

EU Security Interests in East Asia:

Prospects for comprehensive EU – Japan cooperation
beyond trade and economics

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Michael Reiterer

Executive Summary*

Over the course of several decades the relationship between Japan and the EU has transformed from one focused on economics and trade into one that is a more comprehensive and 'strategic partnership'. This has been built on the EU and Japan sharing common values, principles and interests. It has also grown as a result of globalisation and the new security challenges that both have had to face, although the return of geopolitics could shift relations back towards traditional security.

This policy brief focuses on the political and security aspects of the EU-Japan relationship. Given Europe's links to East Asia, the EU has a stake in East Asia's security in much the same way as East Asia has a stake in the security of Europe. This policy brief therefore asks whether Japan is a genuine partner for the EU in managing relations with the broader region of East Asia and whether Japan regards the EU to be a genuine strategic partner.

Policy Recommendations

- Early conclusion of the parallel negotiations of a Free Trade Agreement and Strategic Partnership Agreement to provide a sound basis for strengthened comprehensive bilateral cooperation. An additional Crisis Management Agreement allowing Japan to take part in CSDP missions would be a useful complement.
- Translate our 'shared values' into concrete common policies or actions drawing on the 'Poles of attraction of the EU for Japan' and vice versa as outlined in the paper, in particular cooperating together to reinforce regional stability and security in Europe and Asia.
- Working with Japan to make use of the EU's experience in regional cooperation in overcoming the legacies of the past to improve political stability particularly among the three strategic partners of the EU (Japan, Republic of Korea, China) and in North East Asia in general.

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* Please note that this Policy Paper - due to the author's extraordinary expertise and experience in this topic - is longer than the other ones from this series.

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EU Security Interests in East Asia: Prospects for comprehensive EU – Japan cooperation beyond trade and economics

Michael Reiterer

1. Introduction

Over the course of several decades the relationship between Japan and the EU has transformed¹ from one focused on economics and trade into one that is a more comprehensive and ,strategic partnership². This has been built on the EU and Japan sharing common values, principles and interests. It has also grown as a result of globalisation and the new security challenges that both have had to face, although the return of geopolitics could shift relations back towards traditional security.

The EU and Japan are presently engaged in comprehensive and ambitious parallel negotiations that include a Strategic Partnership Agreement (SPA) and an Economic Partnership Agreement/Free Trade Agreement. Both have been put in place to make up for the elapsed 2001 EU-Japan Action Plan³ and the 2001-2011 Decade of Japan-Europe Cooperation. In addition to these ‘umbrella’ documents, which provide a comprehensive framework for relations, the EU and Japan have concluded a variety of specific sectoral agreements on areas such as nuclear energy (1989 and 2006), mutual recognition (2001), competition (2003) research (2007 and 2011), customs (2008), and legal assistance in criminal matters (2009). At the same time, Japan has a mix of bilateral tax and social security agreements with most but not all EU Member States; nuclear energy cooperation agreements with Euratom but not on more wide-ranging energy cooperation matters such as on renewables or energy security; and no agreements at all addressing vital policy areas affecting both partners in the 21st century such as climate change, international development, financial services and cyber-security. There is therefore still a great deal of room for streamlining and improvements.

¹ Reiterer, Michael (2013): ‘The EU-Japan relationship in dynamic Asia’ in Joern Keck/Dimitri Vanoverbeke/Franz Waldenberger (eds.) *From Confrontation to Global Partnership. EU-Japan Relations from 1970 to the Treaty of Lisbon and Beyond*. Routledge, 2013; pp. 293-328.

² Reiterer, Michael (2013a): ‘The Role of ,Strategic Partnerships’ in the EU’s Relations with Asia’ in Thomas Christiansen/Emil Kirchner/Philomena Murray (eds.) *The Palgrave Handbook of EU-Asia Relations*. Palgrave Macmillan, 2013; pp.75-89.

³ *Shaping our common future, EU-Japan Action Plan (2001)* at http://eeas.europa.eu/japan/docs/actionplan2001_en.pdf.

It is worth recalling in light of ubiquitous talk about China's rise, that the EU and Japan together account for 30 per cent of the world's gross domestic product (GDP) and 60 per cent of total official development assistance provided by the members of the OECD's Development Assistance Committee. Japan is still the world's fourth-largest economy, and the EU's second-largest trading partner in Asia after China. Japan's GDP per capita is still five times that of China. Furthermore, the Republic of Korea is another important strategic partner of the EU and historically and geographically a bridge between China and Japan. Korea is the only Asian country which has concluded with the EU a FTA, a Framework Agreement on political and sectoral cooperation, and a framework agreement on crisis management cooperation.

