UPF USA: Japan's Complex Relationships with China, North, and South Korea

Roger Wetherall April 16, 2021



The US IAED Coordinator, Roger Wetherall, welcomed attendees by describing the work and vision of the International Association for Peace and Economic Development (IAED). He mentioned that through dialogue we can discover how to create a peaceful world by not only doing business for money, but to enhance human flourishing. He said that today's conference will look at the power of economics in N.E. Asia with a focus on Japan. Mentioning the complex history between Japan, China and North and South Koreas was still under influence of WWII tragedies, the examination during the call may shed some light for a more cooperative future between the nations.

Program Report



The moderator for the conference, Dr. Michael Jenkins, Chairman of Washington Times Holdings, President of UPF/NA, and Director of NE Asia Peace Initiative has been working on conflict resolution since 1980.

He explained that UPF and IAED have been collaborating around the world to find ways to strengthen partnerships with Japan and the US. He went on saying that at this moment in history, challenges are coming to all nations, especially N.E. Asia, and that we needed a common goal to unite us and minimize threats. Dr. Jenkins put emphasis on Japan, Taiwan, Korea and the U.S.



The first panelist introduced was Mr. Kevin Maher. He is the senior adviser at NMV Consulting LLC.. He is retired from the U.S. State Department where he served as Senior Foreign Service officer. In his 30 year career, he focused on Japan and Eastern Asia leading a task force in Japan for the U.S. State Department after the March 2011 Earthquake and Tsunami.

His remarks began by reflecting on the very difficult history in Japan and their relationship to China and Korea. There is still much suspicion surrounding Japan. However, a stable economy must exist for real peace to endure. Since the establishment of the Security Alliance, the region has become more stable. Japan is a very different country than it was in the WWII era. The U.S. relationship with Japan is key. Under the Security Alliance, the U.S. strategy has always been for defense of N.E. Asia, not only for Japan. The strategic location of Japan has provided for numerous

U.S. military bases. The bases in Korea are different. They exist primarily for the security of South Korea. Overall, the security environment is changing dramatically with Korea and Japan. Tensions still remain due to tragedies inflicted during the war era. However, the common threats from China and North Korea dictate that Japan and South Korea stay united and on good terms. He emphasized that economic prosperity in North Korea isn't going to work because their sole ambition is for regime survival by Kim Jung Un. Therefore, missile threats are of greatest concern for Japan, South Korea and the U.S. Mr. Maher expressed doubts that North Korea actually has the capacity to deliver nuclear weapons at this time.

Mr. Maher continued to explain that trade between China and Japan is robust, but Japan is also aware of the Chinese threat. Hence, Japan has begun to strengthen its own military defense mechanism of which Mr. Maher is in favor. He added that in his opinion, although China is more sophisticated and powerful

now, they also are concerned about regime survival making it difficult to develop consistent cooperation from China.

Examples of Chinese aggressiveness in the South China Sea are motivated by economic issues as well as Nationalism having a strong influence on their actions. The prevailing human rights issues of China must be dealt with also. He spotlighted that U.S. and Japan relations are more important now. The old days are gone. Korea and Japan relations will continue to be strained simply due to the historical grievances against Japan. Japan has acknowledged and formally apologized over the decades, but Korea still holds deep resentment and animosity toward Japan, who considers those issues closed. The recent Two-Plus-Two meetings in Annapolis, MD saw the U.S. advising that while Japan and Korea must work out their differences they must also unite against common threats from China and North Korea. Mr. Maher's final remarks were in support of Japan's build-up of its defense systems not only for Japan but in defense of Korea, too.



Ms. Shihoko Goto is the Deputy Director for Geoeconomics at the Wilson Center and Senior N.E. Asia Associate. She is a leading expert on economics in Japan, Taiwan, and South Korea and U.S. policy in the region. In her career, she was a reporter and analyst for Dow Jones, reporting from Tokyo and for UPI on the global economy.

Referring to the title of the conference Ms. Goto remarked that this issue is growing in importance daily. Fortunately, the new U.S. administration prioritized Japan and Asia relationships. She confessed that since 2010, Japan is no longer the biggest economy in the region. Various nations have surpassed Japan in that category. New economic challenges for Japan include changes in their demographics. Their society is rapidly aging and has a severely low birth rate. It lacks a youthful population with an ambitious hunger for success. Despite those issues, Japan is becoming a global Japan. Since the U.S. exited the Trans-Pacific Partnership (TPP),

Japan has taken more of a leadership role. New trends are forthcoming with transparency, rule of law, and market readiness.

Ms. Goto continued to point out that Japan has demonstrated their global capabilities. She used an example of the stepped-up relations in Europe including Great Britain post BREXIT. Another example is The Quad Agreement between Japan, India, U.S. and Australia where there are mutual interests. Japan will finance the manufacturing in India for the COVID vaccine while the U.S. will step up production and Australia will work on the distribution throughout S.E. Asia. Ms. Goto reminded us that the legacy of war still exists causing strained relations in business between Japan and its neighbors. Again it was emphasized that it benefits everyone to resolve these issues and unite on common issues.

Ms. Goto provided interesting analytical data concerning Japan and its neighbors. Seventy two percent (72%) of Koreans have an unfavorable view of Japan, particularly Japan's politicians. Japanese society has a 46% unfavorable view of Korea. With China the biggest trading partner for both countries, Japan is making selective collaboration with China while developing trade relations with other countries like Taiwan.

During the QandA session, China Coast Guard laws were mentioned as being intimidating to its neighbors. Also, the CCP will continue to attempt to prevail in relations with anyone. China is actually facing its own age dilemma with its historic "one-child policy". Their demographics are on the decline and rapidly changing. They also face economic inflation of their assets. Their model of competitiveness is propped up by the CCP for now. Open cooperation is important without bureaucracy. Demographics are changing around the world with widespread low birth rates. Currently, the U.S. is not facing that problem due to immigration. One advantage of the low birth rate is that it provides opportunities for the female workforce to advance, but this has been slow to materialize.

In concluding comments, Mr. Maher said he expects the current Japanese leader will be retained after the September election. Prime Minister Suga is carrying forward the course of Mr. Abe but currently, there has arisen no outstanding leader like Abe and there remains division amongst political parties.

Ms. Goto's final remarks, when asked about N/S Korean reunification, was that unification isn't favorable to China. Japan would welcome it but the Korean economy would decline initially. Immigration could also occur. She said that denuclearization would also be a most favorable change. When asked about India and Japan and other nations having influence to persuade China to change its human rights policies, there was no clear answer. Her advice to the Biden administration was to treat allies as equal partners and to be realistic regarding China: they are driven by the Chinese Communist Party.

The entire webinar was recorded and is available for viewing on the <u>UPF-USA Facebook Page</u>.