

## Japan's Global Diplomacy: Japan-India Relations

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### EXECUTIVE SUMMARY

On July 28, Stimson hosted Takaaki Asano, Research Fellow at Tokyo Foundation, for a roundtable discussion on Japan-India relations.

Asano described India-Japan relations as a test-case for whether Prime Minister Abe can succeed in transforming Japanese foreign policy to become proactive and strategic. The Japanese government has been diversifying its foreign policy tools by drafting new principles on defense equipment and technology transfer and reinterpreting the constitution to enable Japan to exercise right of collective self-defense. These developments can help Japan-India to establish a closer partnership, which would in turn illustrate how Japanese foreign policy can adapt to a new strategic environment and utilize these foreign policy tools. Economically, Abe has pushed a policy of huge fiscal spending, dramatic financial easing, and most recently, structural reform. Moreover, TPP has brought Japan out of defensive trade policy, so that Japanese companies are already planning how to make use of this multilayered network of free trade agreements in Asia. How Japan strengthens its economic ties with India will also illustrate how Japan could expand foreign economic relations beyond China and ASEAN.

Asano discussed Japan's policy objectives in the bilateral relations to be (1) develop and strengthen security cooperation between Japan and India, (2) expand economic interactions with India, and (3) strengthen cooperation on regional/global issues based on universal values. Security cooperation should be based on maritime security, as well as cooperation in defense procurement and joint defense R&D activities. India has huge economic potential, both in bilateral trade and in multilateral frameworks.

Historically, mutual perceptions of each other between Japan and India have been generally positive; however, substantial political engagement didn't start until the mid-1990s, as the Cold War strategic pressures prevented Japan from engaging with India in a meaningful manner. India's nuclear test in 1998 then led to the souring of bilateral relations. The turning point was in 2000, when both governments agreed to establish a global partnership, which was eventually upgraded to a strategic global partnership, leading to a security cooperation agreement. Since, there has been a strong political will to strengthen the bilateral relationship.

Challenges for achieving policy objectives are (1) the discrepancy in policy priorities in Tokyo and New Delhi – for Japan, geopolitical calculus comes first, while India must first focus on economic growth, (2) India's tradition of strategic autonomy or non-alignment, leading to differences between the two countries in balancing against China's rise, and (3) differences in strategic landscape and security structure. Since Japan and India have different alliance structures and threat perceptions, trilateral engagement with the US is difficult. The US and Japan should engage India in defense cooperation in maritime, space, and cyber domains – the Malabar naval exercise is an example of maritime security

cooperation. Cooperation could also move forward in energy, non-proliferation, and HA/DR, though a civil nuclear cooperation agreement between Japan and India must be signed for Japan-India cooperation on non-proliferation. There could also be closer policy consultation using EAS or TPP/RCEP frameworks, or perhaps Japan and the US could support India's membership in APEC.

Asano's policy recommendations were (1) cooperation in defense equipment procurement and development, (2) civil nuclear cooperation, (3) maritime security cooperation, and (4) a revised EPA and closer RCEP negotiation coordination.

The participants noted that from the US perspective, there seemed to be a growing "love fest" between India and Japan, and that the increasing momentum of Japan-India relations may begin to overtake US-India relations. This has not been the perception in Tokyo, though there is strong support, because of the higher level of institutionalization in US-India relations. However, there was general confidence that the momentum could move the relationship forward over the next couple of years. The participants discussed the aspect of specific individuals – namely, Modi and Abe – and whether their drives would carry over into the bureaucratic work. To this end, one participant noted the value of noting other individuals, such as ambassadors, driving the process. If the drivers are solely the Modi-Abe political space, sustainment will be questionable, since those that need to work the issue will have to translate that enthusiasm into policy.

The participants also discussed the value of assessing the trilateral relationship through the US-Japan alliance. Even within the US-Japan alliance, issues like China are not in total alignment – all the more so in the trilateral relationship, except in the most general of terms. There are also obstacles in the maritime and cyber domains – different perceptions among the countries. As such, the scope of trilateral potential is modest. The US and Japan are implicated in every crisis in East Asia; not so with India except peripherally. India will not involve itself needlessly in a conflict, so efforts toward trilateral cooperation should consider that, and focus on building capacity and code of conduct, as well as creating consensus through the East Asia Summit and ADMM Plus.

The participants discussed what the best next steps forward would be, in terms of bilateral versus trilateral and security versus economic policy. While trilateral steps were noted as mainly rhetoric, the participants agreed that bilateral security efforts should prioritize defense equipment procurement and civil nuclear agreement. On the latter, however, some participants were skeptical of the prospects, given Japan's insistence that India ratify CTBT. On bilateral economic efforts, the participants discussed the value of Japan encouraging India's integration into TPP, RCEP, and APEC – the difficulties involve make such efforts largely impractical, but perhaps still worth pursuing, though bilateral economic efforts along METI lines may be more feasible.

The participants also discussed the aspect of Japan's interest in the broader South Asian neighborhood, especially with regard to oil exports in the Gulf. Energy analysts are interested in the relationship as a way to diversify the Asian marketplace and build infrastructure around China's continental routes – circumventing China's dominance in the energy market.

On China, the participants further noted China's recent attentions toward Modi, and where developing Japan-India relations may affect China's perceptions of the strategic environment.