps more than ever after the Brexit decision) is diversifying its global partnerships while staying

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<sup>5</sup> Hisahiko Okazaki, (2007), 'A century of Japanese diplomacy, 1853-1952', *Japan Echo*, Tokyo, p. 81.

<sup>6</sup> The phrase 'Japan and the UK are each other's most important partners in Asia and Europe, respectively' was used when David Cameron visited Japan on 10 April 2012 (<https://www.mofa.go.jp/region/europe/uk/joint1204.html>) and repeated in the Joint Statement covering the third UK-Japan Foreign and Defence Ministerial Meeting on 14 December 2017 (<https://www.mofa.go.jp/mofaj/files/000317794.pdf>).

closely tuned to the interests of its American ally, which has begun to orientate its strategic posture to face China.

Britain's freedom of action in East Asia is constrained by the risk a deterioration of UK-China relations poses to its economy. This was highlighted during Prime Minister Cameron's time in office, when a new 'golden era of partnership' in British-Chinese relations was announced and the UK surprised Washington and others by quickly signing up to the new AIIB. The UK was criticised for kowtowing to Beijing but this dynamic is changing, as suggested by the Prime Minister Theresa May's February 2018 visit to China, and confirmed by a freedom of navigation operation in the South China Sea by a Royal Navy warship in September 2018.

Putting aside general questions of upholding the rule of law, when it comes to bilateral disputes involving China, Britain maintains a broadly cautious diplomatic position. Regarding the Senkakus, the UK does not take a position on the sovereignty issues and merely calls for the matter to be resolved peacefully and by international law. As for Taiwan, under the terms of a 1972 agreement with China, the UK took an ambiguous position similar to that of the US lead, by 'acknowledging' the position of the government of the People's Republic that Taiwan was a province of China and recognising the mainland government as the sole legal government of China.<sup>7</sup> Overall, it is only fair to note that many doubt that Britain will be able to have its relationship with China both ways.

Japan's Prime Minister, Shinzo Abe, described the UK and Japan in 2013 as 'a priori partners'.<sup>8</sup> Both countries share similar 'approaches to trade, open markets, international security and the preservation of the global commons'.<sup>9</sup> As major economies in the G7 with strong commitments to global capitalism, geo-economic interests such as trade, investment and the development of strategically significant technology –such as nuclear, space and cyber– are a significant component of the UK-Japan relationship. As a supplier of arms imports to Japan, the UK is second only to the US.

There is a healthy and developing coordination with the French and that is headed more towards a cooperative than competing relationship. This was conveyed by the UK-France bilateral communiqué of the January 2018 Sandhurst summit, in which they pledged to 'enhance... maritime cooperation in support of global security and prosperity. This includes: support to each other's Aircraft Carrier future deployments in 2019... ships and aircraft deploying and operating together in the Indian Ocean, the Asia-Pacific and Caribbean regions in 2018'. The message of cooperation was embodied by the warm words of the UK Defence Secretary and the French Minister of the Armed Forces as they appeared side by side on a panel at the 2018 Shangri-La Dialogue in Singapore.

### *A closer security partnership with Japan*

The UK-Japan security relationship took off in 2012 with a memorandum on defence cooperation, followed soon after by agreements on defence-equipment cooperation and

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7 'UM Parliamentary briefing paper 2 Number CDP 2017-0190', 18/X/2017.

8 Speech delivered in Tokyo at the 2013 RUSI-SPF UK-Japan Strategic Dialogue.

9 John Bew (2017), 'UK strategy in Asia: some starting principles', Policy Exchange, 4/IX/2017.

on information security (protection of classified information) in July 2013. The first-ever ministerial '2+2' (foreign and defence) meeting took place in London in January 2015 and since then has continued annually, alternating between each country.

After a slow start, the operationalisation of this memorandum is intensifying in scope and depth. The Japan Maritime Self-Defence Force (MSDF) and the Royal Navy together provided disaster relief in the wake of Typhoon Haiyan in the Philippines in the autumn of 2013. In 2016 RAF Typhoon jets trained with Japanese military aircraft –the first time Japan's Air Self-Defence Force (ASDF) has hosted an exercise with a nation other than the US. There is also cooperation in the intelligence and cyber domains that is less in the public eye, for obvious reasons. Since British land forces exercised in Japan in October 2018 (another first after the US) the range of cooperation may now be described as 'full spectrum', across all domains of warfare. A status of forces agreement for UK forces in Japan, to facilitate further joint exercises and operations, is expected to be concluded soon.

The leading edge of cooperation remains in the maritime domain, where the 'quasi alliance' (as it is termed in the Japanese press) has progressed from dialogues, exchanges and exercises to cross the threshold to the operational level. In 2018 HMS Sutherland, HMS Albion and HMS Argyll visited Japan to undertake operations enforcing UN sanctions on North Korea alongside the Maritime Self-Defence Force (MSDF) and the US Navy, with airborne assets from Australia and Canada.

Cooperation on defence technology has followed a similar trajectory. This started with work on chemical warfare protection suits. In July 2014 Japan and the UK agreed on the joint development of missile technology for air-to-air Meteor missiles. As Jonathan Eyal puts it, 'as medium-sized states facing significant security challenges, both Japan and the UK rely on leading-edge technology as a force multiplier to shore up their strategic posture. Cooperation in developing new military technologies therefore not only makes perfect sense, but can also reduce costs for both sides'.<sup>10</sup>

'Japan and the UK are the closest allies of the US in Asia and Europe respectively', reads the 2012 Japan-UK Memorandum Relating to Defence Co-operation. Because the UK and Japan both procure defence equipment from the US, kit such as the F-35 jet are interoperable across a range of information and support functions, which greatly facilitates the process of working together. On 20 October 2016 a UK-US-Japan Trilateral Agreement was signed between the heads of the navies at the Pentagon in Washington DC. The fact that the UK and Japan are both US allies not only makes UK-Japan defence cooperation easier but can also reinforce their respective ties to the US.

With Britain back East of Suez, the 'quasi alliance' offers Japan access to an enhanced logistic chain along its main supply route from the Gulf through the Indo-Pacific. In April 2018 the Royal Navy opened a new permanent naval base (HMS Jufair) at Mina Salman

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<sup>10</sup> Jonathan Eyal, Michito Tsuruoka & Edward Schwarck (Eds.) (2015), 'Partners for Global Security New Directions for the UK-Japan Defence and Security Relationship', Royal United Services Institute for Defence and Security Studies, August, [https://rusi.org/sites/default/files/201508\\_whr\\_3-15\\_partners\\_for\\_global\\_security.pdf](https://rusi.org/sites/default/files/201508_whr_3-15_partners_for_global_security.pdf)

port, Bahrain, to go with the naval logistic centre in Duqm, Oman (with dry-dock capability to accommodate submarines and QEII Class aircraft carriers), the base on Diego Garcia and Sembawang wharf in Singapore, where a new British Defence Staff Asia Pacific was recently established alongside the British Defence Singapore Support Unit (BDSSU) and other staff who represent the UK's contribution to the Five Powers Defence Agreement (FPDA). The UK and Japan signed Defence Logistics Treaty, also known as Acquisition and Cross-Servicing Agreement (ACSA) on 26 January 2017, providing the legal framework for mutual support.

Britain's return 'East of Suez' has therefore taken a form that would align well with Japan's Free and Open Indo-Pacific concept, which appears largely as a response to China's Belt and Road Initiative, and is focused on connectivity and infrastructure development between Asia, the Middle East and Africa. There could, however, be a prospect for better coordination in this area. As a 2018 UK Parliamentary report indicates, the UK sees the Indo-Pacific as one of the 'three centres of the global economy and political influence' that are 'essential to making Global Britain a success'.<sup>11</sup>

As Japan seeks to revive specialist capabilities, the UK has been there to assist. On 15 May 2015 the Deputy Commandant of the Royal Marines visited Japan to advise the country's Self-Defence Forces (SDF) on creating an amphibious rapid reaction force to defend remote islands. The Amphibious Rapid Deployment Brigade (ARDB) was established in April 2018 and, just four months later, Royal Marines embarked on HMS Albion on a visit to Japan conducted an amphibious landing exercise with the new ARDB operating from JS Shimokita. Although bad weather meant the exercise focused on the joint planning elements, this looks set to become a fruitful aspect of continued cooperation.

