# Shinzo Abe and Japan's Strategic



### Reset

# The Rise of the Kantei and Why It Matters to the UK Integrated Review

Dr Alessio Patalano

Foreword by Rt Hon Jeremy Hunt MP

Introduction by Nobukatsu Kanehara



### Shinzo Abe and Japan's Strategic Reset

## The Rise of the Kantei and Why It Matters to the UK Integrated Review

Dr Alessio Patalano

Foreword by Rt Hon Jeremy Hunt MP

Introduction by Nobukatsu Kanehara



Policy Exchange is the UK's leading think tank. We are an independent, non-partisan educational charity whose mission is to develop and promote new policy ideas that will deliver better public services, a stronger society and a more dynamic economy.

Policy Exchange is committed to an evidence-based approach to policy development and retains copyright and full editorial control over all its written research. We work in partnership with academics and other experts and commission major studies involving thorough empirical research of alternative policy outcomes. We believe that the policy experience of other countries offers important lessons for government in the UK. We also believe that government has much to learn from business and the voluntary sector.

Registered charity no: 1096300.

Trustees

Diana Berry, Alexander Downer, Pamela Dow, Andrew Feldman, David Harding, Patricia Hodgson, Greta Jones, Edward Lee, Charlotte Metcalf, David Ord, Roger Orf, Andrew Roberts, George Robinson, Robert Rosenkranz, William Salomon, Peter Wall, Simon Wolfson, Nigel Wright.

### **About the Author**

**Dr Alessio Patalano** is a Senior Fellow of the Britain in the World Programme, Policy Exchange, and Reader in East Asian Warfare & Security at the Department of War Studies, King's College London (KCL). At KCL, he is the Director of the King's Japan Programme, specialising in Japanese military history and strategy, defence issues in East Asia, and maritime security issues in the East and South China Seas.

© Policy Exchange 2020 Published by Policy Exchange, 8 – 10 Great George Street, Westminster, London SW1P 3AE

www.policyexchange.org.uk

ISBN: 978-1-913459-38-3

### Contents

About the Author	2
Foreword: The Invisible Chain Linking the World's Democracies	5
Introduction: Reflecting on the 'Abe Years'	7
Overview: Man on a Mission	9
Step 1 – Centralising Power: Abe's Kantei	9
Step 2 – Expanding the Politically Possible:	
The National Security Council	11
Step 3- The Making of a Worldview: The Free and Open Indo-Pacific	
Initiative	13
Conclusions: The ideologue mugged by reality?	15

#### Foreword: The Invisible Chain Linking the World's Democracies

By Rt Hon Jeremy Hunt MP

Britain stands today more than at any other time in recent memory at a crossroads. As the country continues the process to complete its exit from the European Union, it has also embarked on the crafting of a new role in international affairs. The links the UK forges over the coming months will offer an important indication of the country's future trajectory.

It is perhaps no coincidence that very recently Britain signed its very first post-Brexit trade agreement with Japan. As two seafaring nations with export-oriented economies, with deep historical, cultural, and economic ties, Britain and Japan stand united by the sea that delivers growth and prosperity in the contemporary world. As two mature democracies with clear stakes in the stability of the international order, Britain and Japan are also close defence and security partners. Both countries invest in bilateral and multilateral diplomacy to ensure that value-informed foreign policy agendas drive the development of international relations.

I visited Japan for the first time in 1990 to learn the Japanese language. For the following two years I travelled across this welcoming country, experienced the hospitality of its people, and discovered its rich culture. The value of this experience informed my work as Foreign Secretary in more recent times, becoming in 2018 the first UK Minister to deliver remarks in Japanese. During my tenure as a Foreign Secretary, I had the opportunity to work closely with my Japanese counterparts, building on solid foundations to advance a bilateral 'strategic partnership', which included greater cooperation on information sharing, and a hotline between our two governments.

Shinzo Abe's signature foreign policy vision for a 'Free and Open Indo-Pacific', or FOIP, always struck me as the embodiment of what Britain and Japan stand for: free trade, democratic societies, the rule of law, and respect for human rights. This is why as a Foreign Secretary I supported Japan's initiative, and the work that the Royal Navy has done together with Japan and our other allies to give substance and depth to Britain's commitment to a stable regional order. During my tenure, I observed how the vision promoted by FOIP enabled Abe's Japan to regain a central place in international affairs. Crucially, it propelled the country's convening power in new multilateral organisations, from Trans-Pacific Partnership, to the Quadrilateral Initiative. Through FOIP, Japan was acting as an 'invisible chain' linking open and liberal societies – a role I have argued for Britain as a Foreign Secretary. This is also why I was very pleased to read Dr Patalano's thoughtprovoking paper. Among the many essays reviewing Prime Minister Abe's legacy, this is the first to reflect upon why Shinzo Abe's legacy matters to Britain. In this respect, this is a refreshing and timely essay which should be read widely across Whitehall. It reminds us of the aim of any integrated review to promote structural reforms to enhance government action and to increase synergies among departments. The establishment of Japan's National Security Council achieved just that. It similarly highlights the crucial role that a specific worldview has in propelling structural reforms into inspired policies. Prime Minister Abe's Free and Open Indo-Pacific initiative sought to offer such a worldview. In so doing, it offered Japanese foreign policy action what I would hope the integrated review will offer Britain: a strong statement about what world order is about and, through that, a powerful tool to exercise influence and define the country's role in it.

