



Will Europe scratch Japan's back?

by Rem Korteweg

What do 'little green men' in eastern Ukraine and an oil rig in the South China Sea have in common? To Japanese politicians and officials, they are the copy-cat tactics of two major powers challenging the status quo in their neighbourhood. Tokyo says Russian and Chinese behaviour is similar and that democracies, including in Europe, must club together. But Europe is too pre-occupied with the Ukraine crisis and the aftermath of the European elections to take such a global view.

When in May a Chinese oil company sent an oil rig into waters claimed by Vietnam, it was the latest in a series of provocations in the contested maritime zone. Tokyo likens Chinese assertiveness in the South China Sea to Beijing's bellicose attitude towards the Senkakus, an island group in the East China Sea controlled by Japan, but which China claims under the name Diaoyu. Chinese merchant vessels, fishermen and aircraft regularly cross into Japanese waters and airspace, increasing the risk of a serious conflict. The Japanese government is struggling to develop a strategy for dealing with such non-military provocations, which it describes as the 'grey zone' between peace and war. They see an equivalent with the pro-Russian militants, who wear uniforms without insignias, who have destabilised parts of eastern Ukraine. Japanese officials warn that Russia's annexation of Crimea could embolden China.

The Japanese government does not want to be alone in responding to China's assertiveness. It hopes South-East Asian countries will overcome their differences and push back against Chinese

bullying, but ultimately Japan counts on the West; particularly the US, but Europe's support would be welcome too. The Ukraine crisis coincided with Prime Minister Shinzo Abe's visit to six European countries, the EU and NATO, where Abe drew parallels between Russian and Chinese revisionist behaviour.

The struggling economies of Europe and Japan both depend to some extent on their large, difficult neighbours. Europe imports Russian oil and gas, and exports manufactured goods in return; Japan relies on China both as a market and a source of high-tech components. But here the similarities end. In Europe, there is little support for sacrificing economic relationships to punish Russia. In Japan, the government wants to reduce its vulnerability to China by deepening trade ties with others. This is why Abe strongly backs the US-led negotiations for a 'transpacific partnership' and an EU-Japan free trade agreement. The EU and its member-states often overlook the geopolitical significance of such trade deals.

China's actions have also convinced Japan to strengthen its military – and reinterpret its pacifist constitution – while in Europe a post-Ukraine defence renaissance is uncertain. Many in the EU believe that Russian encroachment will stop at the EU's borders, but the Japanese fear their territory is not safe from China's ambitions.

An increasingly impatient Japan doubts Europe's geopolitical resolve. Shigeru Ishiba, number two in Japan's ruling party, asked what signal Western indecision following Syria's chemical weapons attack in August 2013 sent to Moscow. Japanese officials also note Russia's violation of the 1994 Budapest memorandum, guaranteeing Ukraine's territorial integrity, and question whether the West has gone soft on defending the international rule of law. The EU's half-hearted effort to prevent Russia from destabilising Ukraine makes Japan uncertain that it could count on Europe's support in the event of a crisis with China. Japan worries that the EU is too focused on its own problems, handicapped by rising isolationist populism, and willing to sacrifice its values for economic gain.

EU countries should not forget that Japan helps to defend European security interests, and hopes – at least implicitly – for reciprocity. Tokyo contributes to counter-piracy efforts in East Africa and enforces sanctions against Iran. It funds development initiatives in the Palestinian territories and Afghanistan; an anti-terrorism programme in the Sahel; relief operations in Syria; and the destruction of Syria's chemical weapons. Like other members of the G7, it has imposed

sanctions against Russia; a move that Russian president Vladimir Putin has called surprising. It could be costly for Tokyo: Japan hopes to make progress on resolving its territorial dispute with Russia over the Kurile islands, seized by the Soviet Union at the end of the Second World War; and to buy more Russian gas, to compensate for Japan's energy shortfall following the Fukushima nuclear disaster. Tokyo now also faces a possible Sino-Russian rapprochement, after Beijing and Moscow signed a major gas deal on May 22nd.

European leaders declare that "geopolitics is back", but EU member-states show little interest in committing more to East Asian security. For many, East Asia is a place to talk business, not hard security. Germany, for instance, has close trade ties with Beijing and prefers to avoid controversy, and the EU confines itself to bland statements of concern over security developments in the region. France and Britain, Europe's two most capable countries, could do more. Unfortunately, London is handicapped by its tricky relationship with the EU and Paris is burdened by its economic woes and deeply committed in the Sahel. But Europe must take Japanese worries more seriously. At the very least, it should see that allowing borders in Europe to be changed through coercion sets a bad precedent for East Asia.

Rem Korteweg
 Senior research fellow, CER

CER in the press

New York Times

1st June 2014

"In the UK, the recession has given an added piquancy to anti-immigrant backlash," John Springford [of the CER] said. "When people's prospects are being squeezed, migrants are an easy culprit."

Financieel Dagblad

7th April 2014

"The problems of Eastern European states that are most dependent on Russian gas will not [only] be solved by importing more LNG," said Rem Korteweg of the CER, a think-tank in London.

The Express

10th April 2014

"Britain within the EU but not in the euro is not a problem – if we stay in the EU but resist getting involved in further integration with the eurozone, that is fine – but if we were to leave, the City would over time be vulnerable to regulatory attacks" said Simon Tilford of the CER.

Financial Times

8th May 2014

The CER has concluded that if Britain left the EU, banks would shift some of their activities to elsewhere in the EU. "The remaining member states would insist that Britain sign

up to many [financial] rules, in exchange for more limited access to European markets than it currently enjoys."

The Wall Street Journal

15th May 2014

"We're seeing a cyclical pickup in activity, but it's anaemic given the depth of the slump," said Simon Tilford, deputy director of the CER in London. "Typically, you'd expect faster growth in the aftermath of such a recession."

The Telegraph

19th May 2014

"The reality is that China now holds the whip hand [on the gas deal with Russia] and they

will drive a very hard bargain.

For them this is just commerce," said Ian Bond, from the Centre for European Reform.

The Guardian

18th May 2014

The euro could be reformed along the lines proposed by Charles Grant, of the CER. This would involve throttling back on austerity, creating a banking union, structural reform in countries such as Italy to make them more competitive, rejigging the German economy to make it less export-focused, and a partial debt amnesty.