



Universiteit  
Leiden  
The Netherlands

## **Enhancing security through flexibility: How the Abe and Suga administrations are adding Japan's security objectives to the agendas of Southeast Asian state**

Ninchritz, Claudius

### **Citation**

Ninchritz, C. (2021). *Enhancing security through flexibility: How the Abe and Suga administrations are adding Japan's security objectives to the agendas of Southeast Asian state*.

Version: Not Applicable (or Unknown)

License: [License to inclusion and publication of a Bachelor or Master thesis in the Leiden University Student Repository](#)

Downloaded from: <https://hdl.handle.net/1887/3216143>

**Note:** To cite this publication please use the final published version (if applicable).

# Enhancing security through flexibility

How the Abe and Suga administrations are adding Japan's security objectives to the agendas of Southeast Asian states

Student : Claudius L.E. Ninchritz

Student number : s1817353

Student mail : s1817353@vuw.leidenuniv.nl

Study : MA International Relations: Global Political Economy &  
MA Asian Studies: Politics, Society and Economy of Asia

Course : 5184VGP01 MA Thesis Global Political Economy & 5174TH01  
MA Thesis Asian Studies

Thesis Supervisor(s) : Dr. L.O. Black, Dr. A.R. Shidiq

Word count : 27494

Submission date : 23/6/2021

# Table of Contents

|          |  |           |
|----------|--|-----------|
| <b>1</b> | <b>Abbreviations and Acronyms</b>  | <b>4</b>  |
| <b>2</b> | <b>Introduction</b>  | <b>6</b>  |
| <b>3</b> | <b>Literature Review</b>   | <b>10</b> |
|          | 3.1 Overview   | 10        |
|          | 2.2 Japan's economic history with Southeast Asia   | 11        |
|          | 3.3 The strong linkage between Japanese trade and national security  | 13        |
|          | 3.4 Japan's role as a security actor within the South China Sea dispute  | 15        |
|          | 3.5 Gap in literature  | 18        |
| <b>4</b> | <b>Methodology</b>   | <b>22</b> |
|          | 4.1 Research question  | 22        |
|          | 4.2 Theoretical framework  | 22        |
|          | 4.3 Thesis structure   | 24        |
| <b>5</b> | <b>The Republic of Indonesia</b>   | <b>27</b> |
|          | 5.1 Overview   | 27        |
|          | 5.2 Sino-Indonesian and Indonesia-Japanese relations from the Cold War to the start of the Abe administration in 2012  | 28        |
|          | 5.3 Sino-Indonesian and Indonesia-Japanese economic relations from the Abe administration to the present               | 32        |
|          | 5.4 Sino-Indonesian and Indonesia-Japanese security relations from the Abe administration to the present               | 35        |
|          | 5.5 Chapter conclusion   | 41        |
| <b>6</b> | <b>The Republic of the Philippines</b>   | <b>44</b> |
|          | 6.1 Overview   | 44        |
|          | 6.2 Sino-Philippine and Philippine-Japanese relations from the Cold War to the start of the Abe administration in 2012 | 44        |

---

|   |           |
|---|-----------|
| 6.3 Sino-Philippine and Philippine-Japanese economic relations from the Abe administration to the present           | 47        |
| 6.4 Sino-Philippine and Philippine-Japanese security relations from the Abe administration to the present           | 51        |
| 6.5 Chapter conclusion  | 57        |
| <b>7 The Socialist Republic of Vietnam</b>  | <b>59</b> |
| 7.1 Overview  | 59        |
| 7.2 Sino-Vietnamese and Vietnam-Japanese relations from the Cold War to the start of the Abe administration in 2012 | 59        |
| 7.3 Sino-Vietnamese and Vietnam-Japanese economic relations from the Abe administration to the present              | 63        |
| 7.4 Sino-Vietnamese and Vietnam-Japanese security relations from the Abe administration to the present              | 67        |
| 7.5 Chapter conclusion  | 71        |
| <b>8 Conclusion</b>   | <b>74</b> |
| <b>9 Bibliography</b>   | <b>77</b> |

