In 2019, Japan faces a challenging security environment. In Northeast Asia, a mountain of issues remain to be tackled, including North Korea’s nuclear and missile development, China’s attempts to unilaterally change the status quo in the East China Sea, the management of the Japan-US alliance, tensions between Japan and South Korea, and diplomatic negotiations with Russia over the Northern Territories. With a wider perspective that extends beyond Northeast Asia, we observe tectonic shifts taking place in the international order. Appropriately understanding the changes surrounding the existing international order, envisioning an ideal international order, and acting toward its realization will be crucial for the future of Japan.

As part of its proactive effort to establish an international order, Japan has been promoting the “Free and Open Indo-Pacific (FOIP)” concept since 2016. At the 6th Tokyo International Conference on African Development (TICAD VI) held in Kenya in August 2016, Prime Minister Shinzo Abe clearly declared that Japan would maintain and strengthen the rules-based international order, stating that Japan would shoulder “responsibility to nurture and enrich the interactions between the Pacific and
Indian Oceans, and between Asia and Africa, as a place where freedom, the rule of law and the market economy are respected, without force or coercion.”

During the past three years, Japan has actively promoted capacity building, joint training, and infrastructure development in wide-ranging areas of Southeast Asia, South Asia, Oceania, the Pacific island countries, and Africa, and strategically disseminated these ideas. In parallel with Japan’s efforts, the concept of the Indo-Pacific has been adopted in the diplomatic documents of many countries, including Australia, India, Indonesia and France. The United States has also embraced this concept and renamed the US Pacific Command “the US Indo-Pacific Command” in May of 2018. Washington has taken additional steps in pursuit of the concept, and the Department of Defense published the “Indo-Pacific Strategy Report” in June 2019. The quadrilateral dialogue framework among Japan, the United States, Australia and India, which had dissipated in 2007 shortly after it was created, has been resumed, and the first foreign ministers’ meeting of the four countries was held on the occasion of the United Nations General Assembly in September 2019. In response to these developments, the Association of Southeast Asian Nations (ASEAN), which had been reluctant to use the Indo-Pacific concept, announced its “Indo-Pacific Outlook” in May 2019.

The concept of the Indo-Pacific region, which had been used only in discussions among intellectuals, has now become a regional concept with policy significance comparable to that of East Asia and the Asia-Pacific region more broadly in the foreign policy of each country.

So why has the concept of the Indo-Pacific spread so quickly and prevalently? The reason for this is twofold: (1) the emergence of challenges posed by revisionist forces to the existing international order and (2) the heightened wariness of those who prefer maintaining the status quo and upholding the rules-based order. This dynamism can be seen in three key areas: maritime security, connectivity, and fundamental values.

First, in the area of maritime security, traditional security issues have reemerged in the South and East China seas as well as the Indian Ocean region (IOR). In the South China Sea (SCS) in particular, China’s expansionist moves have been apparent since 2012. As of 2019, China is transforming reclaimed
artificial features into military bases. While an arbitral award based on Annex VII of the United Nations Convention on the Law of the Sea (UNCLOS) was issued in July 2016, which completely rejects China’s excessive claim of historical rights based on the “Nine-Dash Line” and points out legal problems regarding the construction of artificial islands in the Spratly Islands, China claims that the arbitration is invalid and a mere piece of paper with no meaning. From the perspective of maintaining the rules-based maritime order, China’s current actions are challenges to the whole of maritime law and order, which defines the rights and obligations of states. Needless to say, non-traditional security issues such as humanitarian assistance and disaster relief for maritime accidents, anti-piracy measures, and non-proliferation of weapons of mass destruction still remain. Therefore, international cooperation at sea and the improvement of each country’s ability to monitor circumstances (Maritime Domain Awareness: MDA) are important issues in maintaining the maritime order.

As for connectivity, China’s plan for a regional economic bloc – the Belt and Road Initiative (BRI) – poses challenges to existing infrastructure investment standards and loan terms. On the one hand, the BRI could be beneficial to the regional economy by activating economic exchanges and economic connectivity between China and the central and western parts of the Eurasian continent and the countries bordering the Indian and Pacific oceans through infrastructure. On the other hand, there remain concerns over “debt traps” in which China assumes excessive debts and acquires long-term port management rights in return, as well as the geopolitical and military use of that infrastructure. In addition, new investment banks have emerged, such as the New Development Bank established by the BRICS countries and the Asian Infrastructure Investment Bank (AIIB). It is unclear at this stage whether these new initiatives will replace the existing development banks but, at least for the next 10 years, development norms and organizations in which emerging countries have a greater influence will coexist alongside such institutions as the Bretton Woods regime and the Asian Development Bank, which was led primarily by Japan.