Although Britain is leaving the EU, its leading role in NATO puts it in a position to provide Japan access into wider European defence partnerships. This is particularly relevant in the maritime dimension where, as First Sea Lord Philip Jones noted, the Royal Navy is 'currently commanding two of the alliance's four standing maritime groups'.<sup>12</sup>

### *Obstacles on the road ahead*

One of the main obstacles to the development of UK-Japan defence cooperation will be pressure on maintaining defence funding. Related to this, other priorities such as force modernisation and NATO commitments are strong competitors for resources that are scarce. If there is an economic downturn, scarcity will loom even larger.

The growing economic importance of China for the UK's prosperity presents an obstacle to UK-Japan cooperation in the long term. There are numerous potential causes for Sino-Japanese tension that could force London into a position where it has to choose between its principles and its pocket. These include an escalation of their territorial dispute in the East China Sea, interference of navigational freedom in the South China Sea, tension

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<sup>11</sup> 'Memorandum from the FCO in the 6th report of the House of Commons Foreign Affairs Committee 2017-2019, HC 780', 12/III/2018, <http://publications.parliament.uk/pa/cm201719/cmselect/cmfaaff/780/780.pdf>.

<sup>12</sup> 'Speech by Admiral Sir Philip Jones, First Sea Lord, delivered 11 September at the DSEI maritime conference 2017', <https://www.gov.uk/government/speeches/dsei-maritime-conference-2017>.

connected to Taiwan or developments on the Korean peninsula or –as has happened in the past– symbolic issues such as historical remembrance. In most such cases the UK's policy of supporting international law and the US would put it on Japan's side against China.

Finally, a less obvious but deep-rooted obstacle to the UK-Japan alliance is a strategic habit (shared with Japan) of dependence on the alliance with the US. This can act like blinkers, narrowing elite and public thinking on alternative or complementary means of global strategy. Many will see the UK's policy in this area largely as that of a junior partner to the US and, in the sense that the US would be in the lead for any multilateral military action involving Japan. This is a fair assumption. The 2016 trilateral naval agreement was signed for that purpose. However, as notions of an isolationist turn in US foreign policy and trans-Atlantic rifts gain currency, even the closest allies are prompted to consider other options.

Clearly the development of the UK-Japan quasi-alliance indicates a new momentum for a closer security partnership between Europe and Japan. Will they work together more on questions of regional security in the Indo-Pacific in the next years, and if so, what would such a partnership look like?

Extrapolating from present trends, the partnership will become more operationally proven, reinforced in legal and institutional forms, and tighter in terms of human connections forged through joint operations in testing and even dangerous shared experiences. Concrete manifestations of this may include a move to home-base a Royal Navy ship in a Japanese port (probably Yokosuka), establish a standing liaison between the Royal Marines and the new ARDB, and joint development of a modern weapon system or platform (e.g. missiles or un-manned aircraft).

There is also cause to hope for improved UK-France defence coordination in the region, which would be a welcome addition to the trilateral arrangement with the US as well as other defence frameworks below the formal 'alliance' threshold (eg, the 'quad') that are proliferating in the region.



### 3 Germany's nascent pivot to Japan

*Ulrich Speck*

Germany and Japan have often been described as 'like-minded' countries. Both share many parallels in their recent history: rapid modernisation at the end of the 19th century; the rise of nationalism, fascism and militarism in the 1930s; imperialist projects carried out with utmost brutality in their neighbourhood during World War II (though the Holocaust remains unique in scale, scope and character); subsequent occupation and transformation into liberal democracies and market economies, with the US becoming the main military protector and strategic leader; and a massive economic rise since the 1950s allowing both to become global economic players. History has also led to some encounters: for Japan the German Kaiserreich in the late 19th century was one of the models for its own version of modernity; both countries became (distant) allies in the Second World War; and in the last decades both countries have been mainly connected as key US allies in their respective regions.

As a result of these historical experiences, today Japan and Germany both have a relatively pacifist outlook, based on the rejection of everything that recalls their previous militarism and imperialistic aggression. Both countries have focused their energy in the past decades on the development of their economies and the refinement of their welfare states. And both are massively dependent for their success on the broader economic and political world order that emerged under US stewardship, the so-called liberal international order.

Given their identity, interests and outlook, Germany and Japan can be described as 'natural allies'. Neither side, however, saw an urgent need to build closer bilateral ties, as they had already been connected by their participation in a US-led economic and security order. German Chancellors and Japanese Prime Ministers meet regularly, often on the side-lines of international summits such as the G7 or the G20. There has been no tension but neither have there been any major joint projects between the two countries.

#### *A newfound interest in cooperation*

This has started to change. Geopolitical developments have led Germany and Japan to reconsider their business models. Both countries are concerned about the rise of neighbours who are challenging the existing security order: Japan about Chinese assertiveness in the East and South China Seas and about its bid for regional primacy more broadly; Germany about Russia's aggression against former post-Soviet countries that are seeking to deepen ties with Europe and the US, such as Georgia and Ukraine, but also about growing Chinese assertiveness in Europe. At the same time, neither Germany nor Japan can be sure, in the Trump era, that their post-World War II arrangement with the US will continue: whether the US is still interested in providing a secure geopolitical environment for both in return for having Japan and Germany as close allies and key pillars of the liberal international order.

In response to this growing instability and uncertainty, both countries have raised their foreign policy profiles. Beyond trying to convince the US to stick to its traditional commitments, they pursue similar hedging strategies: they invest more in their own strength and capabilities; they deepen relations with partners in their region; and they intensify relations with like-minded countries in other parts of the world. The goal is to strengthen the existing order by building more critical mass globally in favour of the current order. Raising their ability to withstand the pressure from Russia and China brings this order more in line with the interests and visions of the autocratic elites in these countries, in other words, with the spheres-of-influence model of international order as opposed to the liberal, 'free and open' international order.

Japan has clearly shown more interest in Europe in recent years, with more high-level visits and an effort to strengthen cooperation with its main military partners in Europe, the UK and France.

This diplomatic is taking place at a time when Germany is increasingly disenchanted with its close relationship with China. The latter has become Germany's largest trading partner (at €186.6 billion in 2017, with imports and exports combined, while Japan is 15th, at €42.4 billion), both countries hold regular government consultations and they have no less than 80 bilateral formats. But Germany is increasingly unhappy with China and not just in regard to trade and investment, where it wants to see more reciprocity and openness on the Chinese side. Berlin is also increasingly concerned about geopolitical issues such as China's assertiveness in the Indo-Pacific, its bid for primacy in Eurasia via the Belt and Road Initiative (BRI) and its growing political influence in Europe itself. Berlin shares the concern of many of its western partners that China is not seeking a level playing field for everybody but domination, exclusion and hegemony instead.

While the German-Chinese relationship is traditionally dominated by trade, Chancellor Merkel has increasingly included geopolitical issues such as the tensions in the South China Sea in her conversations with the Chinese leadership. Already in 2015 Merkel said that 'our primary concern is that the naval routes (in the South and East China Seas) remain free and safe'.<sup>13</sup> In 2016 and again in 2018 Germany has participated in RIMPAC, the large-scale US-led international maritime warfare exercise in the Pacific alongside the UK and France. Furthermore, German military observers have recently sailed on a French warship patrolling the South China Sea in a freedom-of-navigation operation.

What has made Germany reconsider its former position of de facto neutrality in regional conflicts is China's stance, especially in the South China Sea: Beijing's rejection of multilateral negotiations and dispute-settlement mechanisms, and its refusal to accept the ruling in the Philippines vs. China case under United Nations Conventions on the Law of the Sea (UNCLOS) arbitration. Germany is deeply committed to multilateralism and peaceful conflict resolution. To see China rejecting these principles is pushing Berlin to be more on the side of those who want to balance its growing regional influence.

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<sup>13</sup> See <http://www.bundesregierung.de/Content/DE/Rede/2015/10/2015-10-29-rede-merkel-bergedorfer-gespraechskreis.html>.



Disenchantment with China and a growing preoccupation with stability due to Chinese action in the region is one of the developments that have led Berlin to have a greater interest in deepening relations with Japan; the other is concern about the future global role of the US, ie, whether Washington is still committed to global trade and global governance. Donald Trump's election as US President has prompted Berlin to reach a quick conclusion of the EU-Japan trade agreement, not least because it wants to signal that Europe and Japan remain committed to the principle of free trade.