# 1 Abbreviations and Acronyms

|       |  |
|-------|--|
| ABD   | Asian Development Bank                 |
| AEP   | Act East Policy                        |
| AIIB  | Asian Infrastructure Investment Bank   |
| ASEAN | Association of Southeast Asian Nations |
| BRI   | Belt and Road Initiative               |
| CCG   | China Coast Guard                      |
| CUES  | Code for Unplanned Encounters at Sea   |
| DRVN  | Democratic Republic of Vietnam         |
| EEZ   | Exclusive Economic Zone                |
| FDI   | Foreign Direct Investment              |
| FOIP  | Free and Open Indo-Pacific             |
| HSR   | High Speed Rail                        |
| INA   | Indonesia Investment Authority         |
| IPR   | Indo-Pacific Region                    |
| JAEA  | Japan Atomic Energy Agency             |
| JICA  | Japan International Cooperation Agency |
| JCG   | Japan Coast Guard                      |
| JMSDF | Japan Maritime Self Defence Force      |
| JSDF  | Japan Self Defence Force               |
| LDP   | Liberal Democratic Party               |

---

|       |  |
|-------|--|
| METI  | Ministry of Economic Trade and Investment                                    |
| MoU   | Memorandum of Understanding  |
| MRRV  | Multi-Role Response Vessel   |
| MSCIP | The joint Japanese-Philippine Maritime Safety Capability Improvement Project |
| NDPO  | National Defence Program Outline   |
| OBOR  | One Belt One Road Initiative   |
| ODA   | Official Development Assistance  |
| PCG   | Philippine Coast Guard   |
| PLAN  | the People's Liberation Army Navy  |
| PRC   | the People's Republic of China   |
| PQI   | the Japan Partnership for Quality Infrastructure                             |
| QSD   | Quadrilateral Strategic Dialogue   |
| RBO   | Rules based order  |
| TICAD | Tokyo International Conference of African Development                        |
| TPP   | Trans-Pacific Partnership  |
| UAV   | Unmanned Aerial Drone  |
| VCG   | Vietnam Coast Guard  |

## Abstract

This thesis argues that during the Abe and Suga administrations, Japan has been successful at pushing some of its key security objectives into the agendas of strategically important Southeast Asian states through the process of tactical hedging. Tactical hedging has allowed the Abe and Suga administrations to be flexible with its policy approach to the rise of China, allowing Japan to be firm on security issues in Southeast Asia when needed, while allowing room for friendly economic competition. This flexibility made security cooperation with Japan more viable for Southeast Asian states, as none of the countries wish to pursue a hard-line China containment policy. The Free and Open Indo-Pacific vision, which has seen notable alterations by the Abe and Suga administration to address the needs of their Southeast Asian partners, and Japan refraining from openly criticizing the Belt and Road Initiative (BRI) are examples of Japan taking the concerns of its Southeast Asian partners into account. While still at an early stage, the results of Japan's tactical hedging can be seen within Japan's improved security relations with Indonesia, the Philippines and Vietnam. These three countries, which belong to the largest economies of ASEAN, and are faced with China's growing assertiveness in the South China Sea, will therefore be used to support the importance of tactical hedging for security cooperation in East Asia.