#### Introduction: Reflecting on the 'Abe Years'

Nobukatsu Kanehara Professor of Law, Doshisha University Deputy Chief Cabinet Secretary to Prime Minister Shinzo Abe from 2012 to 2019, and Deputy Secretary-General of the National Security Secretariat from 2013 to 2019

Dr Alessio Patalano, Associate Professor at the Department of War Studies, Kings' College London, has written a succinct and excellent review of the achievements by Mr. Shinzo Abe, Prime Minister of Japan (2012-2020).

Mr. Abe was the first leader representing the aspirations of the post-Cold War generation of Japanese people. Many Japanese wanted a leader who could make Japan proud again – not in a revisionist way – but as a leader of the emerging liberal international order in Asia. His appearance was long overdue.

In Europe, with events like Brexit, as well as in the United States, with slogans such as "America First", unilateralism seems to be undermining the foundations of the international liberal order. But in Asia, we are still in a phase of "creation" of such an order. Since the 1980s, many Asian nations have started to become more prosperous, to be fully industrialised, and then a wave of democratization followed suit. In 1986, the Philippines tore down dictatorship and opted for democracy; in 1987, the Republic of Korea turned into a democracy too. Many ASEAN nations followed that pathway. In turn, Taiwan became a democracy under the strong leadership of the president Lee Donghui.

Prime Minister Abe understood this new trend in Asia and sought to lead the region by offering a worldview that could secure and promote this emerging new trend.

First, from a security perspective, he secured the commitment of the United States as an anchor of the regional stability. He similarly continued to consolidate friendships with Europe – including with key organisations like the European Union and NATO, Australia and ASEAN nations. He reached out to India with a clear understanding of its strategic weight in the future.

Second, from a prosperity perspective, he took a leading role to lay down the core work to establish unprecedented Mega Free Trade zones, by promoting the adoption of the Trans-Pacific Partnership Agreement after US unilateral withdrawal and the Japan-EU Economic Partnership Agreement. The purpose was to enhance regional and global economic integration through market force.

Today, to achieve the promise of a liberal order in Asia, the biggest

challenge is posed by China. China is rapidly rising on the back of an increasing authoritarian "tilt". China seems to be breaking away from the liberal order that the West helped to create.

Can the liberal powers committed to the stability of the international order still engage China? The answer is "yes," only if they stand united. These like-minded actors – sharing a belief in the importance of open societies and liberal economies – should not include only Japan, the United States and Europe but also new dynamic democratic realities in Asia, from Australia to India.

The international order that Prime Minister Abe endeavoured to nurture and protect is in desperate need of strong leadership to remain united. It is not a type of leadership that can rely on a single powerful nation, the United States. Leadership should come also from all liberal nations on earth, starting from the United Kingdom and other European nations. Japan has stood up under Abe's premiership and it is ready to lead together with other close partners. I hope this essay helps leaders in the United Kingdom in conducting the reforms that will facilitate the country to renew its global leadership role and find new ways to do so standing together with Japan.

#### **Overview:** Man on a Mission

On Friday 28 August 2020 Japan's longest serving Prime Minster, Shinzo Abe, announced that due to deteriorating health conditions he had to step down. During his tenure, Abe has arguably conducted the most significant strategic reset of Japanese foreign and security policy since the 1950s.<sup>1</sup> This paper reviews how Abe brought about such changes and why these matter to the UK. Experts have already started to examine different aspects of Abe's policy reforms, their shortcomings, and their impact in the foreseeable future.<sup>2</sup> This paper benefits from this literature – which includes fair criticisms of Abe's reforms but it also agrees that their most significant legacy rests on a strengthened international outlook. Yet, the paper seeks to draw specific attention to why and how Abe's Japan should be a case of particular relevance to the UK.

For this reason, this paper stipulates that the specific material and ideational reforms that Abe introduced empowering the Japanese government with more effective tools for the practice of statecraft are perhaps the most consequential for the UK. When Abe came to power in 2012, Sino-Japanese relations had just entered an all-time low; he also inherited a sluggish economy and a weakened international reputation.<sup>3</sup> Committed to reboot the country's international standing, Abe implemented a series of interlocked reforms across different areas of government that were intended to create a more seamless, cohesive, and indeed 'integrated' foreign and security policy.

