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Japan's Misfiring Security Hedge: Discovering the Limits of Middle-Power Internationalism and Strategic Convergence

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Introduction

In the rapidly changing Asia-Pacific region, Japan, like Australia, faces the challenge of balancing its deepening relations with China, particularly on the economic level, with its wider political and strategic arrangements with the United States (White 2005). How to balance these demands and hedge against the associated risks has been an important point of debate in Japanese security politics and a key geopolitical concern for the government. Historically, in seeking to strike such a balance and maintain some autonomy in its foreign policy, Japan has oscillated between different policy approaches, at different times recalibrating its hedging from balancing against to bandwagoning with the United States in order to avoid either abandonment by the United States or entrapment in its global security strategy (Samuels 2007: 200–2). Japan's 'China hedge' has also swung between engagement and balancing, so that its diplomacy has accordingly shifted from antagonism to rapprochement and back again at different times (Hagström and Jerdén 2010: 720–1). Today, in an era when the strategic dynamics of the Asia-Pacific are uncertain and could well become more competitive (e.g., see White and Taylor 2009), Japan's struggle to find a viable way to hedge against such risks is becoming ever more important to its national security.

Following the Democratic Party of Japan's (DPJ) election victory in September 2009, the new Prime Minister Yukio Hatoyama sought to

develop a new multidimensional strategic hedge; it was argued at the time that he had developed a 'third way' or a 'middle way' by which Japan could 'serve as a bridge between China and the US' (Yokota 2009). Hatoyama's thinking was close to that of *middle-power internationalism* and *strategic convergence*. A school of thought within the Japanese security debate that became prominent in the mid-2000s, 'middle-power internationalism', and its corollary 'middle-power Asianism', mostly accept the role played by the United States in the Asia-Pacific and the importance of the US–Japan alliance. This faction would, nonetheless, prefer Japan to distance itself from its traditional American ally. Although a diverse group with often differing interpretations of Japanese security, notable figures in the debate have included Yoshihide Soeya (2005), Shinichi Yamamuro, Jitsuro Terashima and others (see Samuels 2007: 127–31).

Terms such as 'dual hedge' or 'mixed strategy' have also been employed to describe similar kinds of hedging approaches (see Heginbotham and Samuels 2002: 118; Mochizuki 2007: 739). Their common aim is to combine engagement with indirect balancing in order to manage the potential threats as well as maximise the opportunities presented by regional power shifts. That is, they are bets on 'multiple alternative positions' or attempts to find a 'middle position that forestalls or avoids having to choose one side at the obvious expense of another' (Goh 2005: 1–2). This idea of developing multiple alternative positions also lies at the heart of 'strategic convergence', a term used by Japan's National Institute for Defense Studies in 2005. According to the Institute, Japan should seek to achieve a 'strategic convergence of US alliances and multilateral cooperation in East Asia', particularly in terms of the East Asian Community (EAC) (National Institute for Defense Studies 2005: 56; Samuels 2007: 127–31, 201–2).

During 2010, however, the Hatoyama government's attempt at a strategic reorientation based on middle-power internationalism largely fell apart. Its failure raises a number of important questions about Japanese strategic thinking and policy implementation. Why did Hatoyama's strategy misfire? And what does its experience suggest about the future viability of middle-power internationalism and strategic convergence? The argument presented here is that international conditions in Northeast Asia over 2009 and 2010 exposed the limitations of middle-power internationalism and strategic convergence, at least in terms of the version practised by Hatoyama. The DPJ's strategy, which combined indirect balancing against the United States and engagement with China, proved too reliant on optimistic perceptions of the international

environment and was therefore unable to fulfil the basic role of hedging, that is, to provide an offset against unexpected negative events.

Strategic convergence and *yuai*

In late 2009 Japan was undergoing a major shift in its domestic politics. With the victory of the DPJ in the lower house elections of September, the Liberal Democratic Party (LDP) was ejected from government for only the second time since 1955. In its stead, the DPJ promised to launch a new type of politics. The party's considerable ambition and idealism were outlined, albeit in broad terms, in its election manifesto. With a philosophy of 'Putting People's Lives First', the party listed major pledges on issues such as wasteful government, education funding, the pension system, regional autonomy and economic development. People would be more important than interests, policy would not be left in the 'hands of the bureaucracy' and a more horizontal society without vested interests in which everyone could be useful would be created (DPJ 2009: 3).

