

Great Power Politics in Asia

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Introduction

We cannot exclude the U.S. and China when talking about major power politics in Asia. The United States, which has the world's largest economic and military power, and China, which has the world's second largest economic and military power, are engaged in a competition for hegemony. The U.S.-China competition for hegemony is the most important factor in great power politics in Asia.

The close relationship between China and Russia is also an important factor. China and Russia have been criticized by the United States as revisionist powers, but both countries are challenging the order that the United States has built and want to drive the United States out of Asia. In this sense, cooperation between China and Russia is the focus of competition among major powers.

The situation on the Korean Peninsula is also very important but very complicated. North Korea which has not halted its nuclear missile development despite international criticism is the most immediate threat to Asian countries including Japan. And South Korea, under the leadership of President Moon Jae-in who has clearly demonstrated its anti-Japan and pro-North Korea stance, remains an uncertain

factor. At a time when there are concerns over the withdrawal of U.S. forces from South Korea and the weakening of the U.S.-ROK alliance, attention should be paid to the moves of the Moon Jae-in administration which places top priority on relations with North Korea.

On the other hand, India, with its remarkable economic development, is increasingly becoming a major power in the future.

Japanese Prime Minister Shinzo Abe advocated a Free and Open Indo- Pacific Strategy (FOIP), and U.S. President Donald Trump adopted this strategy as the U.S. Strategy and announced the Indo- Pacific Strategy (IPS) of the United States. The Indo- Pacific strategy may be aimed at countering China's Belt and Road Initiative (BRI).

The struggle for supremacy between the U.S. and China in Asia will not end in a bilateral competition between the two countries, but may well become a bigger one involving U.S. allies & friendly countries (including Taiwan) and pro-China countries. In any case, Asian countries have to decide between these two groups. Japan will attach importance to the Japan-U.S. alliance and cooperate with countries that share universal values such as freedom, democracy and equality.

I. G-Zero World

Today's world is a chaotic G-Zero world. The term G-Zero was first introduced by political scientists Ian Bremmer.

G-Zero became the main theme of Ian Bremmer's book¹. The G-Zero world refers to an emerging vacuum of power in international politics. It aims to explain a world in which there is no single country or group of countries that has ability and will, economically and politically, to drive a truly global agenda.

It is a reference to a perceived shift away from the preeminence of the G7 and the G20 which includes major emerging powers like China, India, Brazil, Turkey and others.

Since the end of World War II, the United States, as the world's policeman, has dealt with world order and global issues. However, with President Obama saying, "America is no longer the world's policeman" and President Trump practicing "America First", the U.S. is not eager to solve the world's problems.

On the other hand, Chinese President Xi Jinping, who advocates the great rejuvenation of the Chinese people, is not eager to solve the world's problems, but rather causes the world's problems.

Ian Bremmer writes in his article ² that making

¹ Ian Bremmer, *Every Nation for Itself: Winners and Losers in a G-Zero World*, Portfolio/Penguin, 2012

² Ian Bremmer, *From G8 to G20 to G-Zero: Why no one wants to take charge in the new global order*

compromises is difficult since each country has their own values and developed countries have voters who want their leader's focus to be domestic community, not the international one. As developed countries start to focus on their domestic issues, global leadership decreases, clashes between countries are also increasing such as America and China having different views on “state driven and free-market varieties of capitalism”.

II. Great Power Competition and Thucydides Trap

The world today is G-Zero, but from another perspective, the world has entered an era of competition among major powers. In particular, the U.S.-China competition for supremacy is having a major impact on global issues.

1 Great Power Competition

The United States has been waging a war on terrorism for more than a decade since 2001, but China and Russia have built up their national strength and come to challenge the United States, the world's strongest power.

In its national security strategy released by President Trump in 2017, the United States for the first time admitted that it had shifted from its conventional policy of emphasizing the war on terror to a competition among major powers, especially China and Russia.

(1) National Security Strategy (NSS)

On December 18, 2017, President Trump announced his first NSS since taking office. What is noteworthy about the NSS is that it did not attach importance to the war on terror, but rather declared the "competition among major powers" targeting China and Russia. This change in the threat perception directly leads to the U.S.-China competition for supremacy.

The main points of NSS are described below.

● **“America First” NSS**

In terms of national security policy, the United States puts top priority on “America First” with a focus on national interests, and will compete with other countries, particularly China and Russia.

● **Age of competition among major powers**

Recognizing the current international situation as "We live in a competitive world. The global balance of power is shifting in directions that are undesirable to U.S. national interests". The report says the NSS will propose measures to change this trend and regain momentum in the United States.

China and Russia in particular have been severely criticized as follows:

"Through its engagement policy toward China and Russia over the past 20 years, U.S. has accepted China and Russia into international organizations and the global economic order, hoping that China and Russia would become trustworthy partners, but this has failed."

“China and Russia challenge American power, influence, and interests, attempting to erode American security and prosperity. They are determined to make economies less free and less fair, to grow their militaries, and to control information and data to repress their societies and expand their influence.”

“Three main sets of challengers—the revisionist powers of China and Russia, the rogue states of Iran and North Korea, and transnational threat organizations, particularly jihadist terrorist groups—are actively competing against the United States and our allies and partners.”

“China and Russia want to shape a world antithetical to U.S. values and interests. China seeks to displace the United States in the Indo-Pacific region, expand the reaches of its state-driven economic model, and reorder the region in its favor. Russia seeks to restore its great power status and establish spheres of influence near its borders.”

A harsh perception of China is the background to the U.S.-China trade war and the U.S.-China competition for supremacy.

(2) National Defense Strategy(NDS)

One of the characteristics of NDS is the harsh evaluation of its strategic environment. James Mattis, for example, said that the United States is living in 'Era of strategic decline (strategic atrophy)'.

NDS describes as follows:

- * "Strategic competition among major powers, not terrorism, is a major concern for U.S. national security"
- * "As the international order based on long-term rules recedes, we face global disorder. The disorder makes the security environment more complex and fluid than we have ever experienced in the past."
- * "Today we live in an age of recognizing that our military superiority is deteriorating, the 'Era of strategic decline (strategic atrophy)'".