**Keywords:** *Hedging, Tactical Hedging, South China Sea Dispute, Southeast Asia, Japan, China*

## 2 Introduction

Within the first half year since Japan's Prime Minister Suga Yoshihide came to power, multiple security deals have been signed that brought noteworthy alterations to the dynamics of Japan's security cooperation with Southeast Asian states. The first deal signed by the Suga administration was on the 29<sup>th</sup> of August 2020, and approved the export of warning and control radar systems to the Philippines. The \$100 million defense procurement by the Philippines was a milestone, as it marked Japan's first significant arms deal since the lifting of the export ban in 2014.<sup>1</sup>

A month later, Suga personally went to Vietnam to authorize the export of Japanese

---

<sup>1</sup> Abe, Daishi, "Philippines radar deal marks Japan's first arms export", Nikkei Asia, original publication august 29<sup>th</sup>, 2020, <https://asia.nikkei.com/Business/Aerospace-Defense/Philippines-radar-deal-marks-Japan-s-first-arms-export>

arms to its Southeast Asian partner, and promised to further bolster Japan's economic engagement with Southeast Asian nations.<sup>2</sup> The following year, Japan's Minister of Foreign Affairs Motegi Toshimitsu and Minister of Defense Kishi Nobuo held the second Japan-Indonesia Foreign and Defense Ministerial Meeting in Indonesia on the 30<sup>th</sup> of March. During the meeting, Indonesia's Minister of Defense Prabowo Subianto pledged to strengthen the security ties between Indonesia and Japan, and signed a deal to facilitate the transfer of Japanese defense equipment and technology to Indonesia.<sup>3</sup> The new defense agreement enables Indonesia and Japan to solidify the already ongoing talks on the potential procurement of eight Japanese stealth frigates, which would mark Japan's first billion dollar arms export deal.<sup>4</sup>

The developments in defense cooperation between Japan and the beforementioned Southeast Asian states are a continuation of former Prime Minister Abe Shinzo's pursuit of putting Japan's key security objectives in the agendas of Southeast Asian states. Japanese policymakers are concerned with the impact of China's growing military presence in the South China Sea on maritime access, international trade and territorial disputes. Abe and Suga have therefore pro-actively approached Southeast Asian states that are directly confronted with China's military presence in the South China Sea. The Abe and Suga administrations approaching Indonesia, the Philippines and Vietnam to strengthen their security cooperation is therefore unsurprising considering the ongoing maritime territorial conflicts all three Southeast Asian countries have with China in the South China Sea. What *is* interesting is the degree at which the three Southeast Asian states have openly accepted Japan's growing role of as a security partner.

As China is an important trading partner and infrastructure investor for Indonesia, the Philippines, and Vietnam, one would assume that intensifying their security

---

<sup>2</sup> Strangio, Sebastian, "Japan's Suga Set to Authorize Arms Sales to Vietnam", The Diplomat, original publication October 2020, <https://thediplomat.com/2020/10/japans-suga-set-to-authorize-arms-sales-to-vietnam/>

<sup>3</sup> Takenaka, Kiyoshi, "With eyes on China, Japan and Indonesia bolster security ties", Reuters, original publication March 30<sup>th</sup>, 2021, <https://www.reuters.com/article/us-japan-indonesia-idUSKBN2BM13C>

<sup>4</sup> McBeth, John, "Indonesia, Japan on verge of record gunboat deal", Asia Times, original publication April 1<sup>st</sup>, 2021, <https://asiatimes.com/2021/04/indonesia-japan-on-verge-of-record-gunboat-deal/>



cooperation with Japan, a security partner of the US, would not be pursued due to the potential implications it has on their relationship with Beijing.<sup>5</sup> How is it then possible that Japan is able to strengthen its security cooperation with the three Southeast Asian states, despite their strong economic linkages with China?

This thesis believes that the process of strategic hedging by the Abe and Suga administrations is the answer to the ongoing security developments. While Japan has taken a more assertive stance against the military rise of China, it has simultaneously allowed room for friendly economic competition with China. With Japan refraining from openly criticizing the Belt and Road Initiative (BRI) in Southeast Asia, and approving the Regional Comprehensive Economic Partnership (RCEP) free trade agreement, one can see a striking contrast between Japan's economic and security policies to China's growing presence in the Southeast Asia.<sup>6</sup>

