



MANOHAR PARRIKAR INSTITUTE FOR
DEFENCE STUDIES AND ANALYSES

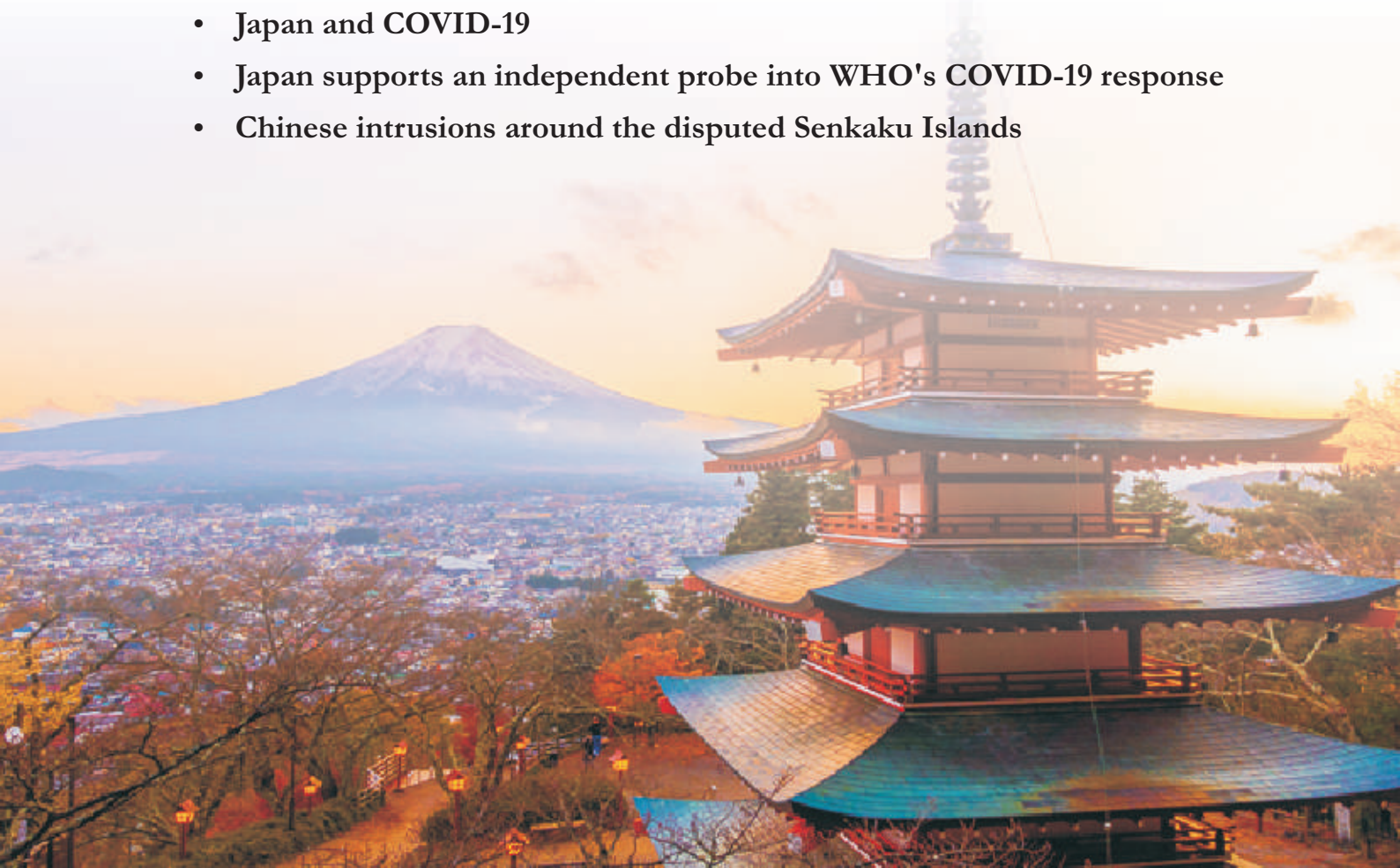
मनोहर पर्रिकर रक्षा अध्ययन एवं विश्लेषण संस्थान

JAPAN

Digest

May 2020

- Japan drafts the annual defence white paper
- National security concerns lead to protecting “core” industries
- Japan-US economic security dialogue
- Japan celebrates 73rd Constitution Day
- 2020 Diplomatic Bluebook
- Japan and COVID-19
- Japan supports an independent probe into WHO's COVID-19 response
- Chinese intrusions around the disputed Senkaku Islands



- **Japan drafts the annual defence white paper**

Japanese media reports suggest that the defence ministry in its draft white paper has underscored concerns regarding intensifying great power competition amidst a pandemic. It indicates that Chinese attempts to reshape the international order will be more pronounced and thus there is a need to weigh likely threats to national security. It stressed that several countries are preoccupied with managing the impact of COVID-19 and have mobilised armed forces to deal with the virus outbreak. Meanwhile, China has continued to increase its activities near Japan in an attempt to alter the status quo in the East China Sea, and also the South China Sea. China has bolstered its operational capabilities to manoeuvre in distant areas. In earlier months, Japan has registered protest with Chinese leadership against several Chinese incursions into territorial waters near the contested Senkaku Islands in the East China Sea. Additionally, the draft paper also stresses the challenge posed to Japan's national security by North Korea. It highlights that the short range ballistic missiles launched since last year have flown on a lower orbit than conventional missiles, implying that it can circumvent defence networks. The annual white paper is scheduled to be released in July.