Amongst its foreign policy objectives, the DPJ stated that it intended to strengthen the country's relations in Asia, chiefly but not limited to China, while also building a closer and more 'equal' alliance with the United States. Although good relations with everyone was the major theme in the document, given that Japan already had a close and long-established alliance relationship with the United States, a greater emphasis on the region implicitly required Japan to distance itself from the United States. The manifesto stated that 'having developed an autonomous foreign policy strategy for Japan', it would 'determine the assignment of functions and roles between Japan and the United States'. Key areas for attention would be a revision to the Status of Forces Agreement and a re-examination and eventually a realignment of US military forces as well as the role of US bases in the country (DPJ 2009: 28).

Owing to the problematic history Japan has with the Asian region, the party also announced that strengthening the country's relations in Asia – and in particular with a view to establishing an EAC – would also be a key policy objective. To this end, the party would make 'the greatest possible effort to develop relations of mutual trust with China, South Korea, and other Asian countries' (DPJ 2009: 28). These foreign policy objectives were soon described as 'vague', 'all mood music', making the DPJ 'vulnerable to confusion', and a case of Japan's 'confused revolution' (Funabashi 2009: 113; Green 2010). Yet when taken in the context

of the views of key party figures at the time of the election, as well as early policy decisions taken or considered by the new DPJ government, they do, nonetheless, point clearly towards an attempt by the DPJ to advance a new hedging strategy.

This revised policy direction is made clearer when we consider the background of its lead proponents. Hatoyama was the grandson of Ichiro Hatoyama, who had sought as prime minister in the 1950s to steer a more autonomous foreign policy path by attempting to negotiate Japan's normalisation of relations with the Soviet Union. The other key player who drove the new approach was Ichiro Ozawa, a long-time political dealmaker and proponent of Japan being a 'normal nation' (see Ozawa 1994). Both Ozawa and Hatoyama regularly made comments before and after the DPJ's election win indicating a preference for a more autonomous or independent Japan and a less unequal alliance (Samuels 2007: 129; Sunohara 2010: 45). Ozawa, for example, pushed for Japan to be more independent but also took a pro-China stance. As a past leader of the DPJ, Ozawa noted after meeting US Secretary of State Hillary Clinton when she visited Japan in February 2009 that the two sides of the alliance 'must be on an equal footing and one should not be subordinated to the other' (*Kyodo News*, 18 February 2009). Conversely, when meeting with the Chinese in November, Ozawa stated that the DPJ's foreign policy agenda was centred on Japan's relationship with China (*Nikkei Report*, 24 December 2009). Ozawa would later lead a delegation of more than 140 DPJ parliamentarians and 400 other officials to Beijing to meet with Chinese officials in order to develop closer links between the two countries and between the Chinese Communist Party and the DPJ (*Kyodo News*, 10 December 2009).

Hatoyama's musings on foreign policy around the election were even broader. Writing in *Voice* in September 2009, in an article that drew heavily on political philosophies of his late grandfather, Hatoyama suggested that his foreign policy would rest on the principle of '*yuai*' – that is, 'fraternity' or 'fraternal love' – and foreshadowed the end of 'American unilateralism' and 'US-led globalism'. On American decline, in particular, he argued that the global financial crisis had 'suggested to many people that the era of American unilateralism may come to an end' and noted that there were doubts about the durability of the US dollar as the global reserve currency. A US-led unipolar world would soon likely be replaced by an era of multipolarity (Hatoyama 2009b). An abridged version of the article, which appeared in the *New York Times*, discussed the US-led movement of 'market fundamentalism' and also repeated Hatoyama's themes of balancing and autonomy: 'How

should Japan maintain its political and economic independence and protect its national interest when caught between the United States, which is fighting to retain its position as the world's dominant power, and China, which is seeking ways to become dominant?' (Hatoyama 2009a).

Much of the rhetoric, of course, followed the DPJ's attempts to develop a governing style that stood apart from the LDP's, with the overall aim to be more open, citizen-oriented and not reliant on the close connections that had built up between the ruling party and the bureaucracy. But the party also highlighted the importance of Asia in Japanese diplomacy, sometimes at the expense of Japan's own alliance relations with the United States. Hatoyama, in considering what role Japan might play in the world, emphasised what 'Japan aspired to be within Asia' (Hatoyama 2010) and pushed for his regional community concept, the EAC, highlighting the importance his administration attached to its Asian diplomacy and 'open regional cooperation' (Hatoyama 2009c). In October, Hatoyama noted that Japan had been 'too dependent on the US' but later had to stress that the United States would have to be included in the EAC after Minister of Foreign Affairs Katsuya Okada implied that the United States would not be involved (*Nikkei Weekly*, 2 November 2009). Others within the DPJ expressed the view that Japan had followed the United States too closely, that in future the United States should be seen less as a 'boss', and that independence should be an ambition for all states. The United Nations (UN) was seen as the natural framework through which Japan could, if it desired, pursue a more active international role (Hagström 2010: 519–20; Kersten 2011b: 17–18).