### *Germany's offer of a strategic partnership*

This is the geopolitical context in which Germany has reached out to Japan to deepen bilateral cooperation, and to reach out together to like-minded partners. In July 2018 the German Foreign Minister, Heiko Maas, chose Japan to launch his 'alliance for multilateralism' –a network of strategic partnerships between like-minded countries that are committed to strengthening the liberal international order–.<sup>14</sup> For Maas, Germany and Japan 'have the potential to be at the heart' of an alliance of countries that defend rules and international law especially against challengers like China and Russia. According to the Minister, Germany and Japan face 'very similar challenges' regarding security and 'need to stand shoulder to shoulder because they share the same values'.

Russia, he added, 'has openly challenged the world order through its illegal annexation of Crimea and its conduct in the conflict in Syria and elsewhere', while 'China wants to shift the geopolitical balance of power to its own advantage and is demanding what I would describe as allegiance from many countries in its neighbourhood'. All these concerns are 'now also being heightened by the uncertainty over the United States' course under Trump, who also calls alliances that have developed over decades into question in 280-character tweets'. Countries like Germany and Japan 'are too small to be able to call the shots on their own on the global stage'. 'Individually, each of us will find it difficult to be a rule maker in a multipolar world', but 'if we pool our strengths... perhaps we can become something like rule shapers'. Germany and Japan thus 'have the potential to be at the heart of an alliance of multilateralists'.

The initiative is not yet a fully-fledged strategy as it needs to be fleshed out further and its success depends on whether Japan and other potential partners –mid-sized powers with a strong interest in securing the liberal international order– show a real interest and commitment. But Maas's initiative is a clear expression of Berlin's aim to have a deeper relationship with Japan. Germany and Japan have 'paved the way to even closer cooperation between our diplomats, state secretaries, directors and policy planning staff', Maas said in Tokyo, adding that 'we want to develop a shared view of regional and global problems and then look together for solutions to them and put these ideas into practice'.

By seeking deeper ties with Japan, Germany has moved from its previous strategy, which had China very much at the centre and was based on economic interests. Both the Chancellery and the Foreign Ministry are increasingly concerned about regional geopolitics and want to

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<sup>14</sup> Speech by the Minister for Foreign Affairs, Heiko Maas, at the National Graduate Institute for Policy Studies in Tokyo, Japan, 25/VII, <http://www.auswaertiges-amt.de/en/newsroom/news/maas-japan/2121846>.

signal to Beijing that it cannot count on Germany's quiet acquiescence in its bid to challenge the order in the Indo-Pacific.

Germany's nascent pivot to Japan should not be overestimated, however, because China remains of huge importance to German business. And Germany will remain very reluctant to deliver on the 'hard power' side of a strategic partnership. But the Maas visit opens up new opportunities to develop deeper ties with a country that has emerged as a key player in the defence of the liberal 'free and open' order in the Indo-Pacific region, a vision Germany shares and increasingly supports.

## 4 Japan and Italy: an odd couple, no more? *Alessio Patalano*

In 2003, the doyen of Japan scholars Richard Samuels used the analogy of the 'odd couple' to comparatively explore developments in Italian and Japanese modern political history.<sup>15</sup> From a defence perspective, it is hard to discount the appeal of such an analogy.

Indeed, since the end of the Second World War, Italy and Japan have evolved to become significant regional security and military players within the European and North-East Asian theatres, respectively. Their regional roles have been pursued through a strategy that has combined national capabilities with alliances. For Japan this has meant a bilateral security arrangement with the US. For Italy it has involved a commitment to NATO (and more recently the EU). Such a strategy, combined with a broader recasting of the role of military power in their respective political, legal and diplomatic agendas has meant relatively limited defence ties. However, since the rise of transnational security issues in the aftermath of 9/11, both Italy and Japan have sought to answer the call to contributing more to maintaining international stability, joining on several occasions both US-led coalitions as well as international activities to counter transnational threats.

Today, the return of inter-state competition driven by revisionist attempts to undermine the existing liberal order is prompting state actors like Italy and Japan to develop stronger ties to retain their international relevance and meet an expanding set of security challenges.

This contribution explores the recent developments in defence and security ties arguing that Italy and Japan are no longer an 'odd couple'. In less than a decade the two countries have upgraded their defence relations and set the stage for a potentially unprecedented level of bilateral cooperation. In this regard, the essay offers an overview of the relationship with the aim of explaining how Italy has offered predominantly political support through the G7 process to Japanese security concerns over maritime security in the East and South China Seas. The essay further argues that greater potential exists to develop security and defence interaction in the Gulf and East Africa. If suitably developed, cooperation could make a significant contribution to Italy's long-standing security interests in the wider African and Middle Eastern regions, support Japan's more recent Free and Open Indo-Pacific Strategy and offer specific opportunities for the defence industry and the development of capabilities.

### *Global actors with shared interests*

In August 2016 the Italian and Japanese Foreign Ministers, Paolo Gentiloni and Fumio Kishida, took stock of the state of bilateral ties as they commemorated the 150th anniversary of diplomatic relations. Notwithstanding geographic distance, they remarked, Italy and Japan are both advanced industrial democracies with global responsibilities. As members of the

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<sup>15</sup> Richard J. Samuels (2003), *Machiavelli's Children: Leaders and Their Legacies in Italy and Japan*, Cornell University Press, Ithaca, p. 10-14.

G7, they face similarly complex challenges. Geography has set the two countries far apart; global economic and political trends have brought them closer together.

Neither of the two mentioned the word 'security' in their speeches, but the outlining of economic and political challenges demonstrated a shared understanding of security as a comprehensive question. An article published shortly thereafter<sup>16</sup> presented a framework for bilateral cooperation that drew upon this notion. It presents the need for enhanced economic cooperation as based upon similar needs for reliable, unfettered access to primary resources and the ability to tackle natural disasters, as much as meeting the welfare requirements of aging populations. These issues offer significant opportunities for a strong relationship: two advanced industrial powers seeking to support each other in a quest to maintain a 'global' economic status whilst meeting the responsibilities derived from such a quest.

In this vein, the bilateral agenda has been dominated in recent years by issues such as sustainable energy, food culture and security, and modern agriculture. But wider global security issues related to natural and man-made disasters were included in the agenda too. As disaster-prone countries with energy supply problems, both countries have similar interests in disaster risk reduction and smart approaches to energy consumption.

The casting of the relationship as one between industrial liberal powers with global responsibilities creates the conditions for Italy's political support for Japan's approach to the East and South China Seas, bilaterally and in the context of the G7 forums.

The joint statement of the Renzi-Abe meeting in 2014 is a case in point. It did not shy away from touching upon 'the situation in East and South East Asia' and it did not mention territorial disputes directly. It did, however, emphasise the broader matter of principle, the need to address international disputes peacefully in accordance with international law and the need to ensure the principles of freedom of navigation and overflight as enshrined in UNCLOS.

Italy similarly subscribed to Japanese efforts to include more robust language on matters of principle to deal with territorial disputes in the East and South China Seas at the G7 summit in Ise-shima in 2016. Held only months ahead of an important international arbitration ruling in the case of the Philippines against the People's Republic of China (PRC), the summit was the first to issue a leaders' communiqué that clearly expressed 'concerns' about territorial disputes, called for clarification of claims according to international law and affirmed the importance of refraining from using coercion as a tool to advance them. The language of both statements and their content were fully retained in the declaration of the subsequent G7 summit, which Italy hosted in Taormina.

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<sup>16</sup> 'Focus Giappone: Italia e Giappone Così Lontani, Così Vicini', *Diplomazia Economica Italiana*, vol. XI, nr 11/16, 30/ XI/2016, p. 3-7.

This was a decision of political significance since it placed the G7 group's position in stark contrast to the EU's.<sup>17</sup> In light of the latter's weak statement in the aftermath of the award by the international court of arbitration (unfavourable to PRC's views on territorial claims), the restating of the G7's position rewarded Japanese diplomacy and policy. Italy's presidency of the G7 directly contributed to this success.

*Taking it to the next level?*

Political support for a fellow global state actor with shared interests on the principles of maritime stability is not the only notable aspect in the recent development of Italian-Japanese security and defence relations.

In 2012, the then Italian Minister of Defence, Gianpaolo Di Paola, visited Japan to sign a declaration of intent that for the first time in the post-war era indicated a reciprocal intention to develop a dialogue on defence and military matters. The subsequent political momentum created by the 150th anniversary of diplomatic relations, and Japan's own efforts to enhance security ties with NATO, allowed more substantive steps to be taken. In 2014 the two Ministries of Defence started negotiations on an agreement to favour a more stable mutual understanding of the respective defence policies and positions to explore cooperation on capability procurement and development.

