

# New Diplomacy Compass

Crossing Borders, Demystifying Japan

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## Regional Cooperation in East Asia:

## Citizens in Forming a "United Nations" for Peace in East Asia

## Kumiko Haba

Professor Emeritus at Aoyama Gakuin University
President of ISA Asia Pacific

77 years have already passed since the end of the Second World War. During these 77 years, East Asia has experienced the Cold War and the New Cold War with all its consequences, while cooperating with the United States and Europe all throughout. In spite of all the time having passed since these events, the relationship between Japan and its neighbors is still heavily influenced by an unfortunate history of Japanese invasion during the Second World War. Such historical trauma is not yet fully healed up to this day. Post-war Europe, on the other hand, had managed to build an anti-war community and achieve integration through cooperation and reconciliation, although it suffered almost twice as many casualties as Asia.

After the end of the Cold War in 1989, Europe had the momentum to expand the European Union (EU) and the North Atlantic Treaty Organization (NATO) into Eastern Europe with the aim of reunification. At the same time, albeit belatedly, regional economic partnerships began to develop in Asia as well. Regional cooperation and joint partnerships, such as the Association of Southeast Asian Nations (ASEAN), ASEAN plus Japan, China, and the Republic of Korea (ASEAN+3), the Asia Pacific Economic Cooperation (APEC), the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and the Regional Comprehensive Economic Partnership (RCEP), had been expected to develop even further.

However, China's rapid development in the fields of economy, information technology and military technology called forth a sense of threat and caution. Changes occurred in the geopolitical environment of East Asia. In the past ten years, regional cooperation aimed at forming the "East Asian Community" has slowed down, and after the US-China trade war that took place under the Trump administration, the situation escalated to the point where it was even called "East Asia's New Cold War." Therefore, it is necessary to find a way out of this situation and establish the so-called East Asian United Nations similar to the Conference for Security and Cooperation in Europe.

### **History of Regional Cooperation in East Asia**

Historically, Japan imported many characteristics of its language, religion, culture, and customs from the Korean Peninsula and mainland China. Japanese society was built along with choosing and accepting continental culture. Chinese characters were introduced in the latter half of the 4th century, while Buddhism came to the country in the middle of the 6th century. The bureaucratic system of China and the Korean Peninsula was adopted in the 7th and 8th centuries, whereas the technique of compiling official historical materials was introduced in the 8th and 9th centuries.

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The idea of East Asian regional cooperation started gaining shape in the 1880s, when early Meiji-era Japan ended its isolation policy and headed towards the opening of the country. However, after Japan won the Sino-Japanese War and the Russo-Japanese War with the support of the Great Powers and participated in the division of territory, the idea of regional cooperation turned into the concept of the Greater East Asia Co-Prosperity Sphere, referring to Japan's expanding control over the continent. This means that in early modern times, the concept of East Asian cooperation was synonymous with the idea of Japanese military expansion into the continent.

Two Japanese politicians changed the understanding of the East Asian partnership concept. Morinosuke Kajiima and Ichiro Hatoyama took interest in Pan-Europeanism advocated in the 1920s by Richard Coudenhove-Kalergi, known as the father of European integration, whose mother was a Japanese called Mitsuko (he paid a visit to Japan in 1967). Kajiima and Hatoyama insisted that Asia needed to form a cooperative partnership based on yūai (fraternity) similar to the Franco-German reconciliation, energy co-existence, and anti-war community in Europe. Ichiro Hatoyama was especially a proponent of the concept of fraternity, the same concept embedded in Yukio Hatoyama's "East Asian Community" idea.

The normalization of diplomatic relations between Japan and its neighbor countries began during Japan's rapid growth period from the 1960s to the 1980s. The Treaty on Basic Relations between Japan and the Republic of Korea was signed in 1965, whereas the agreement on reintegrating Okinawa into Japanese territory was concluded in May 1972. Japanese-Chinese diplomatic relations were normalized in September of 1972, and the Treaty of Peace and Friendship was signed in 1978. In response to requests from the Japanese business community, the plan of Asia-Pacific Economic Integration was prepared under Takeo Miki, former Prime Minister of Japan. Despite such positive momentums, however, friendly relations between Japan, China, and the Republic of Korea barely progressed. Instead of economic cooperation in Asia, the so-called flying geese model of economic development, centered on Japan and the United States, became mainstream, but developing nations and the countries of the Communist Bloc were excluded. China was denied participation as well.