This thesis argues that the contrast seen between Japan's economic and security policies during the Abe and Suga administrations should not be perceived as contradictions, nor should they be interpreted as Japan inability to address the evolving geopolitical dynamics in East Asia. Instead, the contrasts should be perceived as the characteristics of Japan using tactical hedging in order achieve its security objectives. By pursuing two opposite policies, in this case security balancing and economic engagement, Japan is using a calculated combination of hard and soft power to address China's influence in the Southeast Asian region. This combination attracts Southeast Asian states, in which anti-Chinese nationalism have pushed their governments to act against China's growing assertiveness. In order to support this theory, this thesis will analyse Japan's bilateral relations with Indonesia, the Philippines, and Vietnam in order to demonstrate that the Abe and Suga administrations approaches to the rise of China in Southeast Asia has made

---

<sup>5</sup> Son, Johanna, "ASEAN Like, But Also Fears, China's Economic Weight", Reporting ASEAN, original publication November 9<sup>th</sup>, 2016, <https://www.reportingasean.net/asean-likes-also-fears-chinas-economic-weight/#:~:text=China%20has%20been%20ASEAN's%20largest,5%25%20and%203.6%25%20respectively.>

<sup>6</sup> Wu, Wendy, "Japan approves world's biggest free-trade deal after China's call to boost Asian economy", South China Morning Post, original publication April 28<sup>th</sup>, 2021, <https://www.scmp.com/economy/china-economy/article/3131370/japan-approves-rcep-free-trade-deal-joining-china-singapore>

Japan's security policies more accommodating for Southeast Asian states, allowing the intensification of security cooperation.

## 3 Literature Review

### 3.1 Overview

The literature on East Asian security often describes Japan as a country engaged in a difficult balancing act between security enhancement, with the Japan-US security pact and the deconstruction of its pacifist constitution being leading the discussions, and economic engagement with China, Japan's regional rival. ASEAN, the economically promising but militarily weak actor, is described by scholars like Chirathivat and Langhammer as 'stuck in a game of tug of war', forced to choose between the protection of their security interests by the US, or the economic incentives that trade with China has to offer.<sup>7</sup> In general, Japan and ASEAN are portrayed as passive actors that struggling with between the Sino-US power competition.

These descriptions however form a limited and outdated view on the influence that Japan and ASEAN have on the developments in regional security. It does not make room for understanding how Japan and Southeast Asian states are intensifying their security cooperation, nor does it give Japan and Southeast Asia agency in mitigating or worsening tensions in East Asia, as this is reserved for China and the US. As Japan's developing role as a pro-active security partner in Southeast Asia has become more prominent under the Abe and Suga administrations, a brief analysis of Japan's relation with Southeast Asia is required. The literature review will therefore address the existing literature on the development of Japan's economic history with Southeast Asia and the strong linkage Japanese trade and national security in order to better understand Japan's concerns towards China's growing presence in the region. Subsequently, the literature review discusses the different views of scholars towards Japan's security role within Southeast Asia, in particular within the South China Sea dispute. Lastly, the literature review addresses the gap in the literature.

---

<sup>7</sup> Chirathivat, Suthiphand, and Langhammer, Rolf J. "ASEAN and the EU Challenged by "Divide and Rule" Strategies of the US and China Evidence and Possible Reactions." *International Economics and Economic Policy* 17, no. 3 (2020): 659-70, p.661.

### 3.2 Japan's economic history with Southeast Asia

Since the Meiji restoration and the consecutive industrial revolution, the Japanese economy has been highly dependent on international trade. Japan's severe shortage of natural resources such as gas, oil, copper, and iron made its growth heavily dependent on the import of natural resources.<sup>8</sup> Territorial expansion in East Asia before and during the Second World war was as one of the primary solutions for the growing need of natural resources. After the Second World war and a period of unimpressive growth during the US occupation of Japan, Japanese policymakers were set on rebuilding the Japanese post-war economy. Former Liberal Democratic Party (LDP) Prime Minister Yoshida Shigeru's focus on economic restoration over military build-up during the Korean War was important for Japan's economic comeback. The lack of resources however remained a significant problem. Japanese policymakers therefore prioritized normalizing its diplomatic and economic relations with Southeast Asian states. During the 1950s Japan actively sought to sign reparation agreements. Countries like Indonesia, the Philippines and South Vietnam received reparations between 1952 and 1962, and were provided with "quasi-reparations" in the form of loans and grants.<sup>9</sup> It was also in this period that Japan was engaged with granting ODA to Southeast Asia through the Colombo Plan.<sup>10</sup>