Finally, there is the challenge to liberal value systems such as democracy, basic
human rights, freedom of expression, and the rule of law. At the end of the Cold War, the debate over ideology at one time seemed to have come to a conclusion as “the end of history” was declared. Yet there is not necessarily a sufficient system of cooperation among countries to address serious cross-border human rights issues such as terrorism, religious oppression and refugees in the Indo-Pacific region, where there are countries with diverse political systems, cultures and histories. In addition, technological development has not necessarily led to improved access to information and more free speech activities by citizens. Instead, there have been moves in some countries that run counter to democracy, such as the strengthening of state control over information and the imposition of greater censorship. Furthermore, the fact that the principle of the rule of law is being challenged not by great power politics but by parochial national interest is one of the most serious problems for Japan, which maintains that all disputes be resolved according to international law. The challenges have included not only China’s assertiveness in the SCS, but decisions by US leaders to withdraw from the Paris Agreement and the TPP as well as disparaging remarks about international organizations.

All together, they have become one of the forces destabilizing the existing international order composed of international law and organizations.

How should Japan deal with these issues related to the international order? As mentioned earlier, the FOIP concept addresses a wide range of issues based on a sense of urgency about Japan’s principle of maintaining a rules-based international order. With regard to maritime security, Japan is steadily strengthening cooperation with the United States, Australia, India, and other maritime nations in Southeast Asia to protect the freedom of navigation in key sea lanes of communications. Specifically, Japan has conducted multiple bilateral and multilateral joint exercises and patrols with the aim of improving interoperability. Tokyo has also provided both hardware and software support to countries around
the SCS and the Indian Ocean to build MDA capabilities, including enhancing regional coast guard capacities, and supplying patrol vessels and personnel training. In recent years, security cooperation with India has been particularly advanced. The Japan Maritime Self-Defense Force's regular participation in the Malabar Exercise since 2016, as well as the bilateral joint exercises held in the Andaman Sea in May 2019, aim to improve the tactical skills of both navies through anti-submarine warfare and tactical exercises.

In the area of connectivity, Japan advocates “high-quality infrastructure” and aims to offer infrastructure that is resilient in the long term and leads to recipient countries' autonomous development. In addition to promoting its own high-quality infrastructure, it is also pursuing joint development with the United States, Australia, New Zealand and others, as exemplified by Papua New Guinea's electrification project. In addition, while seeking room to cooperate with China's infrastructure financing, Japan is urging China to ensure that the BRI meets such requirements as fiscal soundness, openness, transparency, and economic viability. In order to further reduce the risk that the host country will fall into a “debt trap”, or that these four conditions will not be met by China, Japan should consider inviting China to participate in the Paris Club and assisting the host country in formulating investment acceptance criteria in cooperation with other countries. Finally, Japan has encouraged regional countries to gradually accept liberal values while taking into consideration the unique history and circumstances of each country, without imposing so-called universal values unilaterally. In order to achieve this goal, Japan has been pursuing balanced diplomacy combining political, security and economic cooperation with countries having different political systems.

There is no doubt that the key to maintaining the existing international order lies in the future course of China, which has achieved rapid economic growth in the first 20 years of the 21st century and is now becoming a colossal military power, and the actions of the United States as a status quo power. Yet, the two behemoths are already in strategic competition. For instance, the current Sino-US trade war and the pressure placed on Chinese companies...
over 5G are not simply economic issues but reflect geopolitical competition between the two for technological hegemony. In this context, Japan, as an ally of the United States, needs to think about ways to elicit not only the physical presence of US forces but also a constructive attitude toward maintaining order from the US administration while imposing costs on China for attempts to change the status quo and incentivizing rule-abiding behaviors.

To this end, it is increasingly important to build a system of cooperation among small and medium-sized states in the Indo-Pacific that want to avoid choosing either the United States or China. This is because no country can establish and maintain an international order on its own and, as US-China relations become increasingly antagonistic, other Asian countries (the rest of Asia) that are expected to achieve economic development will become increasingly important. While placing the security and economic cooperation networks of the US’s allies at the center, Japan will need to proactively cooperate with countries in the Indo-Pacific Region irrespective of their sizes and different political systems and help them acquire more resilience from the coercion and pressure of major powers, thereby putting the principle of the rule of law into practice. As a maritime nation, Japan needs to see the “Free and Open Indo-Pacific” region not only as an ideal but also as a “sine qua non” for the stability and prosperity of the country, and to formulate specific diplomatic policies to realize this goal.