The paper further argues that Abe achieved this result in three steps: he centralised the Japanese decision-making system around the Prime Minister's office (Kantei); he expanded the realm of the 'politically possible' in foreign and security affairs; and he injected Japanese foreign and security policy with a worldview focused on the Indo-Pacific region. These pillars were symbiotically connected and constantly in dialogue with each other – with adjustments implemented as international events evolved. The first pillar was instrumental for the other two to work; yet, no centralisation of power would have produced successful policies without the ideational and behavioural changes implied in the second and third pillars. Abe took power to the Prime Minister's office and used it to shake bureaucracy out of established patterns of behaviour. The paper finally reviews how lasting these reforms are expected to be as a new Prime Minster takes on at the helm of the government.

#### Step 1 – Centralising Power: Abe's Kantei

Under Abe, the Kantei became the command centre for the design of, and influence on, foreign and security policy.<sup>4</sup> The Prime Minister did so by exercising top-down leadership that replaced the traditional consensusbased policy process linking political, bureaucratic, and business elites.<sup>5</sup> Politically, Chief Cabinet Secretary (CCS) Suga Yoshihide, a close associate of Abe's, delivered the government's grasp on the ruling party. He manoeuvred the government into a position of control by making the most of the combined effect of media appealing initiatives (Abe maintained

- This paper builds upon the findings presented in Giulio Pugliese, Alessio Patalano, 'Diplomatic and Security Practice under Abe Shinzo: The Case for Realpolitik Japan', Australian Journal of International Affairs, 2020, https://www.tandfonline.com/doi/abs/ 10.1080/10357718.2020.1781790.
- 2. Michael Auslin, 'The Abe Era Ends, Cheering China, Concerning Washington', Foreign Policy, 28 August 2020, https://foreignpolicy. com/2020/08/28/abe-japan-resignationunited-states-ally/; Zack Cooper and Jeffrey W. Hornung, 'Abe's Resignation Could Leave Japan Less Secure - and Destibilize its U.S. Alliance', The Rand Blog, 08 September 2020, https://www.rand.org/blog/2020/09/ abes-resignation-could-leave-japan-lesssecure-and.html; Editorial Board, 'What's at Stake for Shinzo Abe's Successor?', The New York Times, 02 September 2020, https://www.nytimes.com/2020/09/02/ opinion/shinzo-abe-japan.html; Tobias Harris, 'Shinzo Abe Will Be a Tough Act to Follow', Foreign Affairs, 22 September 2020. https://www.foreignaffairs.com/ articles/japan/2020-09-22/shinzo-abe-willbe-tough-act-follow; Robert Ward, 'Abe Resignation: A Full In-Tray for His Successor', IISS, 28 August 2020, https://www.iiss. org/blogs/analysis/2020/08/abe-shinzoresignation-japan-prime-minister-successor.
- 3. Martin Fackler, 'Ex-Premier is Chosen to Govern Japan Again', *New York Times*, 26 December 2012.
- Harukata Takenaka, 'Expansion of the Prime Minister's Power in the Japanese Parliamentary System: Transformation of Japanese Politics and Institutional Reforms', Asian Survey, Vol 59:5, 2019, 844-869.
- For an early assessment of the centralising process of Japanese foreign policy, see Giulio Pugliese, 'Kantei Diplomacy? Japan's Hybrid Leadership in Foreign and Security Policy', *The Pacific Review*, Vol. 30, 2017:2, 152-168.

high approval rates throughout the majority of his second tenure) and appropriately timed snap elections. This granted the government a high degree of influence over the political platforms of both the LDP and its coalition partner, Komeito.

Abe also formalised the subordination of the civil service to the government's leadership in policy-making. In 2014, he created the Cabinet Bureau of Personnel Affairs, with the Deputy CCS Kato Katsunobu, another close aide, serving as its director general.<sup>6</sup> This new body was tasked to oversee the appointment of about 600 elite bureaucrats at ministries and government agencies, including vice ministers and director generals. This reform ensured that key government policies and directives percolated through the rank and file of the Japanese bureaucracy and were implemented accordingly. The effect of this reform was further amplified by the fact that key government advisors like Abe's Chief Executive Secretary Imai Takaya remained in power for longer than senior bureaucracy empowering them with a stronger 'institutional memory' on specific issues.<sup>7</sup>

Kantei reforms were conducted alongside the seizing of the narrative of Japan's economic direction of travel in two ways. First, Abe established a more direct link between economic policy and foreign and security policies – highlighting the need for these to be closely coordinated in the service of national security. His trademark economic strategy known as 'Abenomics' drew in fact upon an ideological resonance with the Meiji era slogan 'rich country, strong army'. Second, Abenomics proposed an ambitious 'come back' through the 'three arrows' of a generous monetary easing from the Bank of Japan, a significant fiscal stimulus through government spending, and structural reforms.<sup>8</sup> The goal was to present Japan as a dynamic economic counterweight to China and partly reduce reliance on the United States on security. The first two arrows started to be implemented in the first weeks of government. Initial enthusiasm for Abenomics had a positive effect on the sluggish Japanese economy, and subsequent announcements related to the 'arrows' became a tool the government mobilised to maintain popular support for its wider foreign policy agendas.