The process was followed by the signing in 2016 of an agreement to share information on security—a preliminary crucial step to further defence cooperation—. A year later, on 22 May 2017, Ministers of Defence Roberta Pinotti and Tomomi Inada marked another milestone in the relationship by signing an agreement on defence technology and equipment transfer. In 2018 the Japanese NIDS and its Italian counterpart, the Centro Alti Studi per la Difesa (CASD) signed a collaborative agreement that could support such enhanced ties.

This was a remarkable upgrade in defence ties in a relatively short period of time, especially since the two countries had previously operated within a cooperation framework that focused on economic matters and drew upon comprehensive approaches to security. Given the significant steps taken since 2012 to change the relationship, Italy and Japan are today on the brink of possessing the legal and political framework to take defence ties to the next level. This certainly seemed Minister Pinotti's objective since, from her perspective, understanding each other's security priorities and military requirements was an essential step to formulate coordinated approaches to security challenges as well as to develop the capabilities to deal with them.<sup>18</sup>

Specifically on maritime security, Italy—as a major liberal democracy with global responsibilities—has been standing by Japan as a matter of principle and has worked alongside the country in counter-piracy. Italian and Japanese naval units have worked alongside in the western Indian Ocean and the Gulf of Aden, as Italy was a core contributor to both NATO and EU activities in the area.

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17 'EU's Statement on South China Sea Reflects Divisions', Reuters, 15/VI/2016, <http://www.reuters.com/article/southchina-sea-ruling-eu-idUSL8N1A130Y>.

18 'Difesa, La Pinotti in Giappone per Accordi e Collaborazione nella Sicurezza e Difesa', PRP Channel, 27/V/2017, <https://www.prpchannel.com/attualita/difesa/difesa-la-pinotti-giappone-accordi/>.

In terms of the more specific territorial and maritime disputes in the East and South China Seas, Italy has not been as militarily vocal as other European countries like the UK and France, even when it could have had the opportunity with the recent deployment of the Frigate *Carabiniere* to Australia and South-East Asia. Given Italy's main security focus within the wider Mediterranean region and its limited opportunities to deploy forces beyond the Indian Ocean, this should come as no surprise. However, as a G7 member Italy has joined the political statements condemning coercive behaviour to change the status quo and, crucially, fully supported similarly strong statements at the Taormina Summit in 2017. It is unlikely that this type of support in key international forums will lose momentum.

Technology and equipment transfer are both useful areas where the negative impact of geographic distance and different security priorities can be minimised. The ability to regularise political exchanges at the ministerial level on security and defence will be essential for both countries to explore areas of industrial cooperation. As defence equipment costs continue to rise and given the need of both Italy and Japan to remain interoperable with the US –both bilaterally and, for Italy, as part of NATO–, the significance of strengthening this aspect of cooperation cannot be stressed enough.

Nonetheless, for the partnership to truly enter a new stage of defence cooperation and, indeed, to bring greater substance to a regular bilateral dialogue, the challenge of geography needs to be met. Minister Pinotti's remarks in 2017 were, in this regard, of great interest. As she noted, Italy had been closely following Japan's involvement in Africa and the western Indian Ocean region as part of its Free and Open Indo-Pacific Strategy. Thus, East Africa and the Gulf States could be places where cooperation in building up military capacity to tackle security in a comprehensive manner could offer an opportunity to minimise geographical distance. This is particularly true since both countries are observing with keen interest China's economic and political activism in Africa.

Italy and Japan have an opportunity to remain relevant global powers, jointly pursuing realistic security agendas to meet their respective national security priorities. They have an opportunity to 'arm' their defence ties with common capabilities and a clear geographic purpose in the western Indian Ocean region and Gulf area. Only time will tell if and how this opportunity will in fact become reality.

## 5 Japan and Spain: a strategic partnership in the making

*Mario Esteban & Elisa Lledó*

Bilateral relations between Madrid and Tokyo were restored in 1952 and since then they have been highly amicable, with no signs of political or economic disagreement. Over the years the scope of the bilateral relationship has broadened from trade and investment-related issues to people-to-people exchanges and security. The deeper and wider nature of the bilateral relationship was made evident by the success of the Japan-Spain Dual Year (2013-14), the signing of a five-year comprehensive partnership agreement known as Partnership for Peace, Growth and Innovation (2013-18), and the upgrading of the bilateral relationship to a strategic partnership on 16 October 2018.

Cooperation between the two countries has increased to the extent that bilateral trade exceeded €6 billion in 2016, with Japan becoming Spain's second-largest trading partner in Asia and Spain Japan's sixth-largest in the EU. Furthermore, in 2016 the Japanese were the largest group among Asian tourists visiting Spain, at over 473,000, while close to 100,000 Spaniards visited Japan. The numbers are expected to increase thanks to the memorandum of understanding on tourism and the working holiday agreement signed during King Felipe VI's state visit to Japan in April 2017.

Although Spain and Japan are likeminded countries with common fundamental values and principles –including democracy, the rule of law, the respect for human rights, a market-based economy and the goal of sustainable development–, security and defence cooperation between Spain and Japan has traditionally been limited to multilateral frameworks such as NATO and the EU. A good example is the joint exercises conducted by the Spanish warship ESPS Santa María when it was participating in the EU's Atalanta anti-piracy operation alongside the Japan Maritime Self Defence Force's JS Yuudachi and JS Yuugiri. Nevertheless, the recent signing of a strategic partnership between Japan and Spain is expected to facilitate further bilateral cooperation on defence and security.

### *Growing defence ties*

In the context of the Partnership for Peace, Growth and Innovation, bilateral cooperation on security and defence has been reinforced significantly between 2013 and 2018 on account of several factors. On the Japanese side, Prime Minister Abe has encouraged Japan to become a proactive contributor to peace through a greater participation in multilateral security initiatives and bilateral cooperation with like-minded countries, such as key EU member states. From Spain's perspective, Asia has become an area of increasing geostrategic and economic significance as reiterated in different official strategies towards the region. All Spanish governments have understood that the epicentre of global geopolitical and economic affairs is rapidly shifting towards the Asia-Pacific region and therefore that prosperity will depend to a growing extent on the ability to underpin and deepen the country's presence in the region.

As a result of these converging factors, a Memorandum of Cooperation in Defence was signed in 2014 paving the way for regular annual meetings at the Director-General level and for the exchange of senior officers to take part in training programmes in the other country. This positive experience, with a first Japan-Spain Defence Vice-Ministerial meeting being held in July 2018, has served as a precedent to agree on a more ambitious Spanish-Japanese strategic partnership that includes a section on international peace and security.

The section on peace and security in the Strategic Partnership between Japan and Spain mainly refers to two issues of common interest: (a) the non-proliferation of weapon of mass destruction; and (b) maritime security. Both sides agree to cooperate to prevent the proliferation of weapons of mass destruction, especially nuclear and chemical weapons, with a commitment to strengthen the Treaty on the Non-Proliferation of Nuclear Weapons, the Chemical Weapons Convention and the Organisation for the Prohibition of Chemical Weapons. In addition, they both wish to facilitate the early entry into force of the Comprehensive Nuclear-Test-Ban Treaty and the negotiation of a Fissile Material Cut-off Treaty, with a particular stress on the complete, verifiable and irreversible denuclearisation of the Democratic People's Republic of Korea.

Spain and Japan also agree on cooperating further to maintain order on the high seas based on the rule of law, as reflected in the United Nations Convention on the Law of the Sea, including the assurance of freedom, safety of navigation and the pledge to renounce the threat or use of force to settle maritime disputes. It is difficult to overstate the importance of the Indian Ocean in this context, since it is the main trade route between Europe and East Asia and is also the doorway to key oil and gas imports for the Japanese and Spanish economies.

Regarding the competing connectivity projects that are being implemented in Eurasia and their implications on regional stability, Spain fully supports the Free and Open Indo-Pacific Strategy promoted by the Abe administration since November 2016. The strategy fully matches the values and interests of Spain's foreign policy given its open and inclusive nature, based on respect for International Law, and its emphasis on combating threats such as piracy, terrorism and the proliferation of weapons of mass destruction.

Indeed, a strategic partnership with Japan provides Spain with an opportunity to strengthen its own position in the Indo-Pacific maritime corridor, particularly if they engage together in capacity-building assistance to the countries in the region. However, Spain is unwilling to assume a high profile in any of the maritime disputes and conflicts in the area. The relative weight of its economic relations with South-East and East Asia is considerably lower than that of other big EU economies and Spain prefers any action aimed at encouraging regional players to act in accordance with International Law to be coordinated at the European level.