In light of the aforementioned Japan-EU parallel negotiations, this policy brief focuses on the political and security aspects of the EU-Japan relationship. This has recently undergone further change as Japan has taken steps to strengthen its role in international affairs such as re-interpreting Article 9 of its Constitution (which prohibits the use of force other than in self-defence of Japan), establishing a National Security Strategy and a National Security Council, and increasing its defence budget. Furthermore, Prime Minister Shinzo Abe has expressed not only his intention to make a "proactive contribution to peace" but has engaged in an unprecedented level of travel diplomacy supported by his foreign minister, courting in particular ASEAN countries.

Japan's efforts must be seen in the context of the volatile security situation in East Asia. China's rise has changed power relations across the region, which have heightened China-Japan maritime disputes and tensions in the East China Sea. Meanwhile relations between Japan and Korea remain contentious as a result of historical legacies. Given Europe's links to East Asia, the EU has a stake in East Asia's security in much the same way as East Asia has a stake in the security of Europe. This policy brief therefore asks whether Japan is a genuine partner for the EU in managing relations with the broader region of East Asia and whether Japan regards the EU to be a genuine strategic partner.

2. The security interests of the EU in East Asia⁴

The EU has a large number of security interests in East Asia despite not being a party to any territorial or maritime disputes in the region, not participating in the Six Party Talks, and having no significant (especially when compared to the USA) European or EU military forces there except for some limited British and French deployments. East Asia's security environment remains volatile and, thanks to globalisation, has the potential to hurt the EU economically.

East Asia is a core part of the wider Asia Pacific region that has become central to global prosperity. The region has the world's largest population and buys almost a quarter of EU exports. It is amongst the fastest growing export markets and is home to the fastest growing economies. This has been accompanied by a tremendous growth in demand for resources and energy. China alone will account for more than

⁴ Reiterer, Michael (2014): 'The EU's comprehensive approach to security in Asia'. *European Foreign Affairs Review*, vol. 19/1, 2014; pp. 1-21.

one-third of increases in global energy demand by 2035. Almost 50 per cent of world shipping by tonnage transits the South China Sea, making free navigation of it and the East China Sea – both part of the global commons – matters of strategic importance to the EU. The region is home to many natural resources, with the importance of rare earths powerfully demonstrated when China introduced export limitations which were later defeated in the WTO thanks to joint action by the EU, Japan and the USA. The Asian Development Bank announced that the whole of Asia, “[b]y nearly doubling its share of global gross domestic production (GDP) to 52 percent by 2050, ... would regain the dominant economic position it held some 300 years ago, before the industrial revolution.”⁵

Despite the rapid economic growth and large-scale investments in one another’s economies, there exists something of an ‘Asian paradox’ whereby economic links do not prevent strained political relations quickly leading to significant economic costs and an escalation in military tensions. This growing economic and security importance has not passed unnoticed by the USA, with the Obama Administrations ‘pivot’ to Asia attracting much comment.⁶ As US Secretary of Defence Panetta explained, “Asia-Pacific contains the world’s largest populations, and the world’s largest militaries. Defense spending in Asia is projected by... the IISS [International Institute for Strategic Studies], to surpass that of Europe this year and there is no doubt that it will continue to increase in the future.”⁷ The potential for tensions in the region to hurt the EU’s own interests was demonstrated by the effects of the 2010 earthquake in Taiwan and the 3/11 triple disaster (earthquake, tsunami, nuclear melt-down in Fukushima) of 2011, both of which had negative impacts on world wide supply chains which were felt in Europe.

The EU’s 2003 ‘European Security Strategy: A Secure Europe in a Better World’, left no doubt that the security interests of the EU extend to Asia. As it stated:

“In an era of globalisation, distant threats may be as much a concern as those that are near at hand. Nuclear activities in North Korea, nuclear risks in South Asia, and proliferation in the Middle East are all of concern to Europe. Terrorists and criminals are now able to operate world-wide: their activities in central or southeast Asia may be a threat to European countries or their citizens... Our history, geography and cultural ties give us links with every part of the world: our neighbours in the Middle East, our partners in Africa, in Latin America, and in Asia. These relationships are an important asset to build on. In particular we should look to develop strategic partnerships, with Japan, China, Canada and India as well as with all those who share our goals and values, and are prepared to act in their support.”⁸

⁵ Asian Development Bank (2011): *Asia 2050: Realizing the Asian Century* (Executive Summary); p. 3 at <http://www.adb.org/sites/default/files/asia2050-executive-summary.pdf>

⁶ Clinton, Hillary (2011): ‘America’s Pacific Century’, *Foreign Policy*, November 2011.