With regard to China, the report says, "The central challenge to U.S. prosperity and security is the *reemergence of long-term, strategic competition* by revisionist powers. It is increasingly clear that China and Russia want to shape a world consistent with their authoritarian model—gaining veto authority over other nations' economic, diplomatic, and security decisions. China is leveraging military modernization, influence operations, and predatory economics to coerce neighboring countries to reorder the Indo- Pacific region to their advantage. As China continues its economic and military ascendance, asserting power through an all-of-nation long-term strategy, it will continue to pursue a military modernization program that seeks Indo- Pacific regional hegemony in the near-term and displacement of the United States to achieve global preeminence in the future. The most far-reaching objective of this defense strategy is to set the military

relationship between our two countries on a path of transparency and non-aggression.”

(3) John Mearsheimer’s “The Tragedy of Great Power Politics”

As U.S. experts, especially John Mearsheimer, a professor at the University of Chicago, have pointed out that the United States is pursuing a hegemonic strategy. He insisted that the United States as a hegemonic power has never permitted the emergence of a rival power, and the United States has never given up its position as the world's only one regional hegemony. In his book "The Tragedy of the Great Power Politics"³ Mearsheimer argues, “If the Chinese economy continues growing at a brisk clip in the next few decades, the United States will once again face a potential peer competitor, and great-power politics will return in full force.” “If China continues to grow economically, it will attempt to dominate Asia the way the United States dominates the Western Hemisphere. The United States, however, will go to enormous lengths to prevent China from achieving regional hegemony.”

On the other hand, China, a one-party dictatorship by the Communist Party, is also emerging aggressively under the Xi Jinping regime. Considering the above, I think there is a possibility that the confrontation between the United States and

³ John Mearsheimer, *The Tragedy of the Great Power Politics*, W.W. Norton, 2001

China will become real.

In international politics, the relationship between major powers is basically a zero-sum game: if one wins, the other loses. In a world of balance of power, there is no win-win relationship between the United States and China. Each country aims to become a regional power. Just as the United States has established itself as the dominant power in the Western Hemisphere (North and South America), China is poised to become the dominant power in Asia.

2 Thucydides Trap

The Thucydides Trap is the hypothesis of the ancient Greek historian Thucydides that "The rise of a new hegemonic power, and the fear and opposition of the existing hegemonic power against it, make war inevitable."

Thucydides observed the tension between Sparta, the ancient Greek hegemony in the fifth century BC, and the newly rising Athens, and concluded that the rise of Athens and Spartan's concerns about it triggered the Peloponnesian War.

A famous example of "a struggle between an emerging new and existing hegemonic power" is the historical fact that the tense relationship between Germany, a newly emerging major power, and Britain, the existing hegemony, reached World War 1.

The Thucydides Trap became a particular topic of conversation around the U.S.-China summit in late September 2015. In a speech in Seattle on September 22, just before his

summit with President Obama, Chinese President Xi Jinping said, "The so-called Thucydides Trap does not exist in the world. But when a major power makes a wrong strategic decision, it can create such a trap." stressing that the Thucydides Trap is not inevitable, and can be avoided if both sides make the right decisions.

Harvard University professor Graham Allison, a longtime researcher on the Thucydides Trap, has concluded that an emerging power would have fought a war against an existing one in 12 out of 16 cases in its 500 year history. And Allison emphasizes that "Can the U.S. and China avoid the Thucydides Trap?" is the focus of the modern world order. "Of the 16 cases, 4 were not at war. War is not inevitable, but hard work is needed to escape the Thucydides Trap. History has shown that there is a high probability of a war between a newly emerging hegemon and an existing hegemon. A war between the United States and China is more likely than we currently know" he warned.

The relationship between Japan and the United States in the 1970s and 1980s had the risk of "Thucydides Trap" centered on the economy. Symbolic of this is Professor Ezra Vogel's "Japan as Number One". At that time, there was concern in the United States that Japan's remarkable economic development might cause the United States to surpass Japan. Because of this concern, the term "economic war between Japan and the United States" was used, and U.S. demands for

opening Japan up to the outside world were extremely severe. Naturally, the Japan-U.S. alliance existed at that time, and nobody predicted that a war would actually break out, but from the perspective of the tense relationship between the existing great powers and the newly emerging great powers, it would be fair to say that there was an element of "Thucydides Trap".

III. The U.S.-China trade war and the U.S.-China competition for hegemony

Behind the U.S.-China trade war lies the "a struggle for supremacy between the United States and China" and the "AI and other high-tech battles" between the United States and China. President Xi Jinping's "science and technology powerhouse" is a symbolic expression of the nation's pursuit of high-tech hegemony.

The struggle for supremacy between the United States and China is diverse, but one characteristic is the struggle for supremacy in the high-tech sector (artificial intelligence, unmanned systems such as robots, 5G mobile communication systems, etc.). Based on the "China Manufacturing 2025" China as a whole is striving to become a "Manufacturing power in the world" by 2049, the 100 year anniversary of the founding of the People's Republic of China. The U.S. government has been particularly critical of the "China Manufacturing 2025".

High technology is directly linked to competition for hegemony not only in the private sector but also in the military sector. What is worrisome is that the battle for hegemony in the

high-tech field will escalate into a military conflict. Japan is also in a position to be directly and indirectly affected by the U.S.-China hegemony struggle, and it is necessary to pay close attention to such developments.

1 The U.S.-China competition for supremacy intensified in 2018

2018 was a historic year in terms of global security. What is noteworthy is that "a full-scale struggle for supremacy between the United States and China began in 2018". This was brought about by a president who, in spite of praise and censure, is a rare executive. Past presidents, including Barack Obama, George W. Bush, and Bill Clinton, adopted an engagement policy toward China, which resulted in failure to condemn China's highly overbearing foreign policy and illegal behavior, including violation of intellectual property rights. For this reason, while restricting access to the Chinese market, China forced foreign companies to provide advanced technology, and stole advanced technology through cyber attacks and human espionage. As a result, it became the world's second largest economy and military power and began to challenge the United States.