### *Looking ahead*

Japan and Spain share a maritime, democratic and liberal nature plus a strategic alliance with the US. In addition, Spain has a geostrategic position in Europe very similar to Japan in



Asia. These commonalities could constitute solid foundations upon which to build stronger bilateral strategic relations as they provide both countries with a series of opportunities to further cooperation.

First, improving strategic relations with Japan offers considerable possibilities involving cooperation between the armed forces of the two countries, specifically in the naval and amphibious domains plus in the development of strategies and tactics to deal with hybrid and grey-zone warfare. In this field, it is also worth noting the significant learning opportunities Spain would gain from sharing experiences in the field of ballistic missile defence (BMD).

Second, Spain is a provider of military equipment –being the world’s seventh-largest exporter of weapons– and the strengthening of strategic relations with Tokyo offers opportunities for the Spanish defence industry and for developing Spain’s industrial base. Japan has a defence budget of around US\$45 billion in 2017 (with the prospect of continued growth) and greater bilateral strategic cooperation with Spain could help to open up the Japanese market to Spanish defence companies, providing a major boost to the technological-industrial base of Spain’s defence sector. Apart from the strictly commercial aspect, Japan’s extremely high level of technological development would furnish Spain with major opportunities in terms of creating joint programmes and projects, as well as developing its military technology research and development capabilities. Bilateral trade in military equipment and the joint development of defence technology could be favoured by Spain’s strict application of the EU arms embargo on China, as indicated in the annual reports on arms exports published by the European Council.

However, there are also some drawbacks in the Spain-Japan partnership and they should be taken into account to avoid raising unrealistic expectations that could damage the bilateral relationship in the long term. The two countries have quite different geostrategic priorities in the sense that they focus more on their immediate neighbourhoods. To mention one example, Spain’s role in the security of East Asia might be slightly less significant than Japan would like it to be while the same is applicable in Spanish eyes to Japan’s role in the Mediterranean and the Sahel. The second obstacle to highlight is the two countries’ different threat perception. For instance, China is regarded far more as a security threat in Japan than in Spain, whereas Russia is understood to be a bigger security threat in Spain than in Japan.

These difficulties should not obscure the fact that Japan and Spain need each other more than ever to reinvigorate the rule-based international liberal order, which has been essential for securing international common goods in the last decades.



## 6 Poland and Japan: parallel geopolitics

*Jacek Bartosiak*

Poland and Japan are both key US allies, located in strategically important places that remain pivotal for the US position in and around Eurasia. And yet both face rather different strategic challenges. Japan is an insular sea power, located in the maritime approaches from the Pacific towards the Chinese and Russian mainland. Landlocked Poland stretches across the narrowest point of the Northern European Plain, connecting through Ukraine with the belt of lands between the Baltic and Black Seas that used to be for many centuries her buffer zone, separating the core of Poland from the heart of Russia. Poland effectively controls the land passage from East to West –from greater Eurasia into the European peninsula–. This geostrategic position, along with the allied Romanian control of the Danube river estuary, sufficiently monopolises within the ‘Intermarium’ all access to the core of Europe from the landmasses of Eurasia. The geographical settings naturally impose different strategic challenges for Poland and Japan. Nevertheless, both countries share one primary geostrategic feature: they are located at the outer fringes of the US sea empire’s global reach of influence. A US-led coalition including Japan might hence consider geo-economic help to Central and Eastern Europe in order to build a ‘prosperity barrier’ to bar Chinese influence and neutralise the temptation of the western European countries to embark on the continental game with China.

The huge distance between landlocked Poland and sea-oriented Japan, apart from the enormous economic performance gap and the lack of significant trade, make the direct political connection between Poland and Japan insignificant. What connects them, however, is their common desire to maintain the US-led international system under which Poland has thrived since the 1990s and Japan been able to hedge against any potential action by its powerful continental neighbours, China and Russia.

### *Poland and Japan in the US security system*

The US maritime system in the Pacific is based upon the operation of a strategic communication route along the ports stretching from the Panama Canal and San Diego to Hawaii, from there to Guam and then on to Japan and South Korea. This system is augmented by a ‘great barrier’ formed by the First Island Chain in the littoral waters of East and South-East Asia stretching from Japan to Borneo and Singapore. The ‘great barrier’ gives the US the capability of a forward military presence in Asia and it plays a vital role as a ‘shield’ for US allies in the region. Like a membrane, it allows US influence to permeate inwards but prevents Chinese influence in the opposite direction.

The system is anchored at two points: Taiwan and Japan. Taking control of Taiwan would give China access to the open ocean, overcoming the ‘great barrier’ and breaking the line of forward US military presence in the region, with serious consequences including the likely destruction of the region’s security. Japan, as the second anchor point, is the US’s most important and most powerful ally in Asia, in possession of not only a mighty navy

–and providing the main base for the US Seventh Fleet– but a dense network of forward operating bases, staging areas and strategic in-theatre depth in the event of a contingency in the Western Pacific.

Similarly, Poland and the ‘Intermarium’ (or ‘Three Seas’ Initiative’) geostrategic concept reinforces the US foothold on the Old Continent by openly countering Russian influence and, most recently, apparently attempting to balance Germany’s political encroachment in this traditionally poorer part of Europe. Russia has been trying to create A2AD ‘bubbles’, hindering the US ability to operate freely in the skies between the Baltic and Black Seas and hindering troop rotation through forward bases across the eastern part of the continent further away from the Atlantic Ocean, from which the US traditionally projects its power. Russia’s aim is to prevent the US from coming to the aid of the Baltic States, Poland and Romania, thus also limiting its political influence in the daily game of perceptions that is embedded in the hybrid war being waged in the buffer zones between the European Rim and Russia.

At the same time, the landlocked Eastern European buffer zone is becoming increasingly important for the Chinese plan of a new infrastructure and trading system, the ‘Belt and Road’ that aims to connect China with Europe across Central Asia by traversing the Black Sea basin. This makes Poland and its neighbours to the south the objectives of the grand Eurasian game of monumental proportions envisioned by Halford Mackinder 100 years ago, since it can establish a communication and trade network beyond the effective control of US sea power for the first time in history. They can connect “heartland and rimland”, thereby altering the balance of power between coastal and landlocked countries.

The Chinese know this well, hence their 16+1 cooperation format for Central and Eastern Europe, although Poland has so far not warmed to it, fearing that Chinese-Russian cooperation across the region might lead to a waning of US influence. This might change if Beijing somehow ensures that the New Silk Road weakens Russia and instead strengthens the countries of Central and Eastern Europe. If that were the case and Russia were to further relatively decline then the traditional landlocked location might push the policy of Central and Eastern European countries more towards New Silk Road cooperation across the Eurasian landmass. However, with a strong Russia that would be practically impossible. Nevertheless, although theoretically a weak Russia would be in Beijing’s interest, so many developments would have to occur for that to be the case that the above is at present mere conjecture.

### *Remote allies*

These geopolitical dimensions make Poland and Japan ‘remote allies’ of the same strategic cause but with no tangible daily cooperation or formal commitment in security matters. As regards important security issues such as the tension in the littoral waters of the Western Pacific, Poland will primarily follow the US position, considering that of the European powers to be of only secondary importance. Lacking the resources, Poland will however be unable to add anything of military relevance to what from Poland is a remote theatre. It is, however, interested in Japan becoming militarily stronger and more capable, as that would potentially limit the scale of the required US pivot to the Western Pacific and away from Europe.

There is concern in Poland that Western Pacific commitments and the US-China trade war are likely to direct US policy resources away from Central and Eastern Europe or even lead to an inevitable reset arrangement with Russia. The fear is that Moscow will be granted concessions somewhere in Eastern Europe –energy projects, Crimea, Donbas, the Baltic States or Belarus– in line with the concert of powers’ philosophy that will kick in once the Trump Administration realises that absolute US preponderance is no longer a viable option. Consequently, it could decide that the international order of the past 25 years is no longer tenable and that the US –as an offshore sea power– should engage in a traditional balancing game in Eurasia similar to the policy long applied by Great Britain in the area. In such a game Russia might be an asset due to its strategic location, spanning Europe and Asia, and its power to project its capabilities over the Greater Middle East and the Belt and Road Initiative.

