

**Introduction**  
**East Asia in 2016—Uncertainties Grow**  
**in the Strategic Environment**

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## 1. The New Trump Administration and Opaque Foreign Policy

In January 2017, Donald Trump was inaugurated as president of the United States. President Trump positions “peace through strength,” an approach formally raised by President Ronald Reagan, as the core of foreign policy. Although his vision is to “promote regional stability, and produce an easing of tensions in the world” while advancing US national interests, as more than a few unclear or contradictory statements concerning concrete policy were made during and after the election, close attention will be paid to initiatives taken from now on.

With regard to policy toward China, which is one of the pillars of the administration’s Asia-Pacific policy, trade issues formed the core of his arguments during the campaign, and bringing back “fairness” to trade relations with China was indicated to be a key policy goal. With regard to US military presence in the Asia-Pacific, he positioned actions to “strengthen the U.S. military and deploying it appropriately in the East and South China Seas” as part of strategies for trade negotiations with China, and through this “discourage Chinese adventurism that imperils American interests in Asia and shows our strength as we begin renegotiating our trading relationship with China.” He believes that a “strong military presence” will show other nations the global leadership of the United States.

In contrast to this China policy, Trump shows a cooperative stance in the relationship with Russia, and chose ExxonMobil Chairman Rex Tillerson, who has a close relationship with Russia as Secretary of State. An upcoming point at issue will be whether the United States actually eases or removes the economic sanctions against Russia, which have been levied by the Barack Obama administration since 2014. With regard to the Syria issue, from the position of placing importance on dealing with the Islamic State of Iraq and the Levant (ISIL) and international terrorism, there is also the possibility that the administration will show a cooperative stance toward Russia, which supports the Bashar al-Assad regime. But as there are deeply rooted perceptions of the Russian threat in the US Congress, including the issue of hacking during the election, there is also the possibility that Trump’s policy of cooperation with Russia will face resistance by Congress. Moreover, the position to bolster relations with Russia will most probably have an impact on the US relationship with the North Atlantic Treaty Organization (NATO) countries as well.

## 2. North Korea's Growing Nuclear and Missile Threat

North Korea, following the strategic line on carrying out economic construction and building nuclear armed forces simultaneously, carried out its fourth and fifth nuclear tests, and conducted multiple launches of Nodong missiles that can reach Japan, Musudan missiles that can reach Guam, and submarine-launched ballistic missiles (SLBMs), accelerating the pace of its nuclear and missile development, and repeatedly launching ballistic missiles into the waters near Japan, evidencing the possibility that North Korea's missile capabilities are improving in all respects. Specifically, North Korea's improved capabilities in missile range, flight accuracy and stability, use of solid fuels, simultaneous and continuous launches, combined with advances in nuclear development, constitute a growing security threat to the region, including Japan, and to the world. Also, unlike previous launches of long-range ballistic missiles ostensibly for "satellites," Nodong and Musudan launches were conducted without any notification, making it more difficult to detect signs of launch, and thus heightening the surprise attack potential of North Korean missile launches. A Five-Year Strategy for National Economic Development was announced at the Seventh Congress of the Workers' Party of Korea (WPK), convened for the first time in thirty-six years, but nevertheless, it seems that nuclear and missile development is prioritized over economic development in North Korea.

In response to North Korea's nuclear tests, the Park Geun-hye administration of the Republic of Korea (ROK) shifted its policies toward increased psychological, diplomatic, and military pressure on North Korea. While this created discord with China in terms of sanctions against North Korea, the US-ROK alliance and Japan-US-ROK cooperation were strengthened. Militarily, South Korea focused on systems for precision attacks to destroy North Korea's nuclear and missile facilities and building its own missile defense system. In response to North Korea conducting two nuclear tests in 2016, South Korea made clear its policy of retaliation targeting North Korean leadership with ballistic missiles and special operations forces in the event of North Korean use of nuclear weapons. With a new government expected to be formed to succeed the Park Geun-hye administration, the possibility exists for efforts to improve relations with North Korea and China, as well as to revise Park-era agreements with the United States and Japan. Whether such a new government's efforts would mitigate the nuclear

and missile threat from North Korea is not clear, and the possibility these efforts would create strains in the relationship with the United States and Japan cannot be denied.

### **3. An Ever-stronger China Sets Out to Sea, Perplexing Neighbors for a Response**

China has taken a clear stand opposing the award on its construction of artificial islands in the South China Sea handed down in July by an international arbitral tribunal in response to an appeal by the Philippines, indicating that it intends to carry out its plans for more construction. It has also carried out large military exercises in the South China Sea while offering domestically the justification of US pressure regarding maritime issues there. Japan has also received new attention, as a People's Liberation Army (PLA) Navy combat vessel entered Japan's contiguous waters surrounding the Senkaku Islands for the first time in June; in August China suddenly increased the number of Chinese Coast Guard vessels entering Japanese territorial and contiguous waters around the Senkakus. The Obama administration was engaged in rebalancing US positions toward the Asia-Pacific region in order to achieve greater sustained involvement there, with policy toward China as one of the central concerns; while it has seen some level of results from its "intervention" with China, it still has not been able to contain the gradual growth of Chinese presence in the East and South China Seas or the pressures that China seeks to apply through its words and actions.