On the other hand, the Trump administration announced the "National Security Strategy" in December 2017, and the "National Defense Strategy" in January 2018, clearly indicating that China and Russia are threat to the United States. In particular, the Trump administration confronted China

severely. For example, they conducted freedom of navigation operations (FONOP) in the South China Sea and rejected China's unilateral claim to sovereignty. In April, the U.S. government announced sanctions against Chinese IT company ZTE, which has repeatedly committed illegal acts, and brought the company to the brink of bankruptcy. It also waged a trade war with China and imposed three rounds of economic sanctions, further damaging the troubled Chinese economy. And perhaps most shocking, on December 1, Meng Wanzhou(孟晚舟), vice chairman and chief financial officer (CFO) of Huawei, the world's largest telecommunications equipment company, was arrested at the request of the U.S. Department of Justice in Canada. This quick response shows that the Trump administration has begun a full-scale struggle for hegemony between the United States and China.

The Cold War between the United States and China is not going to end easily and could last for quite a long time.

2 Speech by Vice President Mike Pence at the Hudson Institute

In a speech October 4, 2018 at the conservative Hudson Institute, Vice President Pence sharply criticized China, calling it "Through the 'China Manufacturing 2025' the Chinese Communist Party aims to control 90% of the world's most advanced industries such as robotics, biotechnology and AI. The Chinese government has ordered the theft of U.S. intellectual property by all means to dominate the economy in

the 21 century".

The speech vividly illustrates that the nature of the Sino-U.S. trade war is "AI and other high-tech battles between China and the United States".

The Chinese economy is currently in a critical situation, and the resolution of structural problems, such as the massive debt disposal problem, is an urgent task, but the trade war that President Trump has waged is weighing heavily on the Chinese economy. Xu Xiaonian (許小年), a renowned Chinese economist and professor at the International Institute of Industrial and Commerce in Central Europe, stresses the need for innovation to overcome this crisis in China. President Xi Jinping's policy of strengthening science and technology is to achieve this innovation through AI and other cutting-edge technologies, and his policy of building a rich nation and a strong military.

3 Trump aims to crush Huawei

The arrested Meng Wanzhou is the No. 2 of Huawei, daughter of Huawei founder Ren Zhengfei (任正非), and an important figure who is said to be the next CEO. The arrest was part of the Trump administration's trade war with China, and was a testament to the Trump administration's will to "If you don't listen to me, I'll seriously crush Huawei."

The attack on one of China's few global brands, "Huawei" is a testament to the Trump administration's determination to squash China's "China Manufacturing 2025" and its 13th

5-Year Plan "Science, Technology and Innovation Project toward 2030".

The founder of Huawei, Ren Zhengfei, was a military man who served in the People's Liberation Army until 1978. He launched Huawei in 1987 after leaving the military and developed the communications equipment needed to build mobile phone infrastructure. Huawei has now grown to become the world's largest manufacturer of communications equipment, and its close ties with the Chinese Communist Party and the People's Liberation Army are said to be behind this. For example, in order for the PLA to achieve the modernization of its armed forces, it is essential to improve its command, control, and communications capabilities, as well as its cyber and information warfare capabilities. Huawei and ZTE are the companies that helped the PLA achieve this. It is also a core company that will realize China's goal of "high-tech surveillance state".

The Trump administration sees Huawei as an enemy not only because of allegations that Huawei is stealing cutting-edge technology through cyber espionage, but also because Huawei is the world's No. 1 company in the 5th-generation communications system (5G). The top 10 technology described in "China Manufacturing 2025" is 5G, and crushing Huawei will crush "China Manufacturing 2025". This, in turn, will destroy Xi Jinping's "dream of a science and technology powerhouse".

On the other hand, some advanced countries (U.S., Japan, UK, Australia, Canada, etc.) have pointed out that Huawei devices are equipped with backdoors and spyware to steal information, and there are moves to exclude Huawei products. The United States is pushing for the elimination of Huawei products not only in the United States, but also from U.S. allies and friends.

(1) Provisions of the National Defense Authorization Act for fiscal year 2019

The trade war between the United States and China is fundamentally closely related to security. This is based on the provisions of Section 899 of the National Defense Authorization Act in fiscal 2019. According to the regulations, "Target devices and services" which prohibits the purchase and use of government offices in the United States, is written as "Communications equipment and services manufactured in Huawei or ZTE (or their subsidiaries and affiliates)".

In addition, in addition to Huawei and ZTE, HITERA Communications (Hytera Communications Corporation), HICHIVISION (Hangzhou Hikvision Digital Technology Company), DARFA (Dahua Technology Company), and their subsidiaries and affiliates are designated as Chinese companies, and video surveillance equipment and telecommunications equipment manufactured by these companies as well as communications and video surveillance services provided by such equipment are prohibited.

Companies that do business with U.S. government agencies will also be sensitive to whether they are using the aforementioned company's equipment and services. The companies named in Section 899 will be restricted from doing business with private companies as well as U.S. government agencies.

(2) China's "National Information Act" and "National Defense Mobilization Act"

China's National Intelligence Act, which took effect on June 28, 2017, is behind the rejection of Chinese products by the U.S.. Defense Authorization Act. Article 7 of the National Information Act stipulates that "Any organization or individual is obligated to cooperate with the information activities of the State". In other words, all Chinese companies and citizens must engage in espionage as ordered by the Chinese Communist Party. In particular, when IT companies such as Huawei and ZTE deploy the next-generation 5G mobile communications system worldwide, a huge amount of information can be obtained through the system and may be provided to the country. The U.S. government is aware of the risks and has removed products from Chinese companies such as Huawei and ZTE from the U.S. and has urged allies and partners to do the same.

The National Intelligence Act is reminiscent of China's National Defense Mobilization Act of 2010. According to the National Defense Mobilization Act, when the Chinese

government determines that "NECESSARY." regardless of emergency or peacetime, the use of persons, goods and money by all organizations in China, including Japanese companies operating in China, will be legalized. U.S. concerns over the National Intelligence Act and the Defense Mobilization Act have had a major impact on the use of Chinese-made high-tech equipment.

China's National Intelligence Law and National Defense Mobilization Law, which are unthinkable in a democratic country, pose a major security threat to a democratic country.

IV. US views on the US-China competition for hegemony

1 Michael Lind's "The American Way of Strategy"

The book "The American Way of Strategy" by Michael Lind, a diplomatic analyst in the United States, talked about the U.S. hegemony strategy and has received a great response.