Furthermore, Poland is seriously concerned about the potential ‘Thucydides’ trap’ unfolding in the Western Pacific that could end in war and encourage Russia to unleash some form of offensive action on NATO’s eastern flank to exploit the US overstretch in separate war theatres. Warsaw also fears the symptoms of Kindleberger’s trap that might materialise should the US power and influence further wane, especially if resources are increasingly drawn away due to Pacific commitments, thus creating a vacuum that Russia might want to fill. In that case, as the biggest country in the ‘Intermarium’, Poland might be forced to enter face-off Russia in the 1,200km buffer between the two countries that stretches from the Black Sea to the Baltic. That would be a repeat of the armed confrontations that have taken place around 20 times over the past 400 years roughly between Warsaw and the Smole sk Gate.

### *Outlook*

As a result, any closer cooperation between Poland and Japan will be strictly limited to concern over the US position declining across and around Eurasia but with no specific action: Japan will naturally remain focused on a theatre in which Poland lacks the capacity or resources for any meaningful cooperation so far away from its neighbourhood.

From Poland’s perspective the attitude of the western continental European powers towards the coming showdown in the Western Pacific is unclear to say the least. It is also unclear how they will react to the rise of China given the huge potential of the Belt and Road for German businesses, who are already showing signs of interest in the new continental game and the new logistic and infrastructure arrangements in the East. Recent developments have not gone unnoticed in Poland. No cooperation on the Belt and Road Initiative between the western European powers and China will be possible without the consent of Poland and Romania since they control the entry points to the European core, across respectively the Northern European Plain and the Danube river system. This is a major asset in the Eurasian game that tilts the chessboard in favour of the US-led coalition, including Japan.

If the liberal world order collapses –either from the Trump Administration’s own making or systemic Chinese pressure– the European powers can be expected to go their own way and Germany might be willing to pursue a new continental game, with an absence of any joint European policy. At the same time, were such a scenario to unfold the central and eastern part of Europe would still need infrastructure and investments in order to make up for their past neglect and China would promise to handsomely address their needs. A US-led coalition including Japan might then be prompted to step in and provide geo-economic help to Central and Eastern Europe.

## 7 A growing partnership between NATO and Japan

Lisa Picheny<sup>19</sup>

At their Brussels Summit in July 2018, NATO leaders expressed their ‘full solidarity’ with Japan and other Asia-Pacific partners in response to the threat of North Korea. Yet at the same time, the Alliance’s leaders have consistently cautioned that NATO is not seeking a direct role in the Asia-Pacific region. How will the Alliance reconcile the inherent tension between these two principles as it develops its relationship with Japan?

More broadly, since 2014 an increasingly contested global strategic environment has compelled NATO Allies to reconsider the links between collective defence and cooperative security. To demonstrate its continued relevance to both sides, how can the NATO-Japan partnership strengthen its connection to each side’s core defence interests?

This contribution argues that NATO-Japan relations have developed as a balancing act between strong engagement and clear geostrategic constraints. In doing so, the two sides have privileged a long-term approach, building a solid basis for cooperation that in turn has made the relationship relatively immune to short-term political dynamics. Looking ahead, a recently approved new Individual Partnership and Cooperation Programme puts forward an ambitious shared vision for the future of the partnership, one that could arguably serve as a model to foster NATO’s connectivity with the broader Asia-Pacific region.

### *A relationship anchored in historical depth*

Both NATO and Japanese leaders refer to the notion of ‘natural partners’, highlighting Japan’s status as the Alliance’s ‘longest-standing partner across the globe’. These statements reflect what both sides see as the fundamental tenet of the relationship: a sense of certainty and durability, anchored in active political dialogue since the 1990s. While engagement at the highest level has been the flagship of the relationship, particularly under the current Abe administration, the practice of annual policy consultations established almost 20 years ago has been even more instrumental in creating the conditions for meaningful and sustainable engagement. Usually taking place at senior executive level, these regular meetings have facilitated a mutual understanding of each side’s strategic culture, ways of working and evolving priorities. In addition, the partnership has established itself as a unique platform for institutionalised trilateral political dialogue between Japan and Allies on both sides of the Atlantic. Japan has invested in this opportunity for multilateral engagement and participates with increased regularity in meetings of the North Atlantic Council and subordinate committees.

However, while the relationship first emerged as an essentially political endeavour, it has progressively acquired a strategic depth rooted in a critical mass of concrete cooperation projects. Japan’s unique defence posture and constitutional limitations on foreign

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<sup>19</sup> The views expressed in this section are solely those of the author and do not necessarily represent NATO’s official position or policy.

deployments have challenged NATO's standard approach to partnership, focused on boosting interoperability with an important military component; NATO and Japan have nonetheless established strong cooperation in a crisis management context, most importantly in the Afghan theatre. Though Japan was never formally an 'operational partner' of NATO, its significant financial support to the stabilisation of Afghanistan has made it a key interlocutor for the Alliance. In practice, that has translated into the regular inclusion of Japan in discussions related to NATO's long-term support to Afghanistan. At the same time, practical cooperation between NATO and Japan has progressively crystallised over the past 10 years and is now embedded in a formal cooperation programme that forms the backbone of the partnership. The scope of interaction has evolved incrementally, reflecting the evolution in Japan's defence posture with a progressive shift from 'soft' to 'hard' security: the earlier focus on humanitarian assistance and disaster relief has now been topped by new priority areas, including cyber defence and maritime security. Recent joint training activities at sea exemplified this evolution, anchoring the relationship in concrete, specific interaction.

### *Testing the partnership's limits*

That being said, the current international context leaves no room for complacency, especially when it comes to multilateral engagement frameworks. The NATO-Japan partnership is therefore hard-pressed to demonstrate its continued relevance and added value.

First and foremost, the NATO track must demonstrate its relevance compared to bilateral cooperation mechanisms. Faced with growing pressure on resources and a need to prioritise, the NATO-Japan partnership can only be sustainable if it is complementary and mutually reinforcing with bilateral interaction between Japan and individual NATO allies. This is precisely the object of the cooperation programme reviewed on a regular basis between Japan and NATO: to selectively prioritise areas where NATO offers a platform with unique added value. For instance, cooperation on disaster relief is mainly taken forward through Japan's participation in NATO's annual civil emergency exercise, which offers an unrivalled multilateral engagement platform. Similarly, Japan has strategically invested in its cooperation with the NATO-affiliated Cooperative Cyber Defence Centre of Excellence, which has emerged as a key player in international cyber norms-setting.

A second challenge, especially on the NATO side, is to match the level of ambition of the partnership with the resources and political capital it can afford to dedicate to it. Since 2014 the Alliance has refocused on its collective defence core task and has at the same time expanded its footprint in its immediate neighbourhood. While relations with partners across the globe including Japan do not appear at the forefront of NATO's current priorities, a more challenging environment also intensifies the need for joint approaches to interconnected security challenges. Japan and NATO can seize this renewed opportunity to demonstrate the relevance of the partnership by increasing the focus on areas of core interest to both sides, such as cyber defence and non-proliferation.

A more fundamental challenge to the development of NATO-Japan relations is the structural limit to NATO's involvement in the Asia-Pacific region. While NATO has developed strong bilateral partnerships with a handful of like-minded regional actors, its outreach to the region remains very limited beyond these bilateral engagements. It maintains a dialogue



with China but has minimal interaction with other key regional stakeholders, including India and Indonesia. And, contrary to the EU, which has formalised ties with the ASEAN-led regional architecture, the Alliance has no structured interaction with any of the region's multilateral frameworks. In public speeches, NATO officials acknowledge the growing importance of the Asia-Pacific region but frame the Alliance's involvement almost exclusively through its bilateral partnerships. Yet, this narrow approach is being increasingly tested by reality, as exemplified by the NATO Secretary General qualifying North Korea's nuclear and missile programmes as a 'threat to NATO Allies'. In the long run, the partnership with Japan may thus serve as a model for engaging with the broader region, with a focus on specific domains where Euro-Atlantic and Asia-Pacific security challenges overlap.

### *NATO, Japan and the broader Asian context*

Looking ahead, there is undoubtedly a strong convergence between NATO's and Japan's strategic priorities. First, NATO's projecting stability agenda is being mirrored by Japan's own capacity-building activities, with different but overlapping focus areas. While cooperation in this domain is already expanding, with joint projects in Jordan and Ukraine for instance, there is scope to increase coordination of efforts and to create synergies by exchanging lessons learned and best practices. Secondly, the challenge represented by North Korea is set to remain a key item on the agenda, driving both sides' interest in continued political consultations to foster mutual situational awareness. Third, and perhaps most importantly, the emphasis on the rules-based international order is continuing to gain prominence on each side's strategic messaging. While this emphasis is driven by different core concerns – reinforcing the European security architecture on one side, and establishing norms and rules governing interactions in the East and South China Seas on the other side–, both sides have increasingly highlighted the link between their respective challenges.