⁷ Panetta, Leon (2012): ‘The 11th IISS Asia Security Summit’, Singapore, at <http://www.iiss.org/conferences/the-shangri-la-dialogue/shangri-la-dialogue-2012/speeches/first-plenary-session/leon-panetta/>.

⁸ *European Security Strategy: A Secure Europe in a Better World* (2003) at <http://www.consilium.europa.eu/uedocs/cmsUpload/78367.pdf>. The 2008 Report on the implementation of the Strategy deals with Central Asia but hardly with the rest of Asia, except a reference to fighting crime in South Asia, at http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressdata/EN/reports/104630.pdf

This has been further developed in a series of East Asia Policy Guidelines that have reiterated the substantial interests of the EU in the region.⁹ The Guidelines served as guiding principles for strategic talks in 2005 with Japan and the US who at the time felt they must educate the Europeans about the region to ensure that the EU's arms embargo against China was not lifted. The 2012 Guidelines include a statement on the South China Sea making clear "the great importance of the South China Sea for the EU (inter alia in the perspective of promoting the rules-based international system, the principles of freedom of navigation, the risk of tensions impacting on the consistent increase in trade and investment, with negative consequences for all, energy security)."¹⁰ They encourage "the parties concerned to resolve disputes through peaceful and cooperative solutions and in accordance with international law (in particular UNCLOS [UN Convention on the Law of the Sea])." Baroness Ashton, the EU's High Representative for Foreign Affairs and Security Policy (2010-2014), re-enforced this message by issuing in September 2012 a separate statement on recent developments in East Asia's maritime areas in which she also called "on all parties to take steps to calm the situation."¹¹

In addition to the above mentioned statement, the High Representative made a declaration on behalf of the EU¹² on the establishment by China in November 2013 of an East China Sea Air Defence Identification Zone (ADIZ), expressing concern about the policy and the "accompanying announcement by the Chinese Ministry of Defence of 'emergency defence measures' in case of non-compliance." At the same time, the widely criticized December 2013 visit of Prime Minister Abe to the Yasukuni Shrine was criticized as "not conducive to lowering tensions in the region or to improving relations with Japan's neighbours, especially China and Republic of Korea."¹³

3. The EU's approach to security

Relations between East Asia and Europe are made more difficult because of the contrasting security situations and outlooks. While 1989 marked the beginning of the end of a divided Europe, in Asia 1989 is associated with the Tiananmen Square incident in China. Asia also remains stuck in the Cold War pattern of division (most vividly seen in the Korean Peninsula and in The Straits) and the hub and spoke alliance politics (US security guarantees for Japan, South Korea, Taiwan; treaty alliances with Australia, Philippines, Thailand; and cooperation with key partners India, Singapore, Indonesia; and the 'foe-friend transformation' with Vietnam). In line with

⁹ Guidelines on the EU's foreign and security policy in East Asia (2012), at: (http://eeas.europa.eu/asia/docs/guidelines_eu_foreign_sec_pol_east_asia_en.pdf).

¹⁰ Guidelines on the EU's foreign and security policy in East Asia (2012), at: (http://eeas.europa.eu/asia/docs/guidelines_eu_foreign_sec_pol_east_asia_en.pdf).

¹¹ European Union (2012), 'Declaration by the High Representative Catherine Ashton, on behalf of the European Union on recent developments in East Asia's maritime areas', in: http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/EN/foraff/132566.pdf.

¹² European Union (2013), 'Declaration by the High Representative Catherine Ashton on behalf of the European Union on the establishment by China of an 'East China Sea Air Defence Identification Zone'', in: http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/EN/foraff/139752.pdf.

¹³ European Union (2013), 'Statement by the Spokesperson of EU High Representative Catherine Ashton on the visit of Prime Minister Abe to Yasukuni Shrine', in: http://eeas.europa.eu/statements/docs/2013/131226_01_en.pdf

Relations between East Asia and Europe are made more difficult because of the contrasting security situations and outlooks. While 1989 marked the beginning of the end of a divided Europe, in Asia 1989 is associated with the Tiananmen Square incident in China. Asia also remains stuck in the Cold War pattern of division (most vividly seen in the Korean Peninsula and in The Straits) and the hub and spoke alliance politics (US security guarantees for Japan, South Korea, Taiwan; treaty alliances with Australia, Philippines, Thailand; and cooperation with key partners India, Singapore, Indonesia; and the ‘foe-friend transformation’ with Vietnam). In line with this Cold War logic, China perceives the US policy of rebalancing as a new variation of the containment policy used against the Soviet Union.