- **National security concerns lead to protecting “core” industries**

National security concerns led to revision of the Foreign Exchange and Foreign Trade Act. It necessitates overseas investors to report beforehand when they buy more than one percent stake, as opposed to the earlier 10 percent threshold, in designated Japanese companies. The authorities have listed 518 companies under the category of “core” industries which will be subject to rigorous rules. The government stated that such measures are necessary to protect information and technology from overseas state interference and is key to safeguarding national security. Top companies such as Toyota Motor, Sony and SoftBank are in this category. However, some suggests that this may escalate operating costs.

- **Japan-US economic security dialogue**

US-Japan decided to strengthen cooperation and dialogue pertaining to economic security with focus on 5G technology and also dual use technologies. Reports indicate that Cabinet Secretariat from the Japanese side and National Security Council and Commerce Department from the US side will engage in economic security dialogue by the end of 2020. While the US has already blocked Huawei, Japan has effectually blocked Huawei from public procurement and participating in 5G mobile network infrastructure.

- **Japan celebrates 73rd Constitution Day**

On May 3, Japan celebrated the Constitution Day. Prime Minister Shinzo Abe reiterated his determination to amend the post-war Constitution and expand the narrow interpretation of right to collective self-defence. The ruling Liberal Democratic Party (LDP) favours revising Article 9 in order to add an unambiguous reference to the Self-Defense Forces (SDF) to settle the debate over its constitutionality. Since its promulgation, the post-war Constitution has never been amended. Previously, Prime Minister Abe set the goal of accomplishing the task by 2020. However, he voiced his regret concerning his failure to accomplish his goal within the set timeline.

- **2020 Diplomatic Bluebook**

Ministry of Foreign Affairs (MOFA) submitted the annual Diplomatic Bluebook to the Cabinet on May 19. MOFA's Diplomatic Bluebook is an annual feature tracking the major trends in Japan's foreign policy and has been issued since 1957. This year the Bluebook underscored that COVID-19 has majorly affected the global economy, society, and diplomacy. US-Japan alliance remains the mainstay of Japan's foreign and security policy. Taiwan is identified as an "extremely important partner", marking a considerable advancement from the 2019 edition when it was defined as a crucial partner and an important friend. South Korea has been identified as an "important" neighbour, first time since 2017. But the Bluebook also asserted claims on the disputed Takeshima Islands as an integral part of Japanese territory. This has led to an official protest from South Korean foreign ministry calling it an inappropriate representation. The Diplomatic Bluebook also reasserted Japanese sovereignty claim over the contested Northern Territories. This reference was avoided last year which generated discontentment amongst some conservative elements in the ruling LDP.

- **Japan and COVID-19**

Prime Minister Abe has lifted emergency from all parts of Japan following consultation with the advisory panel before the scheduled date of May 31. This move was essentially influenced by the urgent need to rescue the economy. Japan did succeed in keeping the causality from COVID-19 comparatively lower than other countries such as the US and Europe. It has also succeeded in bringing down the positive cases of coronavirus to government-determined targets for reopening. Japan has demonstrated the capacity to flatten the curve and ease the emergency in about a month and a half. Prime Minister has lauded the "Japanese model". Meanwhile, Japan has injected the second supplementary budget and the first and second package to support recovery together amounts to ¥200 trillion, which is around 40 percent of GDP.

- **Japan supports an independent probe into WHO's COVID-19 response**

Japan has supported a "fair, independent and comprehensive" investigation into the World Health Organization's preliminary response to COVID-19. It has supported EU's call for a scrutiny since COVID-19 wrecked global economy in addition to killing millions of people across the world.

- **Chinese intrusions around the disputed Senkaku Islands**

On May 8, two Chinese Coast Guard vessels reportedly infringed into the territorial waters of disputed Senkaku Islands and tailed Japanese fishing vessel. Such incursion led to Japanese Coast Guard vessels issue warning to the Chinese Coast Guard. However, Chinese vessels reportedly stayed in the territorial waters till May 10. Japan has registered official protest stating that such an act amounts to infringement of Japan's sovereignty. Meanwhile, China asserted that Coast Guard vessels were simply executing their duty pertaining to regulating the unlawful activities by the Japanese fishing vessel in China's territorial waters.