In the long term, these converging priorities form building blocks that can help shape NATO's broader approach to the Asia-Pacific region. As the global strategic balance continues to tilt towards Asia, NATO may see the added value of its cooperation with Japan also as an entry point and a model to progressively develop its connectivity with the region. This will, however, have to be carefully balanced with a decidedly forward-leaning approach to China and to other regional actors in order to make NATO's outreach to the region as inclusive as possible. There should be no contradiction between a strong NATO-Japan partnership and a dynamic NATO-China dialogue. There are many areas where convergence can be found, or at least where dialogue can be fruitful with all regional stakeholders, from maritime security, to cyber defence, to the stabilisation of Afghanistan and the struggle against terrorism. By focusing on functional cooperation, the NATO-Japan partnership sets the tone for a pragmatic approach to the region focusing on building multilateral responses to shared security challenges.



## 8 A new dynamic in EU-Japan relations

Daniel Fiott<sup>20</sup>

Relations between the EU and Japan have become deeper in recent years. Spearheading the EU-Japan relationship is the Economic Partnership Agreement (EPA). At the signing of the EPA on 17 July 2018, the two partners managed to agree on a trade liberalisation agreement that will see the actors become more economically interdependent. According to the World Bank in 2017, Japan and the EU accounted for more than 20% of the world's total gross domestic product (EU-28 at 16.4% and Japan at 6%). Agreement on the EPA marks the latest step in EU-Japan relations, even though the relationship began and flourished in the 1970s following the decision by the then European Communities to open a delegation in Japan in 1974. The EU-Japan partnership also took a step forward in 2001 when the EU struck a Strategic Partnership with Tokyo. To keep the flame of EU-Japan relations alive, the partners have also met on an annual basis at the highest political level since the early 1990s. The EPA thus cements a partnership between liberal, outward looking, international actors.

Yet it is all too easy to define the EU-Japan relationship in purely economic terms. The geographical distance between the two partners may not immediately lend credibility to the idea of an EU-Japan strategic partnership. Nevertheless, in addition to a closer economic partnership the two actors signed a Strategic Partnership Agreement (SPA) in July 2018. The agreement is not just a way of enhancing political dialogue since it also acts as a binding security pact that allows the EU and Japan to address common global interests and security issues. The realisation of the SPA should not come as a surprise given that Japan has cooperated with the EU as part of a number of EU Common Security and Defence Policy (CSDP) missions off the Horn of Africa to combat piracy and to help build security reform and capacity in Mali and Niger. Within the constitutional confines of Japan's defence activities, Tokyo has emerged as an important partner that shares similar objectives with regard to a more comprehensive understanding of security.

### *Similar challenges*

Underpinning the recent moves towards a more meaningful strategic and economic partnership between the EU and Japan lie some fundamental and shared geopolitical realities. In many ways, the EU and Japan are mirror images when it comes to the strategic realities each actor faces. To perhaps oversimplify the similarities: both are liberal democracies with an interest in upholding free trade and international cooperation, they respectively face challenging regional orders (i.e., Europe faces Russia and Japan is confronted with China) and each has an important, and sometimes delicate, relationship with the US. Despite the geographical distance, therefore, both the EU and Japan increasingly view their bilateral relationship from the perspective of global geopolitical trends and dynamics.

Perhaps one key difference of perspective between the EU and Japan is the way in which each actor views the security environment in each other's respective neighbourhoods. The

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20 The views expressed by the author are his own and do not necessarily reflect those of the EUISS or the EU.

EU still largely views strategic dynamics in the Indo-Pacific through a diplomatic or economic lens. The EU is trying to establish itself as a possible honest broker in the region. This strategy is centred on the EU's ability to maintain good relations with major regional powers such as China, as well as like-minded states such as Australia, Japan and South Korea. The EU recognises that diplomatic power (ie, in the form of promoting international law) rather than military power, is a key way for Brussels to maintain a degree of neutrality in its dealings with the Indo-Pacific region. Thus, the SPA should not be seen as a military pact in the traditional sense although security and defence is still a central pillar of the agreement.

In fact, in recent Council conclusions published on 28 May 2018 on enhanced EU security cooperation in and with Asia, the EU underlines the importance it attaches to Asia and it calls for EU security and defence cooperation with the region to become more operational. In particular, the Council has called for the EU to gradually expand military-to-military and staff-to-staff contacts with primary partners in Asia and to enhance the EU's involvement in Asian-led exercises and training. These are points that are supported by the EU's revised action plan on the EU Maritime Security Strategy (EUMSS), which specifically identifies the need for the EU to identify gaps in the EU's strategic approach to the Indian and Pacific Oceans including action on trading route choke points and maritime confidence-building measures.

### *The EU as a security actor*

Yet Japan's understanding of European security is perhaps more complex. Increasingly, Europe's ability to deal with a resurgent Russia is an important question for Tokyo: not because Japan is particularly focused on Moscow's actions in Europe, but because Europe's inability to deter Russia autonomously means that the US may continue to invest in European security (possibly dampening the US' ability to check Chinese power). Thus, increasing the EU's strategic autonomy is seen by Japan as a way to ensure that the US can more fully engage with the Indo-Pacific region. This broader geopolitical perspective has a direct influence on how Tokyo views the development of the CSDP and the EU's efforts to develop military capabilities and a competitive defence-industrial base.

In this respect, the EU's recent initiatives on defence are viewed with interest by Japan because the European Defence Fund (EDF) and Permanent Structured Cooperation (PESCO) break the taboo that the EU simply aspires to be a civilian power. Through these initiatives, the EU has seemingly defined for itself a higher level of ambition on defence that includes the desire to improve the Union's military readiness (eg, for air security operations and maritime security) and to develop full-spectrum military capabilities. Such steps cater to the EU's and Japan's interests, especially in an era where there are major questions about the health of transatlantic relations.

However, recent efforts by the EU to increase its strategic autonomy in defence need to be tempered by one or two important caveats. First, it is clear from an EU perspective that strategic autonomy is no substitute for the role NATO plays on the European continent (especially vis-à-vis Russia). According to the EU treaties, CSDP is geared to missions and operations outside of the Union's borders. Secondly, if the CSDP is premised on external

operations, then the EU's strategic planning assumptions and capability development priorities may not serve Japan's interests for the EU to be better prepared to deter Russia in the East.

Because European states have no intention of replacing NATO with the EU or relinquishing the security guarantee afforded by the US, another relevant question regarding CSDP should be raised. That is whether it is the EU's intention to play a security role beyond its immediate neighbourhood in the future (i.e. a more global role). For Japan the discussion is even more pertinent now that the UK has decided to leave the EU. The UK is seen as one of Europe's preeminent military actors, which has historically endowed the EU with an expeditionary capability portfolio and a strategic mindset. With the UK leaving, attention in Tokyo will now turn to France to see what chances there are for the EU to play a role in the Indo-Pacific region. In wanting the EU to simultaneously play a more substantial role in Eastern Europe and the Indo-Pacific, this may not only be a contradiction but also a level of ambition that the EU is not yet ready for.

It should be acknowledged that while the EU is moving towards a more coherent approach to the Indian and Pacific Oceans, at times it has found it difficult to speak with one voice on key security issues in the region. In one well-documented instance the EU was unable to agree on the precise wording with which to respond to The Hague's Permanent Court of Arbitration's ruling in July 2016 on the Philippines vs China, regarding Beijing's claims in the South China Sea. The EU does not take a position on sovereignty claims and in a statement following the ruling it merely acknowledged the decision in what was seen by many observers as a lack of internal EU unity over Chinese action in the area. The difference between the EU and Japan, which took a far more robust line on the ruling, could not be starker.

Of course, it is impossible to speak of the EU-Japan relationship without mentioning the US' role in Europe and the Indo-Pacific. The recent decision by President Trump to levy tariffs on steel and aluminium and his negative signalling on NATO should give Brussels and Tokyo pause for thought. Not only do these trends make it easier for Europeans to think about strategic autonomy, but they give Japan an opportunity to watch developments in Berlin. Of course, for historical reasons Japan views Germany with great interest in terms of its relationship to pacifism and its constitutional limitations on the use of force. Any reconfiguration of the post-war settlement in the EU that results from US policy is likely to inform discussions in Tokyo about Japan's own defence posture and relationship to force.