This centralisation of economic and national security narratives gave the Abe government the possibility to adjust in a timely way to fastevolving geopolitical circumstances. In September 2012, Sino-Japanese relations had taken a negative turn in relations to the dispute over the Japanese controlled-Senkaku islands, claimed by China under the name Diaoyu. The implementation of the first two arrows had the effect to partly insulate the Japanese economy from the Chinese economic slowdown by 2015, and the risk of retaliatory behaviour of the government in Beijing.<sup>9</sup> This, in turn, established the Kantei's reputation as a key power player vis-à-vis the business community, traditionally more inclined towards a conciliatory China policy. Abe's leadership role in resurrecting the Trans-Pacific Partnership and in concluding a free trade agreement with the European Union further consolidated the Kantei's central policy role.<sup>10</sup>

- 6. Reiji Yoshida, 'Abe Moves to Boost Control of Bureaucrats', *The Japan Times*, 27 May 2014.
- 7. 'Abe Names Close Aides to Key Security Posts, Raising Concerns', *The Asahi Shimbun*, 24 September 2019.
- 8. James McBride and Beina Xu, 'Abenomics and the Japanese Economy', *Council on Foreign Relations*, 23 March 2018.
- 9. Robin Harding, 'China Slowdown is the Latest Threat to Abenomics', Financial Times, 27 August 2015, https://www.ft.com/ content/2dd2e8a0-4b99-11e5-9b5d-89a026fda5c9; Mure Dickie and Kathrin Hille, 'Japan Risks China's Wrath over Senkakus', Financial Times, 10 September 2012, https://www.ft.com/content/ babbfa2a-fb2b-11e1-87ae-00144feabdc0. Also, on supply chains, cf. Mathieu Duchâtel, 'Resilience, Not Decoupling: Critical Supply Chains in China-Japan Relations', Institut Montaigne Blog, 28 August 2020, https:// www.institutmontaigne.org/en/blog/ resilience-not-decoupling-critical-supplychains-china-japan-relations.
- 10. Peter Landers, 'Japan, The Original Trade Villain, Now Casts Itself as the Hero', *The Wall Street Journal*, 09 March 2018.

### Step 2 – Expanding the Politically Possible: The National Security Council

For Japan to regain prominence in international affairs, Abe needed to transform how elites conceived the realm of the politically possible in foreign and security policy. He achieved that by establishing Japan's first National Security Council (NSC), including a National Security Secretariat (NSS), and by fostering deeper synergies between the Ministry of Foreign Affairs (MOFA) and the Ministry of Defence (JMoD). Inaugurated in 2013, the NSC embodied Abe's aspiration to achieve a 'whole-of-government' approach to policy action as well as crisis management.<sup>11</sup> In 2014, the NSS started operating with some 67 officials from MOFA, JMoD, the Self-Defence Forces (JSDF), the National Police Agency (NPA), and members of the Cabinet Intelligence and Research Office (CIRO). Subsequently, officials from the Ministry of Economy, Trade, and Industry (METI) joined the NSS as well.<sup>12</sup> The top three jobs including a Secretary General and two Deputy Secretary Generals of the NSS were entrusted by government appointment to two diplomats and one official from the JMoD. Senior diplomat Shotaro Yachi became the first Secretary of the NSS, and the first two Deputies were Nobukatsu Kanehara and Nobushige Takamizawa, from MOFA and JMoD respectively.<sup>13</sup> Crucially, this reform meant that for the first time since the end of World War II, uniformed and civilian officials worked at the heart of government inside the NSS on matters of national security.

The NSS was essential for the NSC to be more than just a crisismanagement body. Dedicated staffing was needed in order to make the NSS the laboratory for the ideas informing Japan's mid- and long-term strategic planning as well as the driving force behind policy action taken by the NSC. This was no easy task as it became apparent during the process for the adoption of Japan's first National Security Strategy. Whilst the NSC was in the driving seat, MOFA and the JMoD remained heavily involved in the drafting of the initial document. The challenge for the NSS to manage the daily business of government and strategic planning, including the capacity to integrate intelligence in long-term analysis, was not lost on senior officials from key ministries.<sup>14</sup> The activities of the NSC grew considerably and rather quickly. In 2016, the NSC met 48 times, and in 2017 some 46 times.<sup>15</sup> The NSS empowered the NSC to define both the terms of Kantei's powers (through the National Security Strategy) and the ways in which the government would act and respond (through the National Security Council) to international affairs.