While the EU provides Europe with an institutionalised, supranational structure for common policy making that goes beyond dispute avoidance or settlement by judicial means, the European security architecture rests on a wider superstructure of various organisations with functionally different tasks and different, but often overlapping, memberships: the European Union, the Council of Europe, the OSCE and NATO. Asia, including East Asia, has no equivalent ‘superstructure’ and no underlying canon of common values and ideas like a political ideal for the continent¹⁴, principled attachment to good governance, rule of law, democracy, or social market economy. Furthermore, in addition to the EU’s own newly introduced obligation to support a member state in the case of armed aggression (Art. 42.7), NATO provides a transatlantic security umbrella and the OSCE a forum for permanent dialogue. Comparable multilateral security structures are largely absent in Asia, although the ASEAN Regional Forum (ARF) does provide one avenue.

As a stakeholder in the security of East Asia, the EU maintains traditionally close relations with the region through bilateral and multilateral relations. Four out of ten of the EU’s strategic partnerships are with Asian countries. ASEAN is a longstanding dialogue partner of the EU, with the EU an active participant in the ASEAN Regional Forum and signatory to the ASEAN Treaty of Amity and Cooperation (TAC). The EU is an observer in the South Asian Association for Regional Cooperation (SAARC), and a founding participant in the Asia Europe Meeting (ASEM). As the biggest market in the world, the EU is the largest trading and investment partner for most countries in the region and therefore actively engaged in negotiating partnership and free trade agreements to deepen political as well as economic ties. Furthermore, the Union contributes to the region as a major donor of development assistance.

The EU’s experiences have led it to develop a holistic approach to crisis management and security challenges. This involves all phases of the crisis cycle from preventive strategies through to post-crisis rehabilitation and reconstruction. To this end the EU commits substantial resources to countries in political crisis through its country programs and its Instrument for Stability.¹⁵ However, the EU’s comprehensive foreign policy is not limited to crisis management, but covers the full range of

¹⁴ Henry Kissinger holds that “‘the East’ ... has never been clearly parallel to ‘the West’... Until the arrival of modern Western powers, no Asian language had a word for ‘Asia’; none of the peoples of what are now Asia’s nearly fifty sovereign states conceived of themselves as inhabiting a single ‘continent’ or region requiring solidarity with all the others.” Kissinger, Henry (2014): *World Order*; Penguin Press, New York; p. 172.

¹⁵ For further details on the Instrument for Stability see: http://eeas.europa.eu/ifs/index_en.html.

diplomacy, development and defense. This is one of the strong points of EU foreign policy, namely an ability to factor sectoral policies, as performed by the European Commission, into the overall foreign policy of the EU. This applies to various policy areas such as: common trade policy, including the granting and withdrawing of Generalised Scheme of Preferences; transfer of technology, coupled with assistance to improve intellectual property protection; strategic use of development policy (‘differentiation’) as the EU and its Member States are the largest provider of ODA world-wide; energy and energy security policy; fighting climate change; and migration policy.

4. Cooperation with Japan

The 2003 EU-Japan Strategic Partnership – ‘Shaping out common future’ – was the product of intensified cooperation that had begun in the early 1990s, and in particular that which led to the 2001 Agenda for Cooperation. Many of the features that were later associated with the strategic partnership were mentioned in the 2001 agenda, including “shared responsibility to contribute to international peace, security and prosperity... solid foundation of common values including a belief in peace, freedom, democracy and the rule of law, respect for human rights and the promotion of sustainable development.”¹⁶ This approach was endorsed by the 2008 and 2009 EU-Japan Summits.¹⁷ However, the 2010 and 2011 Summit Declaration was more guarded, stating that both were, “United by a shared commitment to fundamental values and principles, including democracy, the rule of law and human rights, as well as to the market-based economy and sustainable development, and faced with common global challenges, Summit leaders are resolved to deepen bilateral relations from a comprehensive and long-term perspective.”¹⁸

The 2013 Summit in Tokyo¹⁹ confirmed the crucial importance of the parallel negotiations for an SPA and FTA/EPA by adding cooperation on research and innovation projects, and the need to strengthen security cooperation particularly in the areas of cyber and space. In 2014, leaders underlined the importance of an early conclusion of a highly comprehensive and ambitious FTA/EPA to encourage a process which had not progressed at the anticipated speed. 2014 also saw the revival of a pledge to strengthen the ‘Strategic Partnership’, with a new strategic partnership in research and innovation added as a goal.²⁰ On this basis, there are on-going efforts to politicise the bilateral relationship through replacing the 2001 EU-Japan Action Plan with new up-to-date instruments, such as the aforementioned FTA accompanied by a comprehensive SPA, which includes political clauses and non-execution provisions of the kind routinely included by the EU in broad agreements intended

¹⁶ For full details of the 2001 Agenda for Cooperation, see: <http://www.mofa.go.jp/region/europe/eu/summit/action0112.html>.