The improvement of Japan's diplomatic relations with Southeast Asian countries boosted its economic growth. Access to the resources of the Southeast Asian markets made Japan one of the largest producers of consumer electronics, ships, automobiles, and medical equipment from the 1960s onward. Japan's growing presence in Southeast Asia during the 1960s and 1970s was however not globally appreciated. Many Southeast Asian citizens became critical of Japan's exploitation of cheap labour, plundering of resources, and unequal competition. The burning of Japanese made cars and products on the streets of Jakarta in 1974 during Prime Minister Kakuei Tanaka's visit highlights the discontent in

---

<sup>8</sup> Owuor, Sophy, "What Are The Major Natural Resources Of Japan?", World Atlas, original publication August 22<sup>nd</sup>, 2019, <https://www.worldatlas.com/articles/what-are-the-major-natural-resources-of-japan.html>

<sup>9</sup> Hook, Glenn D. *Japan's International Relations: Politics, Economics and Security*. 3rd [rev.] ed. Sheffield Centre for Japanese Studies/Routledge Series; 44 155274945. Abingdon [etc.]: Routledge, 2012, p.205.

<sup>10</sup> Ibid.

of the Southeast Asian public towards Japan's economic presence.<sup>11</sup>

The demonstrations sent a strong message to Tokyo. It had demonstrated that Japan's primary focus on economic cooperation was not sufficient to maintain a long-term and stable relationship with its Southeast Asian partners, which in turn could harm Japan's access to these markets. The Fukuda administration therefore re-evaluated Japan's engagement with Southeast Asia, and focussed on creating a more equal relationship. Prime Minister Fukuda therefore vowed that Japan would pursue a relationship with Southeast Asia that is based on 'the heart-to-heart understanding of ongoing economic, social, and cultural issues'.<sup>12</sup> ODA to Southeast Asia increased from the Fukuda administration onward, enabling the creation of roads, powerplants, and agriculture while simultaneously making the Southeast Asian market more accessible for Japanese companies.<sup>13</sup> Loans and grants were also granted for the improvement of social infrastructure, which positively impacted Japan's diplomatic relations and public image. Indonesia, for example, was granted financial support for the standardization of maternal and child healthcare information, received more than 150 billion yen for environment conservation, and was gifted ballot boxes and voting booths for the 2004 general elections.<sup>14</sup>

The appreciation of the yen in 1985 due to the Plaza Accord also accelerated Japan's economic integration into Southeast Asia, as domestic manufacturing became too expensive.<sup>15</sup> The Plaza Accord and the subsequent economic bubble burst in the early 1990s however led according to Yizhi to Japan shifting its focus to China, as it was opening

---

<sup>11</sup> Halloran, Richard, "Violent Crowds in Jakarta Protest the Visit by Tanaka", *The New York Times*, original publication January 16<sup>th</sup>, 1974, <https://www.nytimes.com/1974/01/16/archives/violent-crowds-in-jakarta-protest-the-visit-by-tanaka-thousands.html>

<sup>12</sup> Hook et al. *Japan's International Relations*, p.207.

<sup>13</sup> Araki, Mitsuya. "Japan's Official Development Assistance: The Japan ODA Model That Began Life in Southeast Asia." *Asia-Pacific Review* 14, no. 2 (2007): 17-29, p.21.