Greater MOFA-JMoD synergy was achieved by a renewed defence engagement agenda for JMoD, coordinated with MOFA action at the NSS level. This became particularly evident in light of the positive effect created by the Japanese participation to the disaster relief operations in the aftermath of the 2013 disaster in the Philippines.<sup>16</sup> The 2014 National Defense Programme Guidelines (NDPG) gave a first indication of a more robust defence engagement programme aimed at enhancing presence, building

- 11. For a brief and comprehensive summary of the NSC and NSS functions, cf. Adam P. Liff, 'Japan's National Security Council at Five', Brookings, 04 December 2018, https://www.brookings.edu/blog/orderfrom-chaos/2018/12/04/japans-nationalsecurity-council-at-five/.
- Author's interview with NSS official, Tokyo August 2017. 'NSC Jimukyoku, Nanoka Hossoku, Shodai Kyokuchou ni Taniuchi Shi' Nippon Keizai Shimbun, 06 January 2014.
- 13. In September 2019, Shigeru Kitamura, the head of CIRO replaced Yachi as Secretary General of the NSS. In Japan, the Secretary General of the NSS is often referred to as 'National Security Advisor', however his role is different from the parliamentary appointment with the same name. 'Kitamura to Replace Yachi as Abe's Nat'l Security Adviser: Gov't', Kyodo News, 11 September https://english.kyodonews.net/ 2019. news/2019/09/85e702ab10c3-breakingnews-kitamura-to-replace-yachi-as-abesnatl-security-adviser-govt.html. For an organisational chart of the Kantei including the NSC structure, cf. https://www.cas.go.jp/ jp/gaiyou/index.html (Japanese language only).
- 14. Author's interview with senior JMoD official, Tokyo, August 2018.
- 15. Liff, 'Japan's National Security Council at Five', op. cit..
- 16. Alessio Patalano, 'Beyond the Gunboats: Rethinking Naval Diplomacy and Humanitarian Assistance Disaster Relief in East Asia', *RUSI Journal*, Vol. 160, 2015:2, 32-39.

primarily on longstanding naval diplomatic initiatives across Southeast Asia and the Indian Ocean. The 2018 NDPG confirmed and further expanded this approach. In particular, Abe's decision to focus on engagement in the troubled waters of the South China Sea to support and reassure local state actors, and an enhanced leadership role in the counter-piracy operation in the Indian Ocean – with the Japanese navy (Japan Maritime Self-Defence Force) taking command of the international Combined Task Force-151 in 2015 – represented a tailored way to underwrite Japan's commitment to Indo-Pacific security and international order.<sup>17</sup>In September of the same year, the enactment of new security legislation that enabled a more 'seamless response' to any security situation helped to consolidate, albeit with limits to the Japanese operational spectrum of activity, the ascent of a more pro-active behaviour.<sup>18</sup>

By prioritising the main efforts of defence engagement the Abe government expanded the realm of the politically possible. The expansion of Chinese military might - especially its capacity to project power at sea in the Indian and Pacific oceans - was raising wider regional awareness over the centrality of sea-lanes and sea cables to regional stability, connectivity, and prosperity. This trend, combined with the emergence of maritime disputes and challenges to the established US-led maritime 'order', prompted the Abe government to centre the bulk of its efforts on naval activities.<sup>19</sup> These directly fed into the image that Japan wanted to project: an engaging and pro-active security actor seeking to maintain the international status quo. Port calls, regular visits and exercises represented the building blocks to establish new, or reinforce existing, partnerships, with notable examples in Vietnam, the Philippines, and Australia.<sup>20</sup> Capacity building programmes with countries like Sri Lanka, on the other hand, contributed to build influence with key emerging states. Crucially, Japanese activities were pursued in coordination with close allies - notably the United States, empowering Japan with a convening power that further enhanced the country's influence. To ensure that defence engagement produced maximum effect, the Japanese government increased the number of defence attaches, from 49 in 36 Embassies in 2012, to 58 in 40 embassies and two government missions by 2015.<sup>21</sup>

The NSS enabled the Abe government to assess how different levers of statecraft should be mobilised in alignment with the requirements of national security. One of the most interesting developments in this respect concerned the more recent establishment of an economic unit – designed to engage with the issue of 'predatory economics'.<sup>22</sup> This development was designed to protect cutting edge technologies, financial and industrial investments, and intellectual property (including forced technology transfers), as well as enhancing economic engagement within the Indo-Pacific and with multilateral groupings such as the D-10 (G7 plus India, Australia, and South Korea). Abe's structural reforms had been essential for this additional geo-economic dimension of national security to be pursued in a coordinated fashion across departments of government.