Michael Lind writes: American politicians have stuck to two goals since the United States emerged as a major power in the 19 century. The maintenance of American hegemony in North America and the prevention of the hegemony of hostile great powers in Europe, Asia and the Middle East. In fact, in the two world wars, the United States, through the cooperation of major powers in a multipolar world, has obstructed the development of hegemonic powers in regions other than North America. Since the collapse of the Soviet Union, U.S. leaders

in the 1990s and 2000s have transformed the hegemonic alliance system they established during the Cold War into a semi-permanent global hegemony by the United States.

As Lindh writes, the United States has prevented the rise of other hegemonic powers in order to establish its global hegemony. Specifically, the Soviet Union, Japan and Germany during the Cold War.

After World War II , the world was divided into East and West camps and went through a severe cold war period, but the collapse of the Soviet Union in 1991 made the game come to an end. The United States, along with the West, won the Cold War against its biggest rival, the Soviet Union, which collapsed.

The United States also remained wary of Japan and Germany, both of which were enemies in World War II, and used various measures against both countries to suppress their expansion. For example, NATO (North Atlantic Treaty Organization) has been used to contain Germany. NATO is said to be an organization that "draw the United States in, shut out Russia, and hold Germany". Germany was locked in NATO and the United States provided a nuclear umbrella. Under these circumstances, the United States did not allow Germany to arm itself with nuclear weapons, and U.S. tried to restrain Germany from taking independent action away from its influence.

In the 1970s and '90s, Japan was America's biggest

economic rival. During the golden age of the Japanese economy in the 1980s, Americans saw Japan as the greatest economic threat and launched various battles against Japan. A typical example of this was the Japan-U.S. semiconductor war, in which the United States, which had fallen from the top position in the semiconductor industry, took the lead in harshly bashing Japan and fiercely retaliating the war. At that time, U.S. was full of a sense of crisis: "a loss to Japan in the semiconductor field would jeopardize the computer sector, a key U.S. industry" and "The rise and fall of America depends on semiconductors.". The various U.S. counterattacks were successful, and Japan was left far behind the U.S. after the lost 20 years after the bubble burst.

Then Trump came to power, and China was the country that the United States was holding back. In the 1980s, Robert Lighthizer led the charge of bashing Japan as the U.S. Trade Representative, but he is still waging a trade war against China. The ongoing U.S.-China trade war is a necessary move by the hegemony of the United States, which will not allow rival nations to emerge.

2 Graham Allison's "Destined for War"

Harvard professor Graham Allison wrote the following in his "Destined for War" May 2017 book: Professor Allison asked many Chinese experts, "Will Xi Jinping soon replace the United States as the hegemonic power in Asia?" but most of them avoided the question in a daze. However, when he asked

the same question to Xi Jinping's political mentor, Lee Kuan Yew, the first Singaporean prime minister, he expressed surprise by saying, "Sure. China wants to be number one in Asia and number one in the world someday" and clearly stated, "Are you kidding?".

Allison says China's dream is "Make China Great Again." versus President Trump's "Make America Great Again.". They point out that China's Sinocentrism is behind this assertion.

*Regain China's preeminent superiority in Asia before it was invaded by the West.

*Reestablishing control over the mainland's territories in the Xinjiang Uighur Autonomous Region and Tibet, as well as the Greater China, which included Taiwan and Hong Kong.

*It brings back China's historic sphere of influence along its borders and in adjacent waters, and respects the sphere of influence that great nations have always demanded of other countries.

*We command the respect of other great powers for China on the world stage.

V.China Aiming to Become the World's Most Dominant Power

1 Xi's "Great rejuvenation of the Chinese" is "Chinese Dreams"

Xi Jinping describes his vision of national development and recovery as "Chinese Dreams" His dream is "Great rebirth of the Chinese". At the National People's Congress in 2013, he

announced goals related to two 100 years. The first is to eradicate poverty by 100, the 2021 year anniversary of the founding of the Communist Party, and to achieve a "lull society" with some latitude. By 2049, which marks the 100 year anniversary of the founding of the People's Republic of China, Japan aims to realize a "socialist modernized state" of wealth, democracy, civilization and harmony. These objectives were also described in the 2015 'White Paper on National Defense' and are understood as the preconditions for military strategy.

And Xi Jinping announced "Three-Phase Development Strategy for the PLA" at the 2017 Communist Party Congress in 19. First, we have set 2020 as the 1st stage "Realizing mechanization and informatization of the military", 2035 to 2020 as the 2nd stage "Realizing the Modernization of the National Defense and PLA", and 2050 to 2035 as the 3rd stage "Realizing a Socialist Modernizing Power Leading the World in Comprehensive National Power and International Influence".

In a speech delivered at the "Central Foreign Affairs Work Conference" in Beijing on June 22, 2018 and 23, Xi said, "China must lead the way to reform global governance" "China will increase its influence in the world." and "In order to establish a new international order, we will further develop 'Asian Infrastructure Investment Bank (AIIB)' and BRI which are huge economic bloc initiatives led by China.". Either way,

"China takes the lead in creating a world order against the United States".

Behind China's dream is China's 100 years of humiliation. In other words, China experienced 100 years of humiliation between the Opium War waged by Britain (1840) and the birth of the People's Republic of China (1949). From the moment he became president (2013), Xi Jinping must have judged that "Now is the time to clear the humiliating 100 years grudge and go on the offensive in the world." He quickly abandoned Deng Xiaoping's "韬光養晦". The idea of "韬光養晦" is to "store power within while concealing talent" but Xi has abandoned it too early and have been pushing for a "Overtake and catch up with the U.S." policy in an extremely pressured manner. President Trump's anger toward China which is seeking to become the world's largest power and to gain hegemony in the world, and China, which is seeking to become a hegemony through unfair means such as stealing intellectual property from the United States and other countries, triggered the U.S.-China trade war and the U.S.-China New Cold War. China should have kept its "韬光養晦" and waited patiently for "at that time".

2 China Aims to Become a Science and Technology Giant

China is now the world's largest producer of supercomputers, quantum technology (Communication, encryption, computer, etc.), automobiles and mobile phones.

President Xi Jinping has come close to the United States, the world leader in science and technology, by publicly saying, "Aim to become a science and technology powerhouse".

One of the military trends linked to the advancement of science and technology in the world is the development of high-tech weaponry and warfare, and the progress of the PLA in this field is remarkable.