¹⁷ For details of the 2008 and 2009 summits, see: http://www.eu-asiacentre.eu/links.php?cat_id=25&level=0&tree=25&code=4.

¹⁸ European Union (2011), ‘20th EU-Japan Summit Brussels, 28 May 2011 Joint Press Statement,’ at: http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/122303.pdf.

¹⁹ European Union (2013), ‘21st EU-Japan summit (Tokyo, 19 November 2013) Joint press statement,’ at: http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/139641.pdf.

²⁰ European Union (2014), ‘22nd EU-Japan Summit Brussels, 7 May 2014’, at: http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/142462.pdf.

to provide a comprehensive basis for partnership with third countries. This has met with a positive reception in Japan as it has created additional opportunities for cooperation and a readiness to broaden Japanese foreign policy beyond the traditional Asia-Pacific neighborhood. Examples of this have included the Tokyo International Conference on African Development (TICAD) that was held for the first time in 1993, Japanese military engagement in the Horn of Africa and in the United Nations Mission in South Sudan, and initiating in 2003 the International Conference on Reconstruction Assistance to Afghanistan. The two guiding foreign policy principles, the comprehensive approach for the EU and the “‘panoramic perspective of the world map’ that the Abe administration advocates,”²¹ appear to be compatible, which should facilitate collaboration. Japan has therefore enlarged its approach, which was for a long time focused on human security.

5. Challenges

As already noted, it might not be evident that the EU and Japan need to cooperate in security matters given the vast geographical distance, the preoccupation of Japan with its neighborhood – another common element shared with an EU often accused of focusing on Europe and not enough on the rest of the world – and the US-Japan security link. Yet history shows the central role security has played in the relationship and the challenges it can pose to it. The EU-Japan strategic dialogues began with a focus on Asia against the background of the possible lifting of the EU’s arms embargo against China in 2005. This dialogue has now established itself firmly in the bilateral relationship. The aforementioned 2012 East Asia Policy Guidelines have further contributed not only to clarifying the EU’s interest in the region, but also demonstrating the EU’s desire to develop its own role, being neither China nor the US and therefore without any claims on any partner in the region.

As a regional power, albeit with global vocation, the EU has to give priority to its neighborhood, whether to the East in terms of Russia, Ukraine, Georgia, Moldova, the Balkans and Central Asia, or to the South with the countries of the Southern Mediterranean, the Middle East, and Africa south of the Sahara whose problems drive economic migration to the north. However, with economic might comes global responsibility and interests. The security engagement of the EU therefore extends across Asia and includes operations in Afghanistan, anti-piracy activities off the coast of Somalia, political engagement in Aceh and Mindanao, and strongly support for Burma/Myanmar in its transition process to democracy.

Japan, as the first ‘Westernised’ country in Asia – the first to join the OECD, the only Asian country in the G7/G8, a special ally of the US profiting from its nuclear security umbrella – has a long-standing tradition of working with European countries which goes back centuries. As one Japanese commentator pointed out: “The fact of the matter is that, besides the US, Australia, India, the Republic of Korea, many of

²¹ Kishida, Fumio (2015) Keynote address at the Japan Trilateral Forum, Brussels ‘Year 2015 as the opening of a new chapter in Japan-Europa relations, at: <http://www.mofa.go.jp/files/000065781.pdf>.

the world's major powers that possess the will and capacity to fulfil their responsibility in terms of international relations and security, and that also share the same values as Japan, reside in Europe."²²