Alliance setbacks and community disappointments

The first set of challenges to the DPJ's middle-power internationalism was alliance-related and began with DPJ promises concerning Afghanistan and Iraq. In keeping with its election promise, it announced that the government would not renew the legislation that allowed for the refuelling missions being carried out by the Maritime Self-Defense Forces (SDF) in the Indian Ocean in support of US forces. Ozawa had long opposed the operation as support for a war that did not have UN backing, despite pressure from the United States (Sunohara 2010: 46). So, as Hatoyama explained at a joint press conference with President Barack Obama in November 2009, Japan would instead 'enhance its support to improve the public welfare of the Afghan people'. As part of

this enhancement, the government would provide around US$5 billion over five years, of which it had provided approximately US$1 billion of assistance as of November 2010 (Prime Minister of Japan and his Cabinet 2009; Ministry of Foreign Affairs, Japan 2010c: 3). References to chequebook diplomacy – recalling Japan's response to the first Gulf War – were promptly made.

The second, and more significant, alliance setback concerned Okinawa. The United States and Japan had agreed in the 1990s that, as part of reducing the burden of US bases on Okinawans, the Futenma marine base would be returned to Japan when a suitable alternative was constructed. The challenge was to find such a location. It was not until 2006 that the George W. Bush administration and the LDP government finally agreed on a plan to relocate Futenma, albeit to Cape Henoko that is still within Okinawa. In keeping with its electoral promises, the DPJ pushed to renegotiate this 2006 agreement, much to the displeasure of the US administration. Hatoyama, it must be remembered, had promised in July 2009 in Okinawa that 'if everyone agrees on a relocation out of the prefecture' of the Futenma marine base, he would have to 'act assertively in that direction' (*Asahi Shimbun*, 20 July 2009). Consequently, in a reportedly ill-tempered meeting with US Secretary of Defense Robert Gates, Hatoyama sought to defer any decision on the new location until May 2010 (Doi 2009: 1).

Hatoyama's promises had much to do with domestic political coalition building. The DPJ had been compelled to bring the left-wing Social Democratic Party (SDP) into government in order to form a majority in the upper house. The SDP was thus able to prompt Hatoyama and Okada to link the re-examination of the 2006 agreement with Japan's regional identity. Yet the DPJ itself also seemed divided on the issue of Okinawa, with different figures adopting conflicting suggestions on where the new facilities should be located. Although Hatoyama had suggested that the new facilities should be outside the prefecture, Okada initially opined that they could be moved to the Kadena airbase before eventually changing his view, while Minister of Defence Toshimi Kitazawa preferred the 2006 agreement (*Japan Times Online*, 6 December 2009; Sneider 2009: 3).

The issue came to a head in early May 2010 when Hatoyama reneged on his promise. The government had stretched out the negotiations and in the process examined over 40 alternative locations but was still unable to find one that was suitable. In Okinawa, Hatoyama was forced to announce, to jeering constituents, that the relocation would continue as planned, that is *within* the prefecture (*Economist*, 6 May 2010). At

a press conference later in May, Hatoyama largely committed to the original plan since 'the presence of the US military bases is imperative for the security of Japan'. According to Hatoyama, the government was forced to 'ask that relocation be within Okinawa, and to a place no other than Henoko' because 'unless a replacement facility is decided, the Futenma Air Station shall never be returned' (Prime Minister of Japan and his Cabinet 2010). This policy U-turn led to uproar within the DPJ-led coalition, and Hatoyama was forced to sack the consumer affairs minister and SDP leader, Mizuho Fukushima, after she refused to support the Cabinet's decision. In the *Yomiuri Shimbun* the following day, it was observed that 'after the confusion he caused to Japanese politics and the Japan–US alliance, he violated his "promise to the people". Although he apologised, in a fashion, he would not take responsibility. This is the essence of Prime Minister Hatoyama' (*Yomiuri Shimbun*, 29 May 2010). Eventually, Hatoyama, who was also mired in financial scandals, resigned in June and was replaced by Naoto Kan. The resignation was prompted by Hatoyama's surprise and discouragement over his failure to move the US Marine Corps deployment from Futenma (*Japan Times Online*, 14 February 2011).