### *A dynamic relationship*

Naturally, an important element of the broader EU-Japan strategic relationship relates to defence-industrial matters. Not only does Japan view the recently established EDF as further evidence that the EU is taking strategic autonomy seriously, but it sees Europe's increased investments in defence as a potential avenue for further economic and technological cooperation. As Japan has a comparative advantage in dual-use technologies, Tokyo may have an interest in further developing its defence-industrial ties with Europe beyond the bilateral relations it has recently struck up with France, Germany and the UK. Given the

EDF's strict criteria on third-party access, there may presently be little room for Japanese firms and research institutes to partner with EU counterparts.

Nevertheless, Tokyo is watching the EU's investments in defence research and capability development carefully as they may inform Japan's reading of the EU's strategic intentions. For example, the type of investments made in land-based systems may signal that the EU is supporting NATO's deterrence efforts in the East, but the development of maritime assets could imply that the EU is thinking about its ability to protect its regional and global interests. Additionally, any non-EDF projects that are initiated by the EU member states could be seen as a way to establish a partnership with Japan. For instance, Japan views recent talk of a potential European sixth-generation fighter plane as an interesting development that could enhance Europe's strategic autonomy. This could be seen as a way of affording Japan greater choice of acquisition in the future and/or allowing it to be a partner in certain elements of its development.

Currently, the EU and Japan relationship must be seen through the prism of the EPA and SPA. In this respect, there may be room for the EU and Japan to not only support multilateralism and a liberal international order but also to focus on practical security issues. Aside from the obvious security implications of trade choke points and European overseas territories in the region, it is apparent that terrorist organisations use the region to perpetrate attacks at either end of the region (this, in a region that supplies the global economy with goods and energy supplies). Additionally, it is an inescapable fact that China is increasing its commercial and naval presence in the region (in Djibouti, Hambantota –Sri Lanka– and Gwadar –Pakistan–) with repercussions for neighbouring countries. Furthermore, given that the Indo-Pacific region is now home to leading IT hubs, the risk of cyber-crime, cyber-insecurity and cyber competition is high. This is particularly important because of the way cyber intersects with hybrid warfare and conflict, an issue in which Europeans are well-versed given their own recent experiences.

Finally, broader questions about the US' continued interest in international institutions and free trade have given Brussels and Tokyo pause for thought. Not only does Washington's recent shift signal that the EU and Japan must up their active support for multilateralism and trade, but it means that both actors might be engaged in a phase of strategic hedging where each seeks to develop new policy initiatives and relationships that can help manage their security dependency on the US. The EU and Japan perhaps see each other as hedging partners, but while the similarities between the two are clear there are differences in their strategic objectives and the means that are used to secure them.

## Conclusions

*Luis Simón & Ulrich Speck*

Europe's security and ability to remain a global player hinge in no small part on its ability to project influence in the Indo-Pacific space, for that is emerging as the central nervous system of both the global economy and global geopolitics. Europeans have a direct stake in the preservation of a rules-based liberal order there. And that means they cannot remain on the side-lines in the unfolding process of great power competition in the area.

In order to project their interests and values in the Indo-Pacific space, Europeans need partners. This is where Japan comes in. Japan is of key importance to Europe for two main reasons. First, because Japanese and Europeans hold common values and have shared interests in relation to the Indo-Pacific as well as globally; secondly because among the several like-minded partners Europeans have in the Indo-Pacific, Japan stands out because of its critical mass, in particular its economic muscle, but also its diplomatic and security potential. In this context, Japan's progressive normalisation of its security policy and its growing interest in the Indo-Pacific maritime axis open up a number of opportunities for Europe.

One of the main points emphasised in this report is that Europeans have indeed a growing interest in the Indo-Pacific and in strengthening their security ties with Japan. To be sure, Europeans do not want to become embroiled in territorial tensions in places like the South or East China Seas. Even the two European countries with a stronger military and global profile –the UK and France– insist that they do not want to take a firm stand on sovereignty-related questions. However, all of Europe's key players and institutions have a position on matters of principle: in particular, they embrace the notion of an open and free maritime domain, free trade and a multilateral and rules-based approach to conflict resolution. These principles stand in sharp contrast to the notion of exclusive zones of influence, mercantilism and unilateral approaches to territorial conflicts.

It is the defence of these broader liberal principles that bring Europeans and Japanese together. In recent years, Japan has stepped up its security profile and emerged as one of the bastions of a free and open rules-based order in the Indo-Pacific. Its position stands in contrast to China's increasingly assertive approach to territorial claims and neo-mercantilist efforts to re-order the Indo-Pacific space.

An important driver of Europe's growing interest in Japan is the realisation by most of Europe's key powers and institutions that China is unlikely to accept a multilateral, rules-based approaches to conflict resolution, as Beijing continues to assert its territorial claims with little regard for the interests and views of its maritime neighbours. The moment this became clear was when China reacted to the South China Sea Arbitration to the case brought by the Philippines against China under Annex VII to the UN Convention on the Law of the Sea (UNCLOS), concerning certain issues in the South China Sea including the

legality of China's 'nine-dotted line' claim. When on 12 July 2016 the Permanent Court of Arbitration ruled in favour of the Philippines, China flatly rejected the ruling, putting an end to the hope that international law could halt China's challenge to the status quo in the region.

Besides Chinese assertiveness, there are other factors driving the current European-Japanese rapprochement. One key factor is the leadership role played by the UK and France. The two countries have a long history of engagement in the Indo-Pacific and have shown a growing interest in cooperating with like-minded powers (such as Japan, South Korea, Australia and India in recent years). They both see the Indo-Pacific as a key strategic arena and, as major military powers with a permanent seat at the UN Security Council, they feel the need to show their presence.

Additionally, there is the promise of cooperation in the defence industry domain. Japan's edge in new generation technologies (e.g., autonomy, cyber, robotics, etc.) could be a key asset for Europeans as they seek to grapple with the challenges of military-technological innovation at a time when the US is embarking on its so-called third offset strategy. Greater cooperation in defence-industrial matters could help Europeans and Japanese diversify their partnerships in that field, reducing their technological-strategic dependence on the US, and reap mutual benefits in terms of defence innovation. In this regard, Europeans should explore how they can leverage the work of the European Defence Agency and the Commission's newly established European Defence Fund to further their defence research and industrial cooperation with Japan.

Beyond security, another important driver of a closer Europe-Japan partnership is the sense that other dimensions of the liberal international order are also threatened. That includes, in particular, the free and open economic order that has allowed globalisation to thrive, and the institutions and norms that have enabled it to do so (such as the WTO and the broader principle of free trade). It is in this area where Germany has been particularly active by pushing for closing the EU-Japan trade deal and by offering Tokyo a closer partnership in the framework of the so-called 'alliance of multilateralists'.

Regardless of the general openness and interest on Europe's part to strengthen cooperation with Japan, there are also a number of important obstacles going forward. One of them is lack of unity. While there is a broad agreement among European players, forged in such forums as the EU and the G7 summits, each of them is moving ahead individually according to its national or institutional priorities. Overall this leads to a fragmentary approach. Alignment of Asia policies among Europeans could become even harder after Brexit, especially if disengagement is not balanced by new mechanisms for the coordination of foreign and security policies.

Another limiting factor is the need to balance support for the liberal order and like-minded countries in the region with the relationship with China. Europeans do not want to be put in a position where they have to side with one party or the other in the event of a heated territorial conflict in the Indo-Pacific. While there is increasing scepticism about the



compatibility of the Chinese model of governance with the liberal order, the European economy remains deeply interconnected with China's.

Last but not least there is geographical distance. Most European countries are focused primarily on their geographical neighbourhood. And in recent years the number and urgency of conflicts there has increased, from Ukraine to Syria. Only a few of the bigger European countries really feel that they have an important stake in the Indo-Pacific.

On balance, there is momentum for increased security cooperation between Europe and Japan. Europeans and Japanese are 'natural partners' who consider a liberal and rules-based international order to be a core interest. They are both particularly interested in the Indo-Pacific –a key lifeline for European-Asian trade– and in preserving a liberal and rules-based order there. They are both equally worried about the seemingly unwavering US commitment to multilateralism. And, critically, they both believe that greater engagement on their part could serve to both hedge against the prospect of US disengagement as well as constitute a powerful incentive to bring the US back into leading the liberal, rules-based order.



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