The PLA has made remarkable progress in such areas as cyber warfare, electronic warfare, space warfare, and the military use of artificial intelligence and unmanned air systems that are essential to modern warfare. China's goal of becoming a major power in science and technology is a factor enabling it to become a military power.

(1) China's Ambition: "Leading the world in AI by 2030"

While the United States is now the world leader in AI, China is determined to overtake the United States in AI.

China's leadership designated AI as its top technology of the future and announced the "New generation of AI development plans" in July 2017, setting an ambitious goal of "China will lead the world in AI by 2030". China is the world leader in the amount of AI investment, surpassing the United States, despite its massive budget for cutting-edge AI research.

China is already an advanced nation in AI technology and has the largest number of AI papers in the world, surpassing the U.S., and is second only to the U.S. in the number of AI patent applications. In terms of quality as well as quantity,

China is ahead of the United States.

China's massive AI budget, massive domestic presence of big data, and its ability to recruit and train the most talented people have put it in close competition with the U.S. in the area of AI.

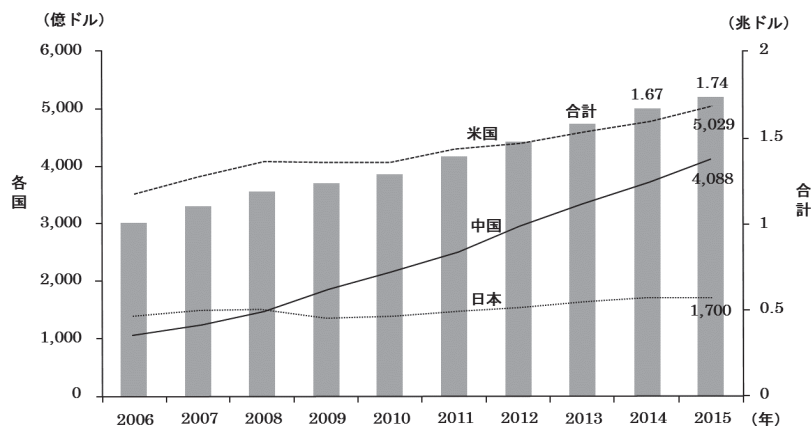
(2) The United States and China Competition over Science and Technology Papers

According to a survey by the Japan Science and Technology Agency, which is under the jurisdiction of the Ministry of Education, Culture, Sports, Science and Technology, China ranked first in four fields, including computer science and chemistry, in scientific research papers. By sharing 8 key fields with the U.S., we have entered an era of "China and the United States" from the top 1. In addition to a sharp increase in the budget for science and technology, policies such as hiring Chinese researchers living overseas and educating young researchers have been effective.

On the other hand, Japan has been stagnant in the field of scientific research papers.

Underpinning China's rapid growth is its investment in abundant funds and human resources. Around 2000, R & D expenditure was about 5 trillion yen in both the public and private sectors, but as Figure 1 2015 shows, it expanded rapidly to 408.8 billion dollars (44 trillion yen) in 2015. It costs U.S. \$170 billion (19 trillion yen) which is 2.4 times that of Japan and close to U.S. \$502.9 billion (55 trillion yen).

Figure 1 -2 「Total R & D expenditures in selected countries」
Source: Ministry of Economy, Trade and Industry⁴



In addition, China is bringing back Chinese researchers who have studied in developed countries, and building strong connections with overseas researchers through overseas study and dispatch. The U.S. dominance is expected to continue for some time, but the gap with China is likely to narrow.

(3) China's Achilles' heel to become a science and technology powerhouse

The trade war waged by President Trump has clarified China's Achilles' heel. Cutting-edge products such as smartphones and semiconductor chips in China use

⁴ www.meti.go.jp/policy/economy/gijutsu_kakushin/tech_research/aohon/a17_2_1.pdf

cutting-edge technologies from the United States and other countries around the world, and if they are refused to be provided with those technologies, they cannot be manufactured.

Semiconductor manufacturing in particular is becoming fabless in China, relying on Taiwan Semiconductor Manufacturing (TSMC) and United Microelectronics (UMC) for semiconductor manufacturing. In particular, TSMC is the world's largest semiconductor manufacturer, and the cooperative relationship between Huawei and TSMC is well known.

It can be pointed out that securing the most advanced technology possessed by Taiwan is one of the advantages of unifying Taiwan.

(4)China's theft of cutting-edge technologies is a pressing issue.

China aims to realize "science and technology powerhouse" "AI powerhouse aiming at 2030" and "China Manufacturing 2025" regardless of its appearance. In order to achieve this goal, the entire nation steals advanced technologies from the United States and other countries. These are obtained through cyber espionage (hacking), human espionage (HUMINT), acquisition of cutting-edge foreign companies, and enforcement of the provision of advanced technology information to foreign companies operating in China.

The United States, which has expressed a sense of crisis over these illegal information stealing, is responding to this situation by using various means. For example, the U.S. Department of Justice is implementing a "China Initiative" to strengthen the arrest of industrial spies who bring high-tech information to China. It has also banned Chinese companies from buying high-tech companies, and has banned the export of high-tech products associated with the U.S.-China trade war.

It is also important to deal with Chinese called sea turtles. A sea turtle is a person who studies in the United States, works at a well-known private company such as GAFA after graduation, acquires the most advanced technology, and then returns to mainland China to use the technology. The United States is considering measures to prevent this (For example, restrictions on Chinese students studying in Japan).

3 Unification of Taiwan is a high priority for realizing Xi Jinping's ambition.

Unification of Taiwan is a major issue that needs to be resolved in order to realize Xi Jinping's goal of "Great Rejuvenation of the Chinese People". Chinese intervention in Taiwan is tied to the mainland's economic growth, making unification more urgent as the mainland's economic power grows.

Beijing is pursuing measures to unify Taiwan, but may eventually adopt a "Unification of Taiwan by force". However, realizing a "Unification of Taiwan without fighting" would be

ideal. For this purpose, Xi Jinping's Taiwan strategy has been embodied in efforts to penetrate various fields (economic, political, military, cultural, social and judicial).