At the same time, the other side of strategic convergence – the DPJ's plan to move closer to the region – was also progressing less smoothly than expected. Indeed, the most glaring disappointment for Hatoyama's *yuai* experiment was the failure of the EAC proposal to become an acceptable component of regional multilateral politics. Hatoyama floated the EAC idea in a meeting with Chinese President Hu Jintao in September 2009 at the UN in New York and he continued to promote it vigorously at a Trilateral Summit meeting with Chinese Premier Wen Jiabao and South Korean President Lee Myung-bak the following month.

In a replay of the East Asia Summit (EAS) organisational meeting convened at Kuala Lumpur in December 2008, China and Japan differed on what would comprise any EAC membership: China preferred an 'East Asian' model of the ten Association of Southeast Asian Nations (ASEAN) members plus China, Japan and South Korea (ASEAN+3) while Japan wanted to include Australia, India and New Zealand. China reportedly interpreted the Japanese position as part of a strategy to promote a 'Japan-led order in Asia' and as a way for Japan to compensate for its own economic weaknesses vis-à-vis an economically vibrant China. Japan's weaknesses in this regard had been exposed during the global financial crisis (Hirano 2009). The initial DPJ vision of regional 'fraternity' thus degenerated quickly from Beijing's perspective into suspicions that the new Japanese government was pursuing a zero-sum strategy of multilateralism to re-establish Japan's economic and diplomatic primacy throughout the Asia-Pacific.

This perception was strengthened by the haziness of Hatoyama's and Okada's representations of the EAC concept. Even within government there was considerable confusion about what the 'rhetoric' of DPJ policy on the EAC actually meant in practice (Envall interview with government official, Tokyo, 8 March 2010). Also, at different intervals, Hatoyama was in favour or opposed to US membership in the grouping (in contrast to Australian Prime Minister Kevin Rudd's Asia-Pacific Community (APC) proposal where the United States was envisioned to be a key member from the outset). US membership would be problematic to the extent that it would refute Japanese aspirations to exercise independent leadership in the region. American conservatives, moreover, received Hatoyama's proposal with less than ardent enthusiasm, believing that it represented a grand design for excluding US influence from Asia (Watanabe 2010). Yet the real game for establishing regional primacy in an EAC context was between China and Japan; the United States was only a marginal actor (George Mulgan 2009). The great compromise applied the EAC/APC syndrome (once it became clear China would accept neither of these architectures in the form they were proposed), incorporating American and Russian membership into the existing EAS that had proven, to that point, to be nothing more than another adjunct to ASEAN-driven multilateralism. ASEAN multilateralism, of course, had traditionally tended to dilute Asian community building via excessive rhetoric and elusive policy action rather than to reinforce it to the extent that any contending regional hegemon would fear its consequences.

At first glance, the EAC initiative was nothing new in Japanese foreign policy. Previous LDP administrations (and especially the administration of Junichiro Koizumi) had attempted to establish closer links with East Asia via bilateral trade agreements and intergovernmental institutions (Tanaka 2007: 52–73; Terada 2006). What distinguished Hatoyama's approach, however, was its ambitious vision of achieving a fundamental reconciliation with Japan's East Asian neighbours, and particularly with China. It would do so by redefining Japan's relations with its traditional allies and enemies alike and downplaying (although certainly not discarding) the role of postwar bilateral security ties with the United States – all major themes running through middle-power internationalism. This contrasted with the Australian APC proposal, which retained the core axiom that US power and security alliances underpinned any 'breathing space' needed for gradually cultivating

multilateral architectures that would take decades – not months or just a few years – to shape. The EAC was intended to be a mechanism for administering shock treatment to the East Asian order while the APC was all about finessing multilateralism's predominance in conjunction with a retention of the American 'hub and spokes' formula for managing strategic postwar power and capabilities. Hatoyama's approach proved to be too radical, Rudd's too tepid, and the EAS was the compromise the region had to have while China and the United States played a game of geopolitical primacy in which Japan could not hope to compete.