6. Poles of attraction of the EU for Japan

There are a number of areas for EU-Japan cooperation:²³

- As the world's largest economy the EU is an important contributor to global rules and norms setting. Joint efforts could increase the effectiveness of this.
- The EU's collective vote of 28 countries in international organizations, including two permanent members and some rotating members of the UN Security Council.
- Given their similar interests and values, the EU is a potential partner for supporting Japanese positions on issues such as sea-lanes, human rights, international norms,²⁴ and fostering inter-regionalism as an expression of effective multilateralism.
- The EU's approach to maritime disputes strengthens Japan's position in the East and South China Seas. The EU's approach emphasizes the rule of law and diplomacy, whereby parties clarify the basis for their claims. It condemns any unilateral pressure or threat, instead asking parties to undertake confidence and trust building measures. This approach complements the hard power support granted by the USA.
- Concerned by the military build-up of China, Japan, with strong support from the US, wants the EU to maintain its arms embargo on China, even if it is of a more symbolic nature. At the same time, Japan is becoming more flexible in its own arms trade and wants to participate in the joint development of military technologies with third countries.
- The EU has acquired a certain distinct identity, different from the US and China, which makes it an alternative pole in an increasingly multipolar world. The EU's approach to security makes it an alternative partner. The EU's expertise and interests in its larger neighborhood is recognized, albeit as one tested recently by developments in Ukraine.
- The focus of the EU's Common Security and Defence Policy's (CSDP) missions on civilian aspects of security makes the EU a genuine partner for Japan's international engagement, especially after the 2014 re-interpretation of Art. 9 of its Constitution. Establishing a framework agreement with the EU, similar to the one concluded with the Republic of Korea, could facilitate EU-Japan defence cooperation.
- Defence cooperation could lead to operations similar to the operation ATALANTA counter-piracy mission that has served as a trust building measure between

²² Tsuruoka, Michito (2011): 'Japan Europe Security Cooperation: How to 'Use' NATO and the EU'. NIDS Journal of Defense and Security, no. 12 (December 2011), at: http://www.nids.go.jp/english/publication/kiyo/pdf/2011/bulletin_e2011_3.pdf.

²³ See also Reiterer, Michael (2006): 'Japan and the European Union: shared foreign policy interests', Asia Europe Journal, no. 4; pp. 344-348.

²⁴ Hosoya, Yuichi (2012): 'The evolution of the EU-Japan relationship: towards a 'normative partnership'?' Japan Forum, 24:3; pp. 317-337.

the EU, China and Japan. Cooperation in areas such as the Sahel and Maghreb region could facilitate defence cooperation with Korea and would raise fewer security suspicions amongst Japan's neighbors.

- Talks with Iran under EU-3 leadership could serve as an experience to be applied to talks with North Korea, creating a more stable region, and potentially facilitating DPRK-Japan bilateral talks on matters such as the DPRK's abduction of Japanese citizens. This could lead to cooperation on stabilizing fragile and failed states in other areas of Asia or Africa.
- The EU's support for the Korean North East Asian Peace and Cooperation Initiative, and the Trilateral Cooperation of Korea-China-Japan, demonstrate the EU's commitment to issues of direct concern to Japan.
- The EU-Japan strategic relationship could be extended to include Korea, which might be more palatable for China than enhanced Japan-Korea-US cooperation.
- On the other hand, as allies of the US, the EU and Japan could enhance trilateral cooperation with the USA, perhaps returning to the long-standing ideas of the Trilateral Commission.²⁵ This would fit into the ongoing trade negotiations for a Trans-Pacific Partnership (TPP) and Transatlantic Trade and Investment Partnership (TTIP), both of which could have an immense impact on international economic governance.
- The EU and its treaties (cf. Art. 21.1 TEU) approach international relations with a commitment to the rule of law, democracy, human rights and peaceful settlement of disputes. Therefore, the EU is a staunch supporter of the rules based multilateral trading system under the auspices of the WTO, which allows decoupling of political tensions from the conduct of economic relations. This will be of particular importance given that interdependence means that spillover from economics to security issues should be avoided. Such policies are in line with Japan's professed policy of making a "proactive contribution to peace based on the principle of international cooperation."
- Both partners share an interest in strengthening the regional security architecture in order to enable multilateralism and the rule of law to play a more important role, especially for managing and settling tensions and disputes. Both sides recognise the importance of ASEAN in this context. The EU's experience in transforming the war-stricken European continent into a peaceful one could provide a basis for working together, with Japan helping to translate the message into an East Asian context.
- European experiences in dealing with historical sensitivities and managing nationalism could be an asset for Japan. The 2015 anniversaries – 70 years after the end of World War II, 50 years of diplomatic relations between Japan and Korea – will need careful handling to ensure they will be positive steps towards overcoming the legacies of the past.
- The European experience of setting up a network of overlapping regional institutions and organisations that allow states to manage their relations with one another in times of crisis could be another asset. The politics of East Asia means it is important that states in the region have the means by which to explain policies to avoid misconceptions. This includes transparency, especially in military expenses. China's non-transparency in this regard is one of the factors behind insecurity and concern in the region.
- Further strengthening cooperation in forums such as ARF and ASEM.

²⁵ For further details of the Trilateral Commission see: www.trilateral.org.