- 17. Alessio Patalano, 'Japan as a Maritime Power: Deterrence, Diplomacy, and Maritime Security' in Mary M. McCarthy (ed.), *The Handbook of Japanese Foreign Policy* (Routledge, 2018), 155-172.
- Hitoshi Nasu, 'Japan's 2015 Security Legislation: Challenges to its Implementation under International Law, International Law Studies, Vol. 92, U.S. Naval War College, 2016.
- 19. Alessio Patalano, 'Commitment by Presence: Naval Diplomacy and Japanese Defense Engagement in Southeast Asia' in Jeff Kingston and James Brown (eds.), Japan's Foreign Relations in Asia (Routledge, 2018), 100-113.
- 20. Ibid., 107-111.
- 21. Data in JMoD, Japan Defense Focus, 2013:41; JMoD, Japan Defense Focus, 2015:62.
- 22. Titli Basu, 'Securing Japan from Chinese "Predatory Economics", *The Diplomat*, 17 July 2020, https://thediplomat.com/2020/07/ securing-japan-from-chinese-predatoryeconomics/.

### Step 3- The Making of a Worldview: The Free and Open Indo-Pacific Initiative

These structural reforms were coupled with, and reinforced through, the development of a worldview that explained Japan's role in international affairs. Formally announced in 2016, Tokyo's 'Free and Open Indo-Pacific' (FOIP) initiative represented the ultimate manifestation of a political project that had started in 2006. FOIP included elements of geopolitical anxiety vis-à-vis the need to propose alternative visions to China's Belt and Road Initiative.<sup>23</sup> Yet, it was an attempt to propose a specific worldview that Abe developed over time, and that he distilled in three key speeches: the 2007 'Confluence of the Two Seas', delivered in India; the 2013 'The Bounty of the Open Seas' intervention delivered in Jakarta, and Abe's keynote at TICAD in 2016.

Abe's FOIP was a powerful statement about how Japan sees the world. In it, the future rested on Africa and how Asia sought to 'connect' to it to shape economic and social development. FOIP has three pillars, the first being about 'connectivity' and the prosperity that it creates.<sup>24</sup> This was understood both as physical connectivity, promoting infrastructural projects - from ports to roads, and railways; and as ideational connectivity, facilitating people-to-people exchanges and institutional and crossboundaries links. FOIP's second and third pillars unfolded from the first. The second pillar was about values - in particular, respect for the rule of law, liberal economies, and open societies. Under Abe's premiership, the stability of the maritime order (including the values of freedom of navigation and over flight) and of 'rule of law', the normative frameworks governing both the management of the oceans and approaches to dispute resolution, represented a clear example of this second pillar. Abe articulated its essence in a keynote address at the Shangri-La Dialogue in 2014.<sup>25</sup> The third pillar was about security. Prosperity is informed by values and depends on security, and security in the Indo-Pacific related to the stability resulting from capacity and capability building, as well as by enhanced coordination in preventing and addressing disaster relief.

FOIP placed the Indo-Pacific at the heart of Japan's worldview. Yet, Abe also used it also to link regional matters to global trends and strengthen relationships beyond the region's border, especially with Europe. In 2014, Abe planted the seeds of this approach when he highlighted that Europe was a powerful partner in a 'diplomacy that takes a panoramic perspective of the world map'.<sup>26</sup> He connected the notion of a 'proactive Japan' defending the rule of law and international order to the security debates taking place in NATO – concerned at the time with Russian actions in Eastern Europe. He also linked Japan-Europe cooperation to connectivity initiatives, a key element in FOIP's broader agenda. In 2019, Japan and the EU launched a connectivity partnership that was consistent with the EU's own connectivity strategy of strengthening links to Asia and altogether sent a strong signal of viable alternatives to China's Belt and Road Initiative.<sup>27</sup>

FOIP's ideational construct propelled and guided changes in a more

- Yuichi Hosoya, 'FOIP 2.0: The Evolution of Japan's Free and Open Indo-Pacific Strategy', Asia-Pacific Review, Vol. 26, 2019:1, 18-28.
- 24. For a formal overview of FOIP, see https:// www.mofa.go.jp/files/000430632.pdf.
- 25. Shinzo Abe, 'Keynote Address, 13<sup>th</sup> IISS Asian Security Summit "Shangri-La Dialogue", Ministry of Foreign Affairs, 30 Amy 2014, https://www.mofa.go.jp/fp/nsp/ page18e\_000087.html.
- 26. Ministry of Foreign Affairs, 'A Powerful Partner in Diplomacy that Takes a Panoramic Perspective on the World Map', 09 May 2014, https://www.mofa.go.jp/erp/ep/ page22e\_000373.html.
- Michito Tsuruoka, 'Abe Shinzo's Legacy in Japan-Europe Relations', *The Diplomat*, 14 September 2020, https://thediplomat. com/2020/09/shinzo-abes-legacy-in-japaneurope-relations/.