Security shocks and policy outcomes

North Korea has a long record of sending shocks through the Japanese foreign policy establishment, not to mention the entire Northeast Asia subregion, which in turn has wider regional implications for states such as Australia, who depend on a stable Northeast Asia for their security and economic prosperity. In the mid to late 1990s, for example, the North Korean nuclear crisis and the test firing of ballistic missiles not only demonstrated Japan's vulnerabilities to missile attack but also exposed the weaknesses in that country's defence organisation and the structure of the US–Japan alliance (Hughes 2004: 165–6). In 2006, the North's testing of a nuclear weapon led to a renewed 'nuclear' debate in Japan. LDP figures such as Taro Aso and Shoichi Nakagawa suggested that Japan may reasonably think about building nuclear weapons under various circumstances, while others, such as Hidenao Nakagawa, criticised such public speculation. Then Prime Minister Shinzo Abe also repeated the long-held but controversial view that the possession of nuclear weapons for defensive purposes would not be unconstitutional (Hughes 2007: 84; Park and Vogel 2007: 30). Still, it is unreasonable to think that when it assumed office, the DPJ could have anticipated exactly how events would transpire on the Korean peninsula in 2010.

Once again, however, Pyongyang managed to create regional havoc: first, by deliberately sinking a South Korean naval corvette, *Cheonan*, in March 2010 killing 46 South Korean sailors; and, second, by attacking South Korea directly, shelling the island of Yeonpyeong in November 2010. North Korea denied sinking the *Cheonan*; yet, after an international investigation was carried out that found amongst other things evidence that the torpedo was North Korean, it was concluded that the vessel 'was sunk as the result of an external underwater explosion caused by a torpedo made in North Korea' (*Economist*, 20 May 2010). The events of Yeonpyeong were even clearer. After revealing to US scientists that it possessed a new uranium-enrichment facility, North Korea instigated an hour-long artillery barrage which killed four South Koreans (two civilians and two marines). South Korea responded with a range of training exercises, notably a live-ammunition firing drill on Yeonpyeong and a joint naval war game with the United States, although by January 2011 Lee had announced that Seoul was open to dialogue with Pyongyang (*Economist*, 25 November 2010, 29 December 2010; Fackler 2010; Na 2011).

Although these two events were not directly aimed at Japan, their impact on defence politics in the country was, nonetheless, profound. Following the alleged sinking of the *Cheonan*, increased apprehensions in Tokyo about North Korea's bellicosity emerged in the context of already fraught alliance negotiations. Hatoyama and Obama struk an agreement on Futenma only a week after the release of the report from the international investigation into the *Cheonan*'s sinking. Shortly before his resignation as prime minister, Hatoyama revealed to journalists in a wide-ranging interview that 'I decided that it is of utmost importance that we place the Japan–US relationship on a solid relationship of mutual trust, considering the current situation in the Korean peninsula and in Asia' (Clifton 2010).

The Yeonpyeong attack also added to Japan's political uncertainty. Both houses of the Diet unanimously passed a resolution condemning the attack by North Korea, while the government ordered increased patrols by electronic surveillance aircraft and put Airborne Warning and Control System aircraft on 24-hour standby (*Nikkei Weekly*, 29 November 2010). The incident further exposed Japan's dependence on the US alliance for deterrence capabilities, thus pushing the DPJ harder to resolve the underlying tensions over Okinawa and drop its 'distancing' rhetoric. Just as North Korea attacked the South, however, a gubernatorial election was being held in Okinawa which returned the incumbent, Hirokazu Nakaima. Nakaima was seen as a moderate owing to the fact that in contrast to his opponent – who wanted the marine base relocated outside Japan – he merely wanted to move it outside Okinawa (*Daily Yomiuri*, 30 November 2010). Even under the more cautious Kan, Japan's capacity to actually deliver on its agreements remained in doubt.

China's role as a mediator on the Korean peninsula has long been of vital importance. Yet relentless growth in Chinese wealth and economic power had led to China's leadership adopting a far more aggressive stance in its relations with its regional neighbours and with the United States from early 2010 onward. This was both unhelpful for the Korean

peninsula and, as was soon to become apparent, would begin to create its own difficulties. As Ryosei Kokubun has observed, such Chinese growth has clearly shaped Sino-Japanese relations: 'given that China's future rise is inevitable and Japan's power must inevitably contract to some extent, it is highly likely that China–Japan relations will continue to be prone to friction, including psychological conflicts' (Kokubun 2010: 60). The Hatoyama and Kan governments found in 2010 that despite their efforts at putting China at the centre of their diplomacy and stating that they wished to stake out a more autonomous foreign policy position, they could not escape the impact of nationalist pressures and insecurities related to the 'China factor'.