- Japan's support²⁶ of the EU's quest to join the East Asia Summit, which would allow the EU to potentially become more involved in security matters at the level of leaders alongside the ASEAN Defence Ministers' Meeting Plus, is a first step with others to follow.

7. Poles of attraction of Japan for the EU

While most of the attractions discussed in the previous section work both ways and not only as a one-way street, it is worth outlining that Japan:

- Is the fourth largest global economy with highly innovative companies and first class science and technology institutions;
- Is one of the largest ODA donors offering a great deal of cooperation with the EU and its Member States who are collectively the world's largest donor;
- Is one of the few strategic partners with whom the EU shares many values and with whom it can set norms in important new areas;
- Is an advanced democracy with whom the EU can work together in the context of the G7 in preparation for advancing common agendas in the G20;
- Can offer insights into East Asia, in particular on China, with whom it is deeply connected in investment and human networks, despite on-going tensions.

8. The strategic importance of the Agreements under negotiation

The EU-Japan Strategic Partnership Agreement will be of particular importance to developing the bilateral architecture of the partnership and so bringing together the different strands of the relationship. It has the potential to provide a simpler, more consistent and comprehensive framework for bilateral relations that will not only codify existing arrangements, but also provide a sustainable basis for adapting the relationship over the next few decades. Compared to an action plan it will therefore not be limited by a specific timeframe. The SPA will be a legally binding framework that covers political matters. For example, it will set out arrangements for meetings between leaders, and set out the work on areas such as shared principles (human rights and democracy), security cooperation (dealing with such topics as weapons of mass destruction, small arms and light weapons) and non-traditional security threats (such as cyber or pandemics). This will be complemented by sectoral cooperation in areas of common interest such as science and technology, health, transport, agriculture, energy, taxation, environment, consumer protection, data protection climate change, development, disaster management, justice and home

²⁶ "Japan welcomed the EU's continued interest on greater involvement in the East Asia Summit, and took note of the EU's willingness to contribute to the evolution of the institutional architecture of cooperation in the region." Quoted from European Union, '21st EU-Japan summit (Tokyo, 19 November 2013), Joint press statement', at http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/ec/139641.pdf.

affairs matters, and issues related to the United Nations.

The negotiating process will pose challenges. While the EU has considerable experience of negotiating such comprehensive agreements with third countries, this is the first time that Japan has negotiated a general – as opposed to sector-specific – legally-binding, political agreement. In addition, the EU’s ‘sui generis’ nature means the issue of competences – whether powers are held by the EU, shared with member states, or held only the member states – often creates problems as they are not readily understandable to outsiders. The EU and Japan also have different legal traditions and approaches that will need to be dealt with before consensus can be reached in all areas, especially on setting up an institutional framework linking the FTA and SPA.

An obstacle facing the EU is its treaty-based requirement to conduct a principled foreign policy (Art. 21.1 TFEU). This requires the EU to stipulate in all agreements a respect for human rights and the non-proliferation of weapons of mass destruction, as well as find a mechanism to link these political principles to the EU’s trading concessions. This inclusion poses a special problem, not only with Japan but also with other like-minded and strategic partners such as South Korea, Singapore, Canada, Australia, New Zealand, and other South East Asian countries with which negotiations have been concluded or are ongoing. While this approach may be a legal requirement of the EU, it has been contested by some of the EU’s partners including Japan. They have not only questioned the value but also the need and appropriateness of this approach in view of the long history of democracy and human rights in their countries. This is indeed the case, but it is precisely because allies, partners and like-minded countries adhere to these universal values that the EU seeks to enshrine them in its agreements with third countries, whether they be OECD states or Least Developed Countries (LDCs). From the EU’s perspective, this should lead over time to the establishment of international minimum standards that thanks to the prospect of access to a network of relations between the largest economies in the world should eventually bind those countries which do not currently adhere to them.

9. Conclusions

Intensifying cooperation and developing a joint framework requires both Japan and the EU to define a coherent policy in relation to each other in order to add a sense of purpose which would help overcome an “expectation deficit in EU-Japan relations.”²⁷ This deficit develops when the partners develop a perception that the other either cannot live up to its announcements or pursues security interests which are only of major concern to it. As demonstrated, the EU has already outlined its ideas in its 2012 Guidelines, started negotiations on a deep and comprehensive FTA and SPA covering political, global and other sectoral agreements. This should also support and facilitate engagement with Japan in areas of common interest outside of Asia, for example over Iran, on non-proliferation of WMD, and issues connected to

²⁷ Tsuruoka, Michito (2013): ‘The EU and Japan: making the most of each other’. European Union Institute for Security Studies, Alert 36; p.2.

instability in areas of Africa. As primarily civilian powers, the EU and Japan have a similar approach to international relations whereby they focus on soft/smart power elements and pay special attention to human security issues.²⁸ This should provide a basis for some common positions. The relevance of the EU for Japan has also increased in light of Japan's renewed efforts to play a more active and independent role in foreign policy in the face of the competitive and rather unstable environment characterised by the China-US-Japan relationship. The EU's principled policy of advocating the rule of law also aligns with Japan's interests as well as those of other states involved in maritime and territorial disputes.