<sup>14</sup> JICA, "Indonesia's development and Japan's Cooperation: Building the Future Based on Trust", Japan International Cooperation Agency, original publication April, 2018, p.3.  
[https://www.jica.go.jp/indonesia/english/office/others/c8h0vm0000dckcsh-att/1804\\_indonesia\\_all\\_en.pdf](https://www.jica.go.jp/indonesia/english/office/others/c8h0vm0000dckcsh-att/1804_indonesia_all_en.pdf)

<sup>15</sup> Yizhi, Wang. "Foundation for Sino-Japanese Economic & Trade Relations: Mutual Benefit & Regional Cooperation." *Japan Spotlight : Economy, Culture & History* 29, no. 2 (2010): 24.

up its economy to foreign investors. This resulted in the decrease of Japanese FDI and ODA from the mid-1990s to the early 2000s as China offered cheaper manufacturing than Southeast Asia. ODA and FDI to Southeast Asia however quickly saw a rebound once Chinese wages increased.

### **3.3 The strong linkage between Japanese trade and national security**

Japan's economic history with Southeast Asia shows that Japan is highly dependent on natural resources and international trade. This has intensified after the 1985 Plaza Accord, as domestic production was offshored to countries primarily in Southeast Asia to reduce labour costs and maximize profits. The growing dependency on Southeast Asia for the continuation of economic growth has therefore made maritime access to these markets a top priority for Japan. In order to secure the unrestricted flow of trade to and from Japan, Japanese policymakers have focused on two objectives: further improving diplomatic and economic relations with its Southeast Asian trading partners, and making the protection of international trade an integral part of its national security.

Japan has been successful with the former objective, as most recent studies by the ISEAS institute demonstrate that ASEAN considers Japan as its most trusted partner.<sup>16</sup> The latter is however a more complex and delicate objective. During the mid-1960s and 1970s, LDP administrations evaluated Japan's sea trade routes, and considered expanding the capabilities of the Japan Maritime Self Defence Force (JMSDF) to defend the routes. Patalano explains that figures like Naka Funada, member of the LDP's Security Affairs Research Council, were actively pushing for securing Japan's trade routes as they considered it essential for a 'maritime trading nation'.<sup>17</sup> The push for the expansion of Japan's maritime capabilities to defend its trade routes was strengthened by the 1973 oil shock, which made Japan realize the importance of unrestricted access to crucial resources.<sup>18</sup>

---

<sup>16</sup> Seah, S. et al., *The State of Southeast Asia: 2021* (Singapore: ISEAS-Yusof Ishak Institute, 2021), p.3, <https://www.iseas.edu.sg/wp-content/uploads/2021/01/The-State-of-SEA-2021-v2.pdf>

<sup>17</sup> Patalano, Alessio. *Post-War Japan As a Sea Power*. Bloomsbury Studies in Military History. London: Bloomsbury Publishing Plc, 2016, p.102.

<sup>18</sup> Patalano, *Post-War Japan As a Sea Power*, p.103.

This resulted in Japan approving the right to defend its shipping lanes in the name of national security under the 1976 National Defence Program Outline (NDPO).<sup>19</sup> The idea that Japan was a maritime trading nation was further embraced by key political figures like Nakasone Yasuhiro, who was the head of the Defence Agency from 1970 to 1972 and became Prime Minister from 1982 until 1987.<sup>20</sup> As Japanese policymakers and administration have made maritime trade, or trade in general, a key aspect of Japan's identity, lines between economic and security policies have faded. This can be seen during the 2013 negotiations of the Trans-Pacific Partnership (TPP), in which former foreign minister Fumio Kishida commented that security played an important role within the TPP for a trading nation like Japan.<sup>21</sup> Former METI Minister and now Minister of Foreign Affairs Motegi Toshimitsu also stressed the central role of Japan within the TPP negotiations due to it being a trading nation.<sup>22</sup>

It is this tight link between trade, national identity, and national security that influences the importance of the South China Sea dispute important for Japan. China, the most prominent claimant in the South China Sea dispute and Japan's main security threat, has become increasingly assertive in defending its claim since 2010.<sup>23</sup> Through the creation of artificial islands, and by using the "Nine Dash Line", a controversial map which claims that a significant part of the South China Sea belongs to China, Beijing has been in constant conflict with littoral Southeast Asian states over the sea.<sup>24</sup>

The disputes have received great attention from Tokyo, as Chinese control over the sea will have major implications for Japan. First of all, the South China Sea is of extreme

---

<sup>19</sup> Ibid.