### The Concept of an "East Asian Community" in the Early 21st Century and its Setbacks

The beginning of the 21st century saw the most progress of regional cooperation in East Asia. The idea of an East Asian community as ASEAN+3 was proposed in 2001. However, in 2002, Keidanren chairman Hiroshi Okuda and Prime Minister Junichiro Koizumi spoke about an East Asian community that covered a wider territory, including Australia and New Zealand, and also neighboring countries such as China and South Korea. At the same time, the Ministry of Finance, the Institute for International Monetary Affairs (IIMA), and the Asian Development Bank Institute (ADBI) came up with the idea of creating a joint currency basket for Japan, China, and South Korea, similar to the Euro of the European Union. Masahiro Kawai, Director of the Institute of Developing Economies, and the author of this paper joined the discussion as well. At one point, even a common currency called ACU (Asian Currency Unit) was considered. In the early years of the 21st century, the Keidanren, the Ministry of Finance, and the government had been actively discussing financial integration, currency unification, and an East Asian Community with an aim for peace and stability, until the financial crisis hit in 2008.

The situation turned around when the Democratic Party of Japan won the elections by a landslide in 2009, and China overtook Japan in terms of GDP the following year. Yukio Hatoyama, who became prime minister at the time, encouraged cooperation between Japan, China and South Korea, and urged the realization of an East Asian

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community. Around 2010, a total of 12 regional cooperation organizations were formed in Asia, including SCO (Shanghai Cooperation Organization), TPP, and SAARC (South Asian Regional Association). Europe followed an extremely systematic model of integration: the EU as economic cooperation and NATO as military alliance. In contrast, regional cooperation in Asia is diverse and multi-layered, cooperative relations across regions are intricately intertwined. Swiss researchers called it the "Noodle Bowl." In addition, out of the 12 Asian organizations mentioned above, only 3 (ASEAN+3, SAARC, BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation)) consist of solely Asian countries, with Russia participating in 8, the United States in 6, and the EU in 3. As such, Asia was unable to take a leading role.

However, the United States strongly criticized the Hatoyama administration after Prime Minister Hatoyama's article had been published in English, emphasizing the importance of regional integration unique to Asia. Afterwards, the Democratic government became unstable, which was followed by deteriorating Japanese-Chinese relations, triggered by the Noda administration's decision to nationalize the Senkaku Islands in opposition to selling the islands to the Tokyo Metropolitan Government led by Shintaro Ishihara. Furthermore, the relationship between Japan and South Korea - originally a quasi-alliance -, had deteriorated to an unprecedented level due to unresolved issues such as the case of comfort women and post-war compensation for forced labor.

## China's Growth and the "One Belt, One Road" Initiative

Meanwhile, China's economy grew rapidly, surpassing Japan in terms of nominal GDP in 2010 and the United States with regards to purchasing power parity GDP in 2014. Although China carefully maintained its economic cooperation with the US, it launched the Belt and Road Initiative (BRI) in 2013 along the lines of the historic Silk Road, avoiding the regions influenced by the US. The BRI is a 100-year development plan with land as well as sea routes crossing half the globe, aimed at the development of the "three I's": infrastructure, investment, and information technology. China's aspiration underlying the Initiative is to shape practical regional cooperation with the ASEAN countries, across South Asia, Central Asia, Africa, Southern Europe, and Eastern Europe mainly through the Asian Infrastructure Investment Bank (AIIB).

The 2010s saw enormous progress in building up regional partnerships spanning China, Russia, and Europe. Russia sought to establish the "Slavic-Eurasian Union". Along with other countries adjacent to the Arctic Ocean, it also promoted the use of the Northern Sea Route as the Arctic ice began to melt due to global warming. This route can shorten the traditional Southern Route by three-fourth and the travel time by 10 days. As China was also involved, the promotion of the Northern Sea Route and China's BRI were called 'triple strings.'

Furthermore, although this is not well known, India, with its population being on par with China's, is also promoting SAARC and BIMSTEC with neighboring countries. It is worth noting that even China and India, now rising powers, each with a population of 1.4 billion, are promoting regional cooperation, seeking economic partnership rather than confrontation with their neighbors. Various regional partnerships are currently progressing in Asia.