The Chinese authorities will strengthen their "carrot and stick " policy toward Taiwan for the time being. In order to lure Taiwanese and Taiwanese companies to mainland China, we have implemented economic carrot policy, allowing access to the huge mainland market, raising the salaries of Taiwanese, and treating Taiwanese as equal to mainland Chinese. However, if the carrot policy fails, Taiwan could be seized by force.

VII. Indo- Pacific Strategy (IPS) VS Belt and Road Initiative(BRI)

Indo- Pacific Strategy is the common strategy of Japan and U.S. Japanese Prime Minister Shinzo Abe advocated a Free and Open Indo- Pacific Strategy (FOIP), and U.S. President Donald Trump adopted this strategy as a U.S. Strategy and announced the Indo- Pacific Strategy of the United States. The Indo- Pacific strategy may be aimed at countering China's Belt and Road Initiative.

The struggle for supremacy between the United States and China in Asia will not end in a competition between the two countries, but may well become a major one involving U.S. allies & friendly countries (including Taiwan) and pro-China countries.

The success of the Indo- Pacific strategy depends on the

cooperation of many allies and friendly countries. The more countries that participate in this strategy, the greater their influence over China.

The competition between IPS and BRI is underway. This will have a great impact on the outcome of the struggle for hegemony between the United States and China.

1 Indo- Pacific Strategy (IPS)

Japan's Prime Minister Shinzo Abe has announced "a free and open Indo- Pacific Initiative" in 2016 and is making efforts to embody it. On the other hand, U.S. President Donald Trump accepted PM Abe's Initiative and the U.S. Department of Defense announced the Indo- Pacific Strategy⁵ to counter Belt and Road Initiative by China's President Xi Jinping.

Japan has a vital interest in upholding the rules-based international order, which includes a strong, prosperous, and democratic Taiwan. Although China advocates for peaceful unification with Taiwan, China has never abandoned the use of military force, and continues to develop and deploy advanced military capabilities needed for potential military operations.

Chinese President Xi Jinping has declared the great rejuvenation of the Chinese nation as China's dream, and unification of Taiwan is Xi Jinping's dream. If Taiwan were to be unified by China, Japan's security would have to be

⁵ The Department of Defense, INDO-PACIFIC STRATEGY REPORT, June 1, 2019

fundamentally reviewed. In other words, Taiwan's security is closely related to Japan's.

2 Belt and Road Initiative (BRI)

In October 2013, President Xi Jinping unveiled the Belt and Road Initiative, an ambitious plan to build infrastructure and improve transport connectivity in more than 60 countries across Asia and beyond. Since that time, the BRI has become so key to China's national grand strategy that it has been codified in the country's constitution. To date, the PRC has signed BRI agreements with 137 countries. However, while memorandums of understanding between Beijing and BRI countries have ramped up the increase in political partners has not led to a comparable increase in commercial activity.

The BRI is largely a branding strategy for not-for-profit construction that pre-dates the 2013 announcement. In general, energy projects have made up the bulk of BRI-related construction and investment abroad. Apart from energy, China has prioritized BRI-related construction projects in the transportation sector and investment in commodities. This fits with China's longstanding ambitions to secure its energy supply, and improve connectivity for commodities trade and transport links abroad.

Recently, some observers have expressed concern regarding China's expanding influence in BRI countries' telecom industries. As evidenced in authoritative open source articles, Beijing has prioritized its Digital Silk Road (DSR)

initiative, which is part of the larger Belt and Road Initiative. However, to date relevant telecom deals have been minor. Telecom deals make up only around two percent of investment projects and less than one percent of construction projects. This may be because the DSR is still in its early stages. Satellite and fiber optic cable projects are specifically prioritized under DSR.

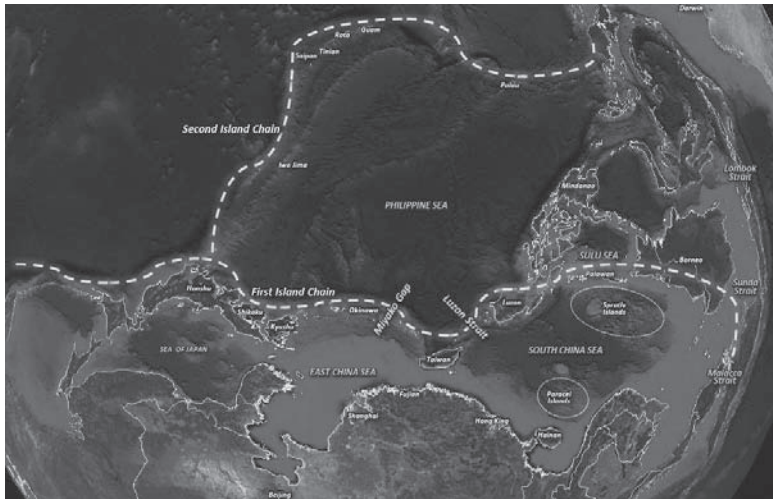
VIII. Defense of the First Island Chain

1 Geopolitical Situation in Asia

Figure 1 shows the geopolitical situation in Asia. As can be seen from this chart. China is prevented from advancing into the Western Pacific by the First Island Chain (Japanese Archipelago - Southwest Islands -Taiwan – the Philippines - Indonesia - Singapore - Malaysia). If the PLA is to enter the Western Pacific and reach the Second Islands Chain (Ogasawara Islands - Saipan - Guam - Palau), it must cross the First Islands Line.

Taiwan constitutes an important part of the First Island Chain along with the Japanese Archipelago and Southwest Islands, and it is extremely important for China to keep Taiwan under its control.

Figure 2 「Littoral East Asia from China's Perspective」⁶



2 China's Strategy⁷

China has benefited from a “period of strategic opportunity” during the initial two decades of the 21st century to develop domestically and expand China’s “comprehensive national power.”

Over the coming decades, Chinese leaders will strive to realize a powerful and prosperous China that is equipped with a

⁶ CSBA, TIGHTENING THE CHAIN Implementing a Strategy of Maritime Pressure in the Western Pacific, P15

⁷ US Department of Defense, Annual Report to Congress Military and Security Developments Involving the People's Republic of China 2019

“world-class” military, and secure China’s status as a great power with the aim of emerging as the preeminent power in the Indo-Pacific.