Thus, in September 2010 when a Chinese fishing trawler collided with Japanese Coast Guard (JCG) vessels near the disputed Diaoyu/Senkaku islands in the East China Sea, it triggered what the *Economist* (18 November 2010) described as 'the worst diplomatic incident between the two countries in half a decade'. As the collision occurred in what Japan regards as sovereign waters, the incident was initially treated as a 'police matter', with the captain of the Chinese boat briefly detained. He was, however, soon released back to China by a Japanese government worried about crisis escalation, which in this case involved the sudden and mysterious delay in exports of rare earths from China to Japan, the cancellation of Chinese tourist groups to Japan, the arrest of several Japanese businessmen in China, Chinese demands for an apology and compensation, and a subsequent increase in Chinese aircraft activity in the East China Sea. Leaked video of the incident further inflamed passions on both sides, since it soon became clear that the Chinese boat had deliberately rammed the JCG vessels (*Asahi.com*, 28 December 2010; Ito and Aoki 2010).

The Senkaku/Diaoyu episode shook Japanese politics. First, it occurred in the midst of the DPJ presidential election, which was being keenly contested by Prime Minister Kan and Ozawa, and thus caught the DPJ at a distracted moment. One senior party figure, then Chief Cabinet Secretary Yoshito Sengoku, even admitted that the incident took the DPJ by surprise (Katz 2010: 2). Second, it seemed to reveal a split within the DPJ on how to deal with such crises: in this instance, between those who wished to treat the matter as a legal issue and those who saw it as a diplomatic one. The former camp included Seiji Maehara (who subsequently went on to be foreign minister, before resigning due to a donations scandal) and Okada, while the latter camp included Ozawa (Iinuma 2010: 9). Taken together, these factors caused the DPJ to once again appear confused on foreign policy, which in turn dealt a serious

blow to the popularity of the government. Following the crisis, approval of the Kan administration dropped by just under 20 percentage points within a month, according to a *Yomiuri Shimbun* poll, from an approval rating of 53 per cent in early October to one of 35 per cent by early November (*Yomiuri Shimbun*, 8 November 2010).

The final outcome of these events was that, by January 2011, the DPJ had retreated from its ambitions for strategic convergence to a more orthodox strategic position focusing on building up capability within the alliance context and addressing primarily questions of abandonment rather than entrapment. It should not be surprising, therefore that reports had surfaced that Kitazawa and his South Korean counterpart, Kim Kwan-jin, had reached an accord on stepped-up intelligence sharing and combat logistical support in their mutual efforts to confront the North Korean threat (*Mainichi Daily News*, 11 January 2011). Also of note was the fact that the DPJ government felt compelled to announce a strengthening of 'crucial capabilities' in the country's defence forces, including an increase in submarines (from 16 to 22) and destroyers equipped with Aegis ballistic missile defence systems (from four to six) (*Nikkei Weekly*, 20 December 2010; Ministry of Defense, Japan 2010c).

Indeed, when the Kan administration released its new version of Japan's National Defense Program Guidelines (NDPG) in mid-December 2010, it called for increased military cooperation with the United States and other democratic countries in the region (Australia and South Korea) in response to growing Chinese military capabilities and to North Korean behaviour. It noted, in particular, that the trends in Chinese military spending, 'together with insufficient transparency over China's military forces and its security policy, are of concern for the regional and global community' (Ministry of Defense, Japan 2010c: 4). The new NDPG, influenced by the August 2010 report of the Council on Security and Defense Capabilities in the New Era (2010), is a document with which any previous LDP government would have been comfortable and appeared to undermine the rationale for the DPJ appointing its own committee of experts to replace a similar committee drawn up by the Abe administration to deliberate on the NDPG.

Causes and consequences

Why, then, did the DPJ's hedging strategy misfire? The term 'confused revolution' has been used to characterise the Hatoyama experiment. In other words, Japan experienced 'an anomalous leftward drift in Japanese security policy before a sudden acceleration back toward more

hard-headed realism' (Green 2010: 13). This explanation of events fits with the above and other analyses of the period (e.g., George Mulgan 2010), as a new realism appeared under the Kan administration. Yet, as others have pointed out, Japan's diplomatic orientation under the Hatoyama administration was less a revolution and more an adaptation of past policies (Sahashi 2010). Abe's attempt in 2006 to improve relations with China and South Korea following the antagonism caused by Koizumi would be one antecedent, although Abe's diplomacy had much less emphasis on indirectly balancing against the United States since the Abe administration also sought to strengthen the alliance (Kersten 2011b). The DPJ approach also recalls the time when another non-LDP administration was in power, under the prime ministership of Morihiro Hosokawa. Hosokawa had also reviewed the country's security policy, a decision which led to the Higuchi report advocating a greater emphasis on multilateralism in Japanese foreign policy and caused the United States to fear that Japan was drifting away from the alliance (Green 2002: 26).