#### New Strategies: QUAD, AUKUS and "China Containment"

Under these circumstances, the US launched the Quadrilateral Security Dialogue - a security alliance agreement with Japan, Australia, and India -, and the AUKUS, the US-UK-Australia Security Cooperation. The Biden

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administration has been carrying on with the containment policy against China initiated by the Trump administration. It also keeps on promoting the decoupling policy among US allies in Asia, which prohibits the sharing of China's IT products, as well as economic partnerships with China. Japan developed its relations with the US for political and military security, and turned to China and ASEAN countries for economic cooperation. As a result, Japan is facing difficulties now.

While the United States, the United Kingdom, and Australia have been strengthening military IT cooperation under the slogan of "freedom of navigation", they send naval vessels sailing on the South China Sea and near the Taiwan Strait. Taiwan and Okinawa are expanding their armed forces, and East Asia is becoming increasingly destabilized.

## Citizens Shaping the "United Nations of East Asia" with Okinawa as a Center of Peace

It is imperative to transform East Asia, the main driver of the global economy, into a region of peace and prosperity through cooperation and solidarity, rather than turning it into a place of instability and tension.

China's growth in the early 21st century is remarkable. British economic think tanks, the International Monetary Fund (IMF), and the World Bank all predict that China will surpass the nominal GDP of the United States in 2028-30 and become the world's number one. The accumulated impact of the pandemic on the United States and Europe has also contributed to the growth in China, Taiwan, and East Asia.

Japan, other East Asian countries and Southeast Asian countries alike should shift their focus. The focus should be on economic partnerships, security cooperation and ultimately peace, rather than military tension, regional conflicts, and the containment of China. In the long run, it will ensure not only the prosperity of Asia but also the stability and prosperity of the world.

There is a model for this. In 1975, in the midst of the Cold War, Europe formally experienced the unification of East and West, in the neutral country of Finland. The Conference on Security and Cooperation in Europe, counting not only Western Europe, the Soviet Union, Eastern Europe, but also the Vatican and Monaco among its participants, was brought about by citizens and NGOs. A forum was created to discuss environmental and peace-related issues. After the end of the Cold War it became the Organization for Security and Cooperation in Europe and is still involved in maintaining the stability of not only Europe, but also its surrounding regions.

In East Asia, tensions are currently rising. Therefore, we would like to propose the formation of an "East Asian United Nations" with the island of Okinawa as the hub for establishing peace. Historically, Okinawa has been the cornerstone of cultural and economic exchange, and it has also been suffering from the issue of military bases. The current policies of the Japanese, Chinese and South Korean governments only cause tension and would eventually lead to war. In order to prevent war erupting in East Asia again, and to make East Asia a region of economic prosperity (along with global peace), we come forth with a purely civilian proposal centered on citizens and young people. We must establish a forum that encourages discussion while acknowledging differences. I would like to see this idea turn into reality as a network for citizens, local governments, intellectuals, and young people: the United Nations of East Asia.



## ■ An Ideal Location in the Heart of East Asia

~Okinawa lies at the center of a massive market of about two billion people~



Source: Okinawa Prefectural Government (2021) "Okinawa International Logistics Hub," https://www.pref.okinawa.jp/\_res/projects/default\_project/\_page\_/001/011/896/eigo\_p1-2.pdf

#### Kumiko Haba

Professor Emeritus at Aoyama Gakuin University, President of International Studies Association (ISA) Asia Pacific (2021-24), President of the EUSA Asia Pacific Tokyo Conference(2017). Vice President of ISA (2016-17), Vice President of ISA Asia Pacific (2018-21). She is a member of Bureau of Commission of History of International Relations(CHIR, Paris). She is the Director of Institute for Global International Relations (IGIR)(2016-), Jean Monnet Chair of the European Union(2005-), Member of Science Council of Japan(2012-18), now Associate Member of SCJ(2018-24). She was a Visiting Scholar at Harvard University(2011-12), European University Institute(EUI), Italy(2008), University of Paris(2004), University of London (1996-97), and Hungarian Academy of Science (1995-96, 2002). Her Specialty is International Politics, Comparative Studies of Regional Collaboration between EU and Asia, Immigrants/Refugee/Minority questions, and Cold War and Peace, History of International Relations. She wrote 73 books: including 17 English books & Proceedings, Editor, Co-Editors, and Co-writers, and 220 articles.