markedly strategic direction as far as Japan's very significant foreign aid program was concerned. The ideological framework behind FOIP was informed by the logic of power politics (including the need to provide an alternative to Chinese growing economic influence) but it also embodied the prime minister's belief that Japan needed to empower emerging realities that were to play a central role in the future of the Indo-Pacific region, such as India. The power for change of the ideational construct behind FOIP has favoured and has been accompanied by a series of initiatives, from the 2015 revision of Japan's ODA charter (to support "national interests"), to the adoption of a Partnership in High Quality Infrastructure (to emphasise high quality projects) and to increased support for the Asian Development Bank. Within this context, Japan's engagement with Sri Lanka provides an excellent window into the multi-faceted opportunities created by the ideas enshrined in FOIP. In 2018, Tokyo offered two coast guard patrol vessels and infrastructure assistance for developing the Colombo and Trincomalee ports, a sharp contrast to China's appropriation of the Hambantota port.<sup>28</sup>

FOIP created the opportunity for Abe's Japan to think about how to amplify and explain Japanese policies to a wider audience, and the result was a stronger approach to public diplomacy and strategic communications.<sup>29</sup> Indeed, in retrospect, Abe's Japan has been quite successful at understanding the importance of a vision and a set of ideas, in enhancing the country's communication power with international and domestic audiences. It also dedicated specific resources to it. For example, the government's public diplomacy budget was increased to facilitate the establishment of Japan Chairs at important think tanks like the Hudson Institute and the International Institute for Strategic Studies. The appeal of FOIP's ideals provides a tangible measure of Japan's successes: its positive, value-informed, prosperity-focused narrative and geographic contextualisation have gained currency among research specialists, journalists, and policymakers alike. However, given the wide area that FOIP covers, Japanese resources remain relatively stretched - opening the door for greater opportunities for cooperation with other partners, especially in the Indian Ocean region.<sup>30</sup> Still, in FOIP, Abe's Japan had the ideas of a regional order that enabled policy to produce effect.

- 28. Japan International Cooperation Agency, 'JICA Boost Sri Lanka's Maritime Capability via provision of two FPVs to Sri Lanka Coast Guard', 30 August 2018, https://www.jica. go.jp/Srilanka/english/office/topics/180830. html.
- 29. Chiyuki Aoi, "Japan's Strategic Communications: Its Significance as a Political Tool", *Defence Strategic Communications*, Vol. 3, 2017, 71-102.
- 30. Michito Tsuruoka, 'Competing Visions of Japan's International Engagement: Japan First vs Global Japan', The International Spectator, Vol. 55, 2020:1, 34-47; Michito Tsuruoka, 'Japan's Indo-Pacific Engagement: The Rational and Challenges', ISPI Online, 04 June 2018, https://www. ispionline.it/en/pubblicazione/japansindo-pacific-engagement-rationale-andchallenges-20691.

## Conclusions: The ideologue mugged by reality?

When he ascended to the helm of the Japanese government for a second time in 2012, many international observers regarded Shinzo Abe as an ideologue with revisionist views about history. Yet, his ideology, whilst driving an ambition to bring Japan back from a marginal role in international affairs, did not prevent him from enacting a pragmatic strategic reset that placed Japan at the centre of the Indo-Pacific dynamics and a positive narrative about its future. He achieved that in three ways. He re-centered the sources of Japanese political power around the *Kantei*. He created a command centre in the NSC to deliver clear instructions and a strong sense of priorities to the primary levers of power. Last but by no means least, he operated these reforms in light of a clear worldview which he articulated in the FOIP initiative. This worldview took practical shape in a series of tailored public diplomacy and security initiatives that maximised visibility and presence throughout the Indo-Pacific.

Abe took into account the geopolitical circumstances of the time, shaped in East Asia's case by a fast-rising China. This meant that the ideational elements of Abe's reforms had to be pursued in a strategic fashion. His personal views as a conservative politician, in particular, did not prevent FOIP from presenting a coherent and positive aspirational worldview that placed Japan at the centre of narratives about the international order and regional stability and prosperity. In this regard, Abe's maritime focus became the point where themes about connectivity, stability, and values, intersected. Significantly, as the Trump administration started to pressure allies 'to do more', Abe's FOIP became the framework through which Japan could increase both national prestige and respond to alliance management requirements. Thus, Abe's success was that as his reforms were implemented, he became an ideologue mugged by reality to the benefit of his country's international profile and influence.