A broader assessment of the DPJ's approach has been that it had no real strategic vision of its own security environment that would complement or update the US–Japan alliance in an effective way (see Smith 2010). That is, while the Hatoyama administration sought to end what it saw as 'an old-fashioned alliance management style', and in particular the influence of long-term bureaucrats, it failed to introduce an alternative style for dealing with these issues (Sunohara 2010: 52). In hedging, as with all trapeze acts, 'it is dangerous to let go with one hand before having a secure grasp with the other' (Samuels 2009: 18). In its high-wire act, the Hatoyama administration had let go of one bar, bilateralism, before finding a secure grip on the other, middle-power internationalism.

Although the premise of the DPJ's strategy – the basic idea of strategic convergence – was simple, it relied on overly optimistic assumptions about the state of the international environment and about the benefits, such as reducing the risk of conflict with China, that could accrue from moving away from the US alliance (Samuels 2007: 129). Terashima (2005, 2010) makes these arguments and also contends that the idea of the alliance meeting a China threat is 'off the mark'. Yet the events of 2010 suggest the opposite: that moving away from its relationship with the United States or hollowing out the alliance would be realistic only if the potential for conflict with China had already been minimised. A reconstituted alliance could be an outcome of improving regional relations, rather than a catalyst.

This logic explains much about the DPJ administration's approach to regionalism. In 2009 Japan perceived Beijing as less of a potential threat because of the relative stability in the bilateral relationship over previous years. This led the DPJ to focus predominantly on China's economic opportunities, despite Japan's experience of previous disruptions in the relationship (Fujiwara 2009). Equally, whereas previous Japanese governments, such as Koizumi's, had feared abandonment by the United States (Envall 2008), the DPJ, because it viewed the alliance as an impediment to improved regional relations, was more concerned that entrapment in America's global security strategy would constrain Japanese autonomy. Subsequently, when Hatoyama referred to an America in decline following the global financial crisis, while others in the party, such as Ozawa, sought to improve relations with China, they were placing significant bets that the logic of moving away from the United States would help them achieve their policy preferences. It later became clear, however, that these bets had damaged the alliance without bringing any tangible benefits in terms of regional engagement.

Ultimately, the strategic convergence approach as pursued by the Hatoyama administration lacked the *raison d'être* of a sound hedging strategy. It had no way of offsetting Japan's exposure to negative shifts in the regional environment, including rising tensions on the Korean peninsula, a more assertive China or a dissatisfied America. When international circumstances began changing in early 2010, and a hedge to offset the new circumstances was required, the underlying logic of the DPJ's strategy unravelled and its policy misfired. When regional conditions deteriorated, Japan's security dependence on the United States was exposed and the two sides of the DPJ's 'dual hedge', which were supposed to be mutually beneficial, were shown in reality to be working against each other. Put simply, in conditions of deteriorating regional stability, balancing against the US alliance did not enhance Japan's regional engagement prospects while engaging with the region did not enhance Japan's bargaining position within the alliance.

At first glance, the implications of these events for strategic convergence and middle-power internationalism seem bleak. Indeed, 2010 was a difficult year for proponents of middle-power internationalism in the Asia-Pacific. Australia's failure to realise the acceptance of its APC, particularly in Southeast Asia, is illustrative. Australian APC proponents had to be satisfied instead with the increased role given to the EAS, and particularly with America's belated inclusion. The evolution of the EAS

signified that something similar to the APC was emerging, even if it did not originate in Canberra. There was even less to console Japanese EAC proponents by the end of 2010, as the DPJ under Prime Minister Kan had downplayed much of its earlier policy thinking.