As a partner of the US and Japan, the EU advocates an open network diplomacy and effective multilateralism, having learned from European history that the balance of power embedded in alliances and pacts brings war and devastation. Having gone through a difficult process of soul searching and reconciliation, the members of the EU seek to work with their friends and allies to share their experiences. The EU has no territorial or great power ambitions in East Asia, is not acting on behalf of anybody else, but is ready to share its experiences of institution building, respect for the rule of law, work to protect the global commons, and processes of reconciliation.

The November 2014 EU Foreign Affairs Council re-iterated that, "the urgent need of enabling the EU and its Member States to assume increased responsibilities to act as a security provider, at the international level and in particular in the neighbourhood, thereby also enhancing their own security and their global strategic role by responding to these challenges together." Recognising that regional conflicts risk spilling over into the global system, the Asia Pacific region is of direct and indirect concern for the EU. As a result the EU has attempted to use its influence in East Asia to promote good co-operative relations among the key players and encourage all sides to refrain from actions that could be misperceived by others in the region. This goal has become particularly important given the maritime and territorial disputes that have led to increased tensions.

The involvement of three strategic partners of the EU – Japan, China, South Korea – with the interests of two more strategic partners – the US and Russia – also at stake, renders any EU-initiative particularly delicate and sensitive to scrutiny by all five partners. Rendering this web of relationships mutually supportive could help create trust and means for cooperation, especially in North East Asia. Based on closer cooperation, Japan could be a valuable partner to further EU actions and initiatives. The EU would like to help enhance security and prosperity through its economic presence in the region, and by offering its unique experiences of post-war reconciliation and economic integration as an example of the value of a regional legal dispute resolution system for diffusing political tensions. It also seeks to share its experiences in joint sustainable management of shared natural resources. These features, still underdeveloped in the East Asia region, contributed to the awarding of the 2012 Nobel Peace Prize to the EU.

²⁸ López i Vidal, Lluç (2012): 'Contemporary political relations between Europe and Japan: beyond the weak link approach' in Contemporary political relations between Europe and Japan, Brussels: Intercultural Research Center, Kobe University; pp. 99-109 at http://web.cla.kobe-u.ac.jp/group/IReC/pdf/20120306_vidal.pdf.

Speaking in Paris in 2000, the then Japanese Foreign Minister Kono Yohei laid the foundation for Japan-EU political cooperation when he advocated a millennium partnership and cooperation that went beyond trade and economics. His speech, which talked of the relationship almost exclusively in political and not economic terms, was almost revolutionary. The process now being taken forward, namely to renew the basis of mutual cooperation after the end of the 2001 Action Plan, the successful conclusion of the parallel negotiations, and cooperation in the areas outlined above, offer the possibility to upgrade, broaden and solidify the EU-Japan relationship in order to provide the ‘proactive pacifism’ advocated by Prime Minister Abe. This would provide the partnership of former Foreign Minister Kono’s vision.

The EU and Japan have come a long way, changing the relationship from one dominated by trade disputes to a more comprehensive one where the lack of disputes has been equated with a relationship of benign neglect. Since 2012 the EU has been particularly active in Asia in terms of high level visits, participation in important events (for example at ASEM Summits, the ARF, and Shangri-La Dialogue), and signing the Treaty of Amity and Cooperation. All of these should have an impact on views of the EU in Asia and in Japan in particular, moving away from one where economics is the dominant theme.

Finally, concluding the negotiations on the FTA and the SPA would not only strengthen the bilateral relationship by giving the relationship direction and purpose. It would also contribute to the formation of rules on global governance, especially through agreements on standards. This could increase Japan’s special status as a strategic partner of choice and bind the EU and Japan into an institutionalised framework as nations that share common values. This would finally tap the relationships untapped potential, particularly if supported by a common public diplomacy effort. Foreign Minister Kishida’s 2015 Brussels address in which he outlined three pillars for Japan’s policy towards Europe – cooperation for global peace and stability; addressing global challenges together; promoting economic partnership – reflects a comprehensive approach and therefore represents an important step in this direction.

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