Yoshihide Suga, a close associate of Abe's, has gained support from within a majority of influential factions of the ruling party, and has now taken on the mantle of Japan's new Prime Minister. He will serve the remainder of Abe's term as party leader until September 2021.<sup>31</sup> In many respects, Abe's political agenda will continue to inform the new Suga government's political platform. Given the impact of Covid-19 on the Japanese economy, the main focus is likely to be on economic matters and some measure of stability in international affairs. Beyond September 2021, however, Abe's reforms will become vulnerable to the risk of

 <sup>&#</sup>x27;Suga Announces LDP Leadership Bid, Vows to Continue Abenomics', *Kyodo News*, 02 September 2020.

political stasis generated by internal factionalism within the ruling party, as it was the case before Abe came into power in 2012.<sup>32</sup> Consolidating the coordinating and policy-setting role of the NSC – with the strengthening of its guiding role in key areas like cyber, technology and economics – will be a crucial step towards ensuring that government reforms will withstand the test of time and Japanese partisan politics. Since Prime Minister Suga has been closely involved in the mechanics of the rise of Kantei and the NSC it is reasonable to expect that he will seek to continue to consolidate the new policy-making system.

The case of Japan's strategic reset under Abe matters to the UK because it offers insights into what the building blocks of a successful integrated review may look like. In this regard, Japanese reforms – taken collectively – highlight five important lessons:

First, a government needs to have a sense of ownership of the expected security landscape behind a major policy review. The case of Japan strongly suggests that a worldview in which values and ambitions are grounded in the geopolitical realities of the time is essential to set priorities, and allocate resources to meet them. In Japan's case, FOIP was never fully formalised in key government policy and strategic documents. Indeed, since its appearance the National Security Strategy (published in 2013) has never been updated to articulate how FOIP relates to the country's national strategy. This lack of formalisation meant that the government could adapt its content as circumstances evolved. Yet, the Kantei made sure that the Japanese civil service was fully aware of the priorities in it, the values informing it, and how it related to the objectives presented in the National Security Strategy.

Second, **clear government guidance** – **and adequate means to deliver it** – **needs to be matched with ways to coordinate across departments to ensure that policy implementation is mobilized to maximum effect**. The case of Abe's Japan is an example of how the centralization of policy functions around the Kantei required the establishment of additional moving parts – most notably the creation of the NSS to support the NSC – to ensure that the design and implementation of policy would be possible.

Third, and closely related to the previous point, **both soft and hard power need to inform diplomatic action**. Put differently, there is no replacement for a degree of military power for a country that is planning to reinvigorate its international profile, as a 'pro-active' contributor shaping international security. The balance between soft and hard power may differ depending on specific political and geographic circumstances – but they work symbiotically to inform credibility and produce influence. This is especially true in a geopolitical contest of state-on-state competition, one in which there is no replacement for the credibility delivered by hard capabilities. In the Indo-Pacific security context, a sustainable presence was Japan's baseline for enhanced credibility.

Fourth, **the Japanese case strongly indicates the importance of a continuous form of military presence in key areas of strategic interest**. This, especially if designed to work with partners and allies, and if aptly

 James L. Schoff, 'Abe's Resignation is an Unexpected Test', Carnegie Endowment for International Peace, 03 September 2020. applied to substantiate a specific worldview, is the most effective way to amplify the wider effects of foreign policy. Japan's contributions to the counterpiracy initiatives in the Gulf of Aden were a relatively tailored contribution that nonetheless offered new opportunities to develop ties with the wider Indian Ocean region, a space of critical significance to the FOIP initiative.

Last, but by no means least, **geo-economics is increasingly understood in Japan as a national security matter**. Indeed, Japanese elites seem to be regarding this subject as something that requires greater cooperation with partners the world over to be fully addressed. As Japan stood at the frontline of Chinese economic retaliation since the early 2010s, under Abe the Japanese government has progressively sought to counter its economic dependence on China - especially on supply chains - by pursuing a mix of diversification and enhanced resilience.<sup>33</sup> In this regard, one of the most underexplored legacies of Abe's reforms may very well be the opportunity to pave the way for an understanding of national security in Japan that might favour an expanded agenda in UK-Japan cooperation that the integrated review may wish to fully explore.

> Duchâtel, 'Resilience, Not Decoupling: Critical Supply Chains in China-Japan Relations', op. cit..



Shinzo Abe and Japan's Strategic Reset reviews the strategic reset implemented by Prime Minister Shinzo Abe during his second tenure as a Prime Minister (2012-20) in light of the UK integrated review process. It argues that Abe's success in re-engineering Japan's international profile and influence was the result of three core inter-related initiatives: he centralised the Japanese strategy and decision-making system around the Prime Minister's office (Kantei); he expanded the realm of the 'politically possible' in foreign and security affairs by enhancing the coordination among key tools of statecraft; and he injected Japanese foreign and security policy with a worldview focused on the Indo-Pacific region. In particular, the paper explores how the importance of Abe's centralisation of power cannot be disentangled from the fundamental ideational and behavioural changes implied in the second and third initiatives. Abe took power to the Prime Minister's office and used it to shake bureaucracy out of established patterns of behaviour, offering a vision which made new policy – a reset - possible.

£10.00 ISBN:978-1-913459-38-3

Policy Exchange 8 – 10 Great George Street Westminster London SW1P 3AE

www.policyexchange.org.uk