<sup>20</sup> Hook, Glenn D. *Japan's International Relations Politics, Economics and Security*. 3rd ed. Sheffield Centre for Japanese Studies/Routledge Series ; 44. New York: Routledge, 2012, p. 136.

<sup>21</sup> Mulgan, Aurelia George. "Securitizing the TPP in Japan: Policymaking Structure and Discourse." *Asia Policy*, no. 22 (2016): 193-222. Accessed March 21, 2021. <https://www.jstor.org/stable/24905123>.

<sup>22</sup> Ibid.

<sup>23</sup> Kelly, Tim, "Japan lists China as bigger security threat than nuclear-armed North Korea", Reuters, original publication September 27<sup>th</sup>, 2019, <https://www.reuters.com/article/us-japan-defence-idUSKBN1WC051>

<sup>24</sup> Gao, Zhiguo, Jia, Bing Bing. (2013). The Nine-Dash Line in the South China Sea: History, Status, and Implications. *The American Journal of International Law*, 107(1), 98-123, p.102.

importance for continuation of international trade and the transportation of energy.<sup>25</sup> Ensuring unrestricted trade by preventing China from gaining control over a significant part of the South China Sea has therefore been a top priority for Japanese policymakers. Another reason for concern is the implications that Chinese control over the South China Sea has over Japan's own territorial disputes with China. Midford argues that the Japanese government sees strong similarities between the maritime disputes in the South China Sea, and Japan's own territorial dispute with China in the East China Sea.<sup>26</sup> A resolution of the dispute in which China can claim parts of the South China Sea is therefore not in the interest of the Abe and Suga administrations.

Ironically, Japan has used the same technique as China to extend the range of its own EEZ in the Philippine sea. Okinotorishima, a rock formation 1740 kilometers south of Tokyo is considered by the Japanese government as an island despite its uninhabitability.<sup>27</sup> Japan criticizing China's attempts to extend its EEZ in the South China Sea by calling their own rock formations islands is therefore hypocritical, and illegal. Despite this, Japan continues to refute China's claims over the South China Sea and its 'islands', calling them illegitimate and a breach of the United Nations Convention on the Law of the Sea (UNCLOS).<sup>28</sup>

### **3.4 Japan's role as a security actor within the South China Sea dispute**

While the importance of the South China Sea for Japan is clear, scholarly discussions on the dispute show that there are disagreements on what Japan's role within the dispute entails. Midford for example argues that Japan avoids using the JMSDF, and instead contributes to the security of the South China Sea by enhancing the coastguard capabilities

---

<sup>25</sup> Flath, David, *The Japanese Economy*, Oxford: Oxford University Press, Incorporated (2014), p. 198.

<sup>26</sup> Midford, "Japan's Approach to Maritime Security in the South China Sea", p. 537

<sup>27</sup> Yoshikawa, Yukie. 2006. "Okinotorishima: Just the Tip of the Iceberg." *Harvard Asia Quarterly* 9, no. 4: 51-61

