

The China-factor in Indo-Japanese relations

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Given the mutual love and respect between Prime Minister Narendra Modi and Japanese Premier Shinzo Abe, the upswing in Indo-Japanese relations over the last 15 years has gathered greater momentum. Japan was the first major country that Modi visited after becoming Prime Minister in May 2014. And last week (December 11-13), Modi hosted Abe in New Delhi. During Abe's visit as many seven high-profile pacts in key areas - economic, nuclear and defence cooperation – were signed. Now India can get nuclear technology from third countries like the United States whose nuclear companies have partial or full Japanese ownership; earlier it was not possible as Japan's nonproliferation laws debarred any atomic business with countries not signing the NPT. The visit also facilitated interactions in the field of defence, including joint designing and development of the weapon systems.

However, the most talked about agreement during Abe's visit was the \$12 billion Japanese loan at 0.1 per cent interest, to be repaid over 50 years, towards building India's first bullet train network of 500 km, linking Mumbai, the country's financial capital and Ahmedabad, Modi's home town. The significant aspect of this deal was Japan outwitting China, which was also a serious contender for developing this high speed railway system. It was all the more sweetening to Abe, given the fact only three months back Japan had lost to China in securing a similar bid to build high speed train network in Indonesia.

Whether it was only the commercial merits that weighed in favour of Japan bagging the railway deal in India or there were geopolitical imperatives is a question that will not find an easy answer. Because, of late, any talk on India-Japan relations is incomplete without mentioning the China-factor. A dominant school thought on geopolitics is of the view that in the Asia-Pacific (Indo-Pacific) region, which is going to determine the contour of the global politics in 21st century, four countries have to play vital roles – the United States, China, Japan and India. Of these, the United States is a "declining hegemon"; Japan is a "declining ally" (in the midst of an economic downturn); China is the ascendant power as "challenger"; and India is a somewhat "swing state" that can be propped up as an effective balancer against what many perceive to be the "menacing" rise of China.

China is viewed with suspicion, so the argument runs, because of its recent activities. It is not only building up a formidable military power but also aggressively pursuing its territorial claims all over, particularly in South China and East China Seas, creating thus tensions with Japan, Southeast Asian countries and the United States (the latter over the freedom of navigation in South China Sea). India too is disturbed because of China's vigorous courting of Pakistan, Myanmar, Bangladesh, Sri Lanka and the Maldives. In this sense, Japan and India joining hands to contain China becomes logical.

All told, India and Japan are natural allies in the Asia-Pacific region, sharing common democratic values, complementary economic interests and possibilities of cooperation in the so-called non-traditional areas of security, including science and technology. India is the largest democracy in Asia and Japan the most prosperous. Both are functioning and vibrant democracies, with a social matrix which emphasizes harmony and consensus, rather than confrontation. Both economies are market-oriented and largely complementary. They share a common desire for peace and stability and believe that the UN should be strengthened and its decision-making apparatus made more representative – both are aspirants for "permanent seats" in the UN Security Council and working in tandem(along with Germany, Brazil and

South Africa) towards that goal. Both support a cooperative and comprehensive approach to combating international terrorism and sea-piracy.

India and Japan are naturally worried over China's strategic nexus with North Korea (which is problematic for Japan) and Pakistan (problematic for India). By themselves neither North Korea nor Pakistan had the technological capability or financial resources to afford nuclear weapons and long range missiles. These missiles in the case of North Korea cover the Japanese heartland and Okinawa and in the case of Pakistan cover the Indian heartland. It is legitimate to question as to why China provided these deadly arsenals to failing states like North Korea and Pakistan, who are heading for 'rogue nation' status. The answer is obvious. It can be safely argued that China's intentions were to develop strategic pressure points by proxy in South Asia against India and in North East Asia against Japan. All the more reason, therefore, that India and Japan should have strategic congruence, with US support. This, perhaps, explains why of late the officials of Japan, India and the United States have been organising structured parleys and why Japan has agreed to join the hitherto bilateral Indo-US military exercises like "Exercise Malabar". In fact, much to the Chinese unhappiness, the Modi-Abe summit statement expressed concerns over the "unrest" in South China Sea. According to one Japanese scholar, "There are good reasons to set in place a security framework that could contain any future Chinese adventurism. Within such an understanding a triangulation with India in the West and Japan in the East could form the basis to keep any Chinese belligerence in check and the region in peace."

So far so good. But all this does not suggest that India and Japan, or for that matter the United States, have decided to form a formal alliance against China or to "contain" China. Far from it. What they all want is "peaceful and harmonious rise" of China, which is a "responsible stakeholder" in global peace and stability. None of them is prepared to treat China as an enemy. What they are trying at is some sort of "soft balancing" against the potentially precipitous fallout of Beijing's rise in case it gets threatening. The idea is that should China turn aggressive, it will find that Asia contains others such as India and Japan (Australia and South Korea, in addition) who would contain its power.

The corollary of this approach is to encourage China towards being a "responsible stakeholder" through "engagements" with Beijing. These engagements include, among others, functional cooperation as well as economic interactions. That explains why both India and Japan have heavy economic stakes in China, be it mutual trade and investments. And that explains why even after losing to Japan in bagging the Mumbai-Ahmedabad bullet-train links, China is very much there as a serious possible partner of India in developing similar but bigger speed-railway link between Delhi and Mumbai, India's political and business capitals respectively.

The functional cooperations between India and China are not insignificant either. Both do take common positions in international parleys on trade, climate, agriculture, industrial tariffs and non-tariff barriers and services. In the negotiations over agricultural trade liberalisation, China and India, which form part of the G-20 group of developing nations, demand subsidies and tariff reduction from developed countries. Besides, both are leading members of the regional organisations such as BRICS (Brazil, Russia, India, China and South Africa) and Shanghai Cooperation Organisation (SCO). In fact, as the leading members of the BRICS, India and China have played the most important role in founding what is called the New Development Bank (NDB) that will lend money to developing countries to help finance infrastructure projects. The bank is seen as an alternative to the World Bank and the International Monetary Fund, although the group says it is not a rival.

In sum, even though the need to hedge against Beijing underscoring Indo-Japanese ties, by indubitably practicing balance of power techniques — "internal balancing" — and building their own capabilities, remains vital, neither India nor Japan is playing any "China-card" as such. The Indo-Japanese relations are growing and will grow independent of the China factor. All told, a recent Japanese survey has revealed India as the most favoured destination for long-term Japanese investment. India is regarded by

70 per cent of Japanese manufacturers as the most attractive country to do business with followed by China (67 per cent), Russia (37 per cent) and Vietnam (28 per cent). Not long ago, the Japanese foreign ministry had conducted an opinion survey in India on the image of Japan. Its results were quite interesting. 76 per cent of the respondents perceived the current state of Japan-India relations either as being very friendly or friendly, showing that a positive image of Japan has been established. 92 per cent of Indians surveyed were positive when asked if Japan is a reliable friend of India. So, Indo-Japanese ties have their own momentum; they need not be pushed by a third party.

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