Ongoing state-led efforts, which China implements both at home and abroad, also support China’s security and military objectives below:

- China continues to implement long-term national plans, such as “Made in China 2025” and other industrial development plans, which stress the need to replace imported technology with domestic technology. These plans present an economic challenge to nations that export high-tech products. These plans also directly support military modernization goals by stressing exclusive mastery of advanced dual-Use technologies.
 - China’s leaders seek to align civil and defense technology development to achieve greater efficiency, innovation, and growth. China’s leaders elevated this initiative, known as Civil-Military Fusion (CMF), to a national strategy that encourages the civilian sector to enter the defense market.
 - China’s leaders are leveraging China’s growing economic, diplomatic, and military clout to establish regional superiority and expand the country’s international influence.
- China’s advancement of projects such as the “Belt and Road Initiative (BRI)” will drive military overseas basing which provides security for BRI projects.
- China conducts influence operations against media, cultural, business, academic, and policy communities of the United

States, Japan, Taiwan, other countries, and international institutions to achieve results favorable to its security and military strategic objectives. The Chinese Communist Party (CCP) seeks to condition foreign and multilateral political establishments and public opinion to accept China's narrative regarding its priorities like BRI and South China Sea territorial and maritime claims.

Recognizing that programs such as "Made in China 2025" and BRI have sparked concerns about China's intentions, China's leaders have softened their rhetoric when promoting these programs without altering the programs' fundamental strategic goals.

3 Tactics Short of Armed Conflict

China seeks to secure its objectives without jeopardizing the regional stability that remains essential to the economic development that has helped the CCP maintain its monopoly on power.

However, China's leaders employ tactics short of armed conflict to pursue China's strategic objectives through activities calculated to fall below the threshold of provoking armed conflict with the United States, its allies and partners in the Indo-Pacific region. These tactics are particularly evident in China's pursuit of its territorial and maritime claims in the South and East China Seas as well as along its borders with India and Bhutan.

In 2018, China continued militarization in the South

China Sea by placing anti-ship cruise missiles and long range surface-to-air missiles on outposts in the Spratly Islands, violating a 2015 pledge by Chinese President Xi Jinping that China does not intend to pursue militarization of the Spratly Islands. China is also willing to employ coercive measures – both military and nonmilitary – to advance its interests and mitigate opposition from other countries.

4 Pursuit of local wars under conditions of informatization

The PLA recognizes the characteristics of modern warfare as information warfare, digital warfare, and network warfare. The People's Liberation Army studies the U.S. military and thoroughly emulates its strengths, particularly the "Revolution in Military Affairs (RMA)" achieved by the U.S. military through the Use of information and communications technology (ICT using communications technologies such as the Internet, satellite communications, personal computers, and smartphones). The RMA is a revolution in the use of information and communications technology by the U.S. military in its overall military operations, including command, control, communications, information, fire strikes, and logistics. The revolution in the field of information, in particular, has been called the "Information RMA" and has made Use of new ICT to quickly discover targets, provide near-real-time information to our troops deployed in remote areas, and enable them to quickly Use firepower based on that

information. The power of RMA was fully demonstrated during the 1st Gulf War (war that broke out when Saddam Hussein of Iraq attacked Kuwait).

The PLA studied the operations of the U.S. forces during the 1st Gulf War, understood that the essence of these operations was the RMA, and described the characteristics of modern warfare as "informatization". The PLA uses the term "function of information" to describe the overall characteristics of its operations.

In 2004, "winning a local war" became the basis for military struggle preparations, but in 1993 it was revised to "Victory in local wars in an information environment". The local areas referred to by China are borders, sea areas, and air areas. Japan's Senkaku Islands and Nansei Islands are areas where local wars can take place.

5 China's overall Strategy toward Taiwan

China continues to implement reforms associated with the establishment of its five theater commands, each of which is responsible for developing command strategies and joint operational plans and capabilities relevant for specific threats, as well as responding to crises and safeguarding territorial sovereignty and stability. Among 5 Theater Commands, Eastern Theater Command (ETC) is the most important, because ETC is responsible for Taiwan and Japan.

Taiwan persistently remains the PLA's main "strategic direction," one of the geographic areas the leadership identifies

as having strategic importance. Other strategic directions include the East China Sea, the South China Sea, and China's borders with India and North Korea.

China's overall strategy toward Taiwan continues to incorporate elements of both

persuasion and coercion to hinder the development of political attitudes in Taiwan

favoring independence. Taiwan lost three additional diplomatic partners in 2018, and some international fora have continued to deny the participation of representatives from Taiwan.

6 Four Potential Chinese Operations towards Taiwan

Understanding how the PLA plans for future wars should occupy a central role in any strategy that seeks to deter the Chinese leadership. The PLA has developed a coherent body of thought describing the joint operations that will be conducted, either independently or during a broader campaign. Four such operations stand out:

- Joint Firepower Strike Operations featuring air and missile strikes (strike campaign)
- Joint Blockade Operations featuring electronic and cyber attacks, missile and air strikes, naval surface and subsurface raids, and offensive mine warfare (blockade)
- Joint Attack Operations featuring amphibious and airborne assaults (amphibious assault)

- Joint Anti-Air Raid Operations featuring attacks on U.S. Forces deployed in the Western Pacific to protect the regime in Beijing (anti-air raid operations)

These joint operations could unfold in a Taiwan, SCS, or ECS setting. The operations would feature different configurations of Chinese attackers, which in turn would require different responses by U.S. and allied defenders. The operations also are closely related. For example, a strike campaign would presumably precede an amphibious assault, and both a strike campaign and an amphibious assault might include a blockade and anti-air raid operations.

7 Analysis of Four Potential Chinese Operations

- With the unification of Taiwan as its top priority, China is preparing and using all means, including military, economic, diplomatic and intelligence means.

As a result of simulation studies, it is more difficult for the U.S. forces to intervene in hybrid warfare and short sharp war, and there is a possibility that pro-unification group in Taiwan will dominate the regime.

On the other hand, if China attacks the U.S. forces directly (U.S.-China conflict), it is highly likely that the Chinese forces will initially dominate naval and air superiority, but the U.S. forces will gradually regain the upper hand thanks to the intensive counterattack by the U.S. forces, and then China's invasion of Taiwan will be thwarted.