Indeed, with Hatoyama's decision to relocate Futenma within Okinawa, the reversal had already begun before Kan, and the release of the new NDPG in December, with its emphasis on remoulding the SDF and deepening cooperation with the United States therefore merely continued this shift (Ministry of Defense, Japan 2010c). Nonetheless, in crisis there is opportunity. In particular, if China were hoping to drive a wedge into the US–Japan alliance, it overplayed its hand. Rather than draw Japan further away from the US sphere of influence into what could be described as 'a separate, and subordinate, accommodation with Chinese power' (Madsen and Samuels 2010: 56) – a policy that Japan's balancing strategy almost invited – by acting so assertively, even aggressively, China reignited Japan's abandonment fears and so contributed to the reversal of policy under the Kan government. By 2011, the attitude amongst Japanese policymakers regarding the US role in Japan was quite simply – 'stay' (Envall interview with Japanese security analyst, Tokyo, 25 January 2011).

In this respect, China's actions should make a modified version of strategic convergence more practicable. It might, for instance, allow Japan to hedge its engagement with China more effectively with wider regional engagement. The DPJ would have the opportunity to reach out to other states in the region, perhaps in a more low-key way, if they were also more concerned about China's intentions. This in turn would assist Japan in fulfilling its ambition of employing regional engagement to hedge against entrapment in America's global security strategy. It could then also hedge engagement with China more effectively, not by moving away from the United States but by strengthening its role in the alliance and then working to properly globalise the alliance framework. Strengthening its role in the alliance could be assigned higher priority since China's actions also exposed the fallacy that viable hedging strategies are possible without commensurate military capabilities. This should not be taken as recommending a full 'hard balancing' strategy, however (Sohn 2010: 500). Rather, Japan could in future balance regional engagement with a more substantial strengthening of its military capabilities. If the DPJ were to continue its more conciliatory approach in the region to history issues, it could do much to advance this objective, although a more realistic domestic security debate would also be required.

Conclusion

When it came to office in 2009 the DPJ Hatoyama administration attempted to employ ideas from middle-power internationalism in its hedging strategy for the Asia-Pacific. Hatoyama thus developed an Asianist principle of *yuai* or 'fraternity', as well as a corresponding institutional framework known as the East Asian Community; the administration also sought to improve relations with the major powers in the region, particularly China, and laid out plans to distance itself from or have a more 'equal' relationship with the United States. Such actions followed the logic of strategic convergence, whereby Japan institutionalised East Asia while globalising the US–Japan alliance. If implemented properly, it was argued, such a strategy would allow Japan to enjoy American security protection while also capturing the economic opportunities presented by China.

As this chapter has shown, the DPJ's strategy depended on finding a strategic convergence that shifted its emphasis towards engaging China and balancing, at least indirectly, the United States. The strategy was based on an assumption – that an increasingly distant US–Japan alliance would make cordial relations in Asia, particularly with China, more likely – that was proved to be false. The strategy was heavily dependent, therefore, on regional strategic trends remaining positive. What occurred, however, was a disruption to regional stability almost as soon as the DPJ came to power. The DPJ itself contributed to many of the tensions in the US–Japan alliance in the latter part of 2009; the events of 2010, particularly North Korea's sinking of the *Cheonan* and its attack on the island of Yeonpyeong, as well as the shipping collision in and subsequent diplomatic dispute between China and Japan over the Diaoyu/Senkaku islands, were unpredictable but no less damaging. By the end of 2010, the DPJ was retreating to 'hard-headed realism', focusing on Japanese capabilities within the alliance context and clearly worrying about abandonment by the United States rather than entrapment in its global security strategy.

'The challenge for Japanese diplomats and strategists', Richard Samuels (2007: 201) observed when discussing future directions for Japanese security hedging in 2007, 'is to make "strategic convergence" acceptable to the United States and attractive to China.' As the reversal described above demonstrates, however, when the opportunity arose two years later for Japanese leaders to institute a new posture based largely on strategic convergence, the flaws inherent in this hedging strategy became painfully apparent. This approach cannot provide an

offset against destabilising events in the region or a cushion against increasing antagonism from the region's major powers. A hedging strategy that promised much – that would appeal to a potential rising power while also satisfying an established one – failed either to appeal to China or to satisfy the United States.

This highlights the need for Japan to consider alternatives to the type of middle-power internationalism developed so far under the DPJ. Instead of relying on multilateral grand designs through a 'strategic convergence' in order to hedge against the risks inherent within changing regional power dynamics, Japanese policymakers could manage such approaches in a more low-level way. If the aim is to hedge against unfavourable shifts in great power influence, Japan could look closely at developing more extensive relationships with other middle powers in the region who are also struggling to deal with the same strategic challenges. Given their already close relationship, Australia is an obvious partner.