<sup>28</sup> Permanent Mission of Japan to the United Nations New York, "Note verbal to the United Nations", United Nations, published January 19<sup>th</sup>, 2021, [https://www.un.org/Depts/los/clcs\\_new/submissions\\_files/mys\\_12\\_12\\_2019/20210119JpnNvUn001OLA202000373.pdf](https://www.un.org/Depts/los/clcs_new/submissions_files/mys_12_12_2019/20210119JpnNvUn001OLA202000373.pdf)



of littoral Southeast Asian states.<sup>29</sup> Other authors side-line the role of Japan within the South China Sea dispute. Goldstein for example barely focusses on Japan's security contribution, and argues that only China and the US are able to mitigate the South China Sea dispute.<sup>30</sup> When Japan is considered as a security actor within the South China Sea dispute, it is then limited to the role of the US's security partner as seen in Rowan's analysis.<sup>31</sup>

This thesis is critical of scholarly explanations that downplay or disregard the role of Japan as a security actor within the South China Sea dispute, as the current developments seen within the introduction indicate that this is not the case. Instead, Pajon's analysis on Japan's strategic partnerships is therefore more suitable for explaining the ongoing security developments. Pajon refutes the notion that Japan is a limited security actor within Southeast Asia, and shows that the Japanese strategy has encompassed a more active security role for Japan within Southeast Asia. The Japanese government is less hesitant in showing the presence of the JSDF in the region. This can be seen within the increase in military assistance contributed by Japan and the creation of security partnerships in Southeast Asia.<sup>32</sup> Her expectation that the lifting of the arms export would result in Japan becoming a player in the international arms trade are also correct, as the arms export deals with Indonesia, the Philippines, and Vietnam have shown. Miwa Hirono also confirms Japan's importance role within Southeast Asia's security from the 2010's as both China and Japan try to advance their international positions towards the other.<sup>33</sup>

Japan's pursuit of security cooperation with Southeast Asian states can also be seen in Hosoya's analysis of the Free and Open Indo-Pacific. Former Japanese Prime Minister

---

<sup>29</sup> Midford, Paul. "Japan's Approach to Maritime Security in the South China Sea." *Asian Survey* 55, no. 3 (2015): 525-47, p. 526

<sup>30</sup> Goldstein, Lyle J. *Meeting China Halfway*. Washington: Georgetown University Press, 2015, p. 283

<sup>31</sup> Rowan, Joshua P. "The U.S.-Japan Security Alliance, ASEAN, and the South China Sea Dispute." *Asian Survey* 45, no. 3 (2005): 414-36, p. 414

<sup>32</sup> Pajon, Céline, "Japan and the South China Sea, Forging Strategic Partnerships in a Divided Region", IFRI Center for Asian Studies, *Asie. Visions* no. 60 (2013), <https://www.ifri.org/sites/default/files/atoms/files/asievisions60celinepajon.pdf>

<sup>33</sup> Hirono, Miwa. "Asymmetrical Rivalry between China and Japan in Africa: To What Extent Has Sino-Japan Rivalry Become a Global Phenomenon?" *Pacific Review* 32, no. 5 (2019): 831-62, p.855

Abe Shinzo introduced the new economic and security strategy in New Delhi in 2007, which promoted a vision for an Indo-Pacific region that maintained common values and enhanced economic cooperation.<sup>34</sup> An important aspect of the FOIP was the creation of a ‘security diamond’ in which Australia, India, Japan and the US would ensure peace and stability in the Indo-Pacific, and was inherently designed to form a counterbalance against China’s military rise. Hosoya’s analysis of Abe’s initial version of the FOIP shows that the security aspect was not well received in Southeast Asia. Southeast Asian states were interested in the economic incentives of the initiative, but hesitant to approve the FOIP, as it could divide the region into anti-China or anti-US factions.<sup>35</sup> Arase also highlights that the Trump administration’s follow up on the Quadrilateral Strategic Dialogue (QSD) further worsened ASEAN’s view of the FOIP.<sup>36</sup> The assertive tone seen within the US version of the FOIP, in combination with China’s economic importance for ASEAN’s, necessitated in the reimagination of the FOIP by the Abe administration, and resulted in a divergence from the US FOIP.

The divergence has resulted in the Abe administration refraining from doubling down on the security aspect of the Japanese FOIP. Instead, the