- It is estimated that the United States will refrain from

attacking inland China to prevent an escalation into a full-scale war with China (nuclear attack), but will destroy coastal maritime and air bases and military capabilities, as well as military facilities built in the South China Sea.

- In any scenario, Taiwan's forces are likely to suffer a major blow at an early stage, and the outcome of the situation will depend on how public opinion in Taiwan is affected by China's three wars and cyber attacks.
- Domestic constraints in both Japan and the United States could delay or prevent intervention in the China-Taiwan conflict (especially in hybrid warfare).
- The joint operation plans of Japan, the United States, and Taiwan are not shared, and interoperability is not ensured through joint training in peacetime, so there is a risk of inefficient operations and friendly attacks.

8 One Example of Defense of the First Island Chain (Inside-Out Defense)

The U.S. think tank CSBA⁸ offers a new operational concept, Inside-Out Defense, as a point of departure to stimulate further discussion about how to cope with China's coercive action in the Indo-Pacific. It addresses the problems of time and distance that the U.S. military faces in the Western Pacific. At risk of oversimplification, the concept does to China what China has done to the United States and its allies;

⁸ Center for Strategic and Budgetary Assessments

namely, it exploits the Western Pacific's geography to create an A2/AD architecture capable of degrading, delaying, and denying an adversary's power projection forces.

Inside-Out Defense combines lethal and resilient "inside" forces able to fight and persist within highly contested environments with agile, long-range "outside" forces capable of fighting from standoff distances or penetrating A2/AD networks.

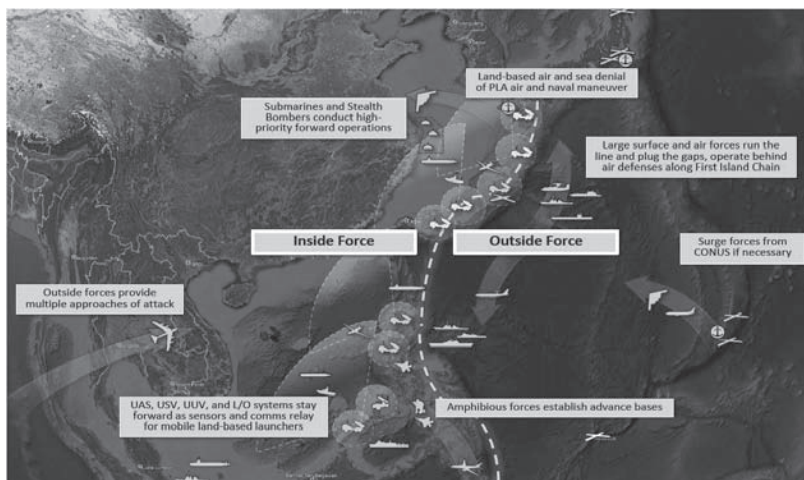
The Japan Self-Defense Forces and Taiwan Forces are inside forces, while the U.S. Navy and Air Force are outside forces.

Together, these inside and outside forces could create a responsive, survivable, forward defense-in-depth in the Western Pacific capable of rapidly blunting Chinese aggression at the outset of a conflict. Although Inside-Out Defense might prove insufficient on its own to enable the United States to prevail in a conflict with China, by preventing a *fait accompli*, it would buy the time necessary for other operations, such as follow-on punitive strikes or a distant blockade, to produce their intended effects. It would also help restore a more favorable escalation dynamic between China and the United States. By presenting a more formidable defensive posture, Inside-Out Defense would, in a crisis, make China choose between risking a large-scale and costly conflict or seeking an off-ramp to diffuse tensions.

The most important element for the success of this

Inside-Out Defense is the partnership of the United States and its allies and friendly countries which share the same values.

Figure 3 「Inside-Out Defense」⁹



9 Build a True Relationship of Trust among Japan, U.S. and Taiwan

In conjunction with the normalization of U.S.-China relations, Japan has broken relations with Taiwan unilaterally in 1972 by issuing a Japan-China joint statement and declaring the end of the "Sino-Japanese Peace Treaty". In response, the Taiwan Ministry of Foreign Affairs, while criticizing Japan's unilateral measures, has indicated its intention to maintain private-sector exchanges, and has maintained working relations

⁹ CSBA, TIGHTENING THE CHAIN Implementing a Strategy of Maritime Pressure in the Western Pacific, P31

between the two countries. Compared to the United States, which is committed to the security of Taiwan by the Taiwan Relations Act, Taiwan has high expectations for defense cooperation with Japan, but it remains obscure in the event of an emergency.

The reality is that Japan has been lukewarm about the exchange and cooperation between the Taiwan Forces and Japan Self-Defense Forces. At a time when the pressure from China on the unification of Taiwan has been higher than before, we must quickly rectify this kind of biased relationship, overcome the weak points in the Japan-Taiwan relations, and at the same time, enhance the friendly relations of the people to official trust. To this end, it is necessary for Japan to make it clear that, without yielding to Chinese pressure, the defense of Taiwan is inseparable from the defense of Japan, and that Japan and Taiwan had better establish a joint defense posture along the first island chain with the United States.

In response to the threat posed by the dictatorship of the Chinese Communist Party, I believe that we should aim, if possible, to develop domestic laws concerning security cooperation between Japan and Taiwan based on the model of the U.S. Taiwan Relations Act. Japan should realize that it has a part of the responsibility for the survival of Taiwan.

Conclusion

After the end of the Cold War, leaders and scholars of many democratic countries wanted China to be a responsible

stakeholder in the international order. However, the expectation was betrayed. China has rejected democracy and recommended Chinese models to other countries. As China's belief becomes clear, there are voices in the Indian Pacific region that the values such as democracy, freedom, equality and respect for basic human rights should be respected.

In this context, the Indo and Pacific Strategy is meaningful, and it is important to build a deterrent against China based on the Indian Pacific Strategy. The United States' Inside-Out Defense should be noted, because this operational concept shows the importance of defending the first island chain against China's expansionism.

In the context of the U.S.-China competition for supremacy, the Taiwan issues such as unification of Taiwan are drawing more attention. Taiwan's defense and Japan's defense are closely related. In that sense Japan and Taiwan have the same destiny. When we think about great power politics in Asia, the trilateral relationship among Japan, the United States and Taiwan will become increasingly important in the future.