With an eye to securing greater access to energy resources and reducing its reliance on sea lanes through the Malacca Strait, China has proposed a "One Belt, One Road" (OBOR) initiative to promote that goal, and such Chinese moves toward greater access in the Indian Ocean have given India reason for paying closer attention. Pakistan, which has traditionally had a friendly relationship with China and has in recent years sought to increase those ties, has been offering active cooperation in China's advance into the Indian Ocean through the China-Pakistan Economic Corridor (CPEC). In terms of its ongoing confrontation with India, Pakistan has shown strong enthusiasm for supporting China's military presence in the Indian Ocean. The Philippines' new president, Rodrigo Duterte, has shown himself positive toward bilateral talks with China, and he seems increasingly ready to use the Philippine-China relationship to counterbalance his

country's alliance with the United States. The decision handed down by the international arbitral tribunal recognized the Philippine position almost completely, but China reacted very strongly to the contents of the award, with the result that the reaction of members of the Association of Southeast Asian Nations (ASEAN), which includes the Philippines and Vietnam, has been restrained in deference to China.

#### **4. President Putin's Visit to Japan, and Moves toward Normalizing Japan-Russia Relations**

On December 15 and 16, 2016, President Vladimir Putin paid his first visit to Japan in eleven years as president of Russia, holding talks with Prime Minister Shinzo Abe for two days—both at a hotel located at a hot spring in the city of Nagato (Abe's hometown) in Yamaguchi Prefecture—and at the Prime Minister's office in Tokyo. At this summit, the two sides agreed to start discussions on the establishment of joint economic activities in the disputed Northern Territories under a so-called “special arrangement,” and to allow Japanese citizens who were formerly residents of the islands to come and go freely. According to a post-summit press release, the two leaders expressed their firm personal resolve to work toward a solution to the peace treaty issue. At the joint press conference, President Putin said that the most important item on the agenda was the conclusion of a peace treaty, and that this would not be postponed. It will not necessarily be easy for Japan and Russia to proceed with economic cooperation activities that do not conflict with the two countries' legal stance on the peace treaty issue, but this agreement seems likely to serve as an important first step in the “new approach” to this issue.

Russia is placing greater importance on Japan, not only in the economic sphere but also with respect to national security. *The Foreign Policy Concept of the Russian Federation*, a document adopted by President Putin on November 30, 2016, contains the statement: “The Russian Federation will continue to build good-neighbourly relations and promote mutually beneficial cooperation with Japan, including for ensuring stability and security in Asia-Pacific.” In addition, Putin mentioned Japan—along with China and India—in his annual State of the Nation Address, delivered on December 1.

At the recent summit, Prime Minister Abe asserted that, against the backdrop

of growing threats to national security in the Asia-Pacific region, dialogue between Japan and Russia on security issues was of great significance. The two leaders agreed to promote continued dialogue between their respective national security councils, as well as exchanges in the defense field. They also agreed on the importance of bilateral collaboration to stabilize the security environment in East Asia, and for this reason, too, the normalization of relations via the signing of a peace treaty is thought to be essential.

## **5. Influence of Europe's Multiple Threats on East Asia**

Facing a set of unprecedented changes in its strategic environment, Europe today needs to address multiple threats and crises simultaneously. The first of those is the threat from the East, caused by Russia's aggressive behavior. The second threat comes from the South, namely, the deterioration of the situation in the Middle East and Northern Africa. The third threat is the so-called "threat from within," exemplified by the migration crisis and terrorist threats. The threat from within was compounded by the United Kingdom's decision to withdraw from the European Union (EU) after a referendum that took place on June 23, 2016. Europe has literally been hit by "multiple crises."

Japan cannot be indifferent to Europe's changing strategic environment as it is affected despite the geographical distance. There is concern that Europe will become inward-looking, preoccupied by the need to address its own problems within the region and in its neighborhood. From a Japanese perspective, what is important is how Europe's engagement in Asia—particularly its relations with China and its perception of that country—will evolve under such circumstances. Furthermore, the deterioration of the security situation in and around Europe has forced the United States to boost its security engagement in Europe again. If the situation persists, and the United States needs to spend a larger amount of its resources on the security of Europe, the foundations of the US "pivot to Asia" could be undermined, given that one of the conditions of such policy was the assumption that the US security burden in Europe and the Middle East would be reduced.

## **6. Japan Broadening Its Strategic Horizons**

One distinctive feature of Japan's security policy in recent years is the strengthening

not only of its traditional alliance with the United States but also its security relationships with other countries and organizations of the Asia-Pacific region: the ROK, Australia, India, and ASEAN. The second Abe administration has positioned the maintenance and promotion of an international order based on the universal values and rules of freedom, democracy and respect for basic human rights and the rule of law as one of Japan's key national interests. Accordingly, it has been strengthening security relationships across the whole region from the western Pacific, beyond Southeast Asia and the Indian Ocean as far as the continent of Africa, broadening its posture from the geographical region centering on Northeast Asia and the Asia-Pacific to the region known as the "Indo-Pacific."

This broadening of Japan's strategic horizons can be ascribed to the ongoing power shift in the Asia-Pacific region. The rise of the emerging nations of China and India in particular, while it has brought Japan economic benefits, has also posed the challenges of infringements of international rules and norms, such as the freedom of navigation and air transit, and the undermining of their restraining power. While maintaining a strong military presence as the only superpower in the region, the United States, in response to necessary reductions in military spending and the worsening situation in Europe and the Middle East, is seeking an even more active role from its allies and countries in the Asia-Pacific region to ensure regional stability. Against this background, Japan is moving more strongly towards maintaining and strengthening a free and open regional order based on the rule of law together with the "rebalancing" United States and regional partners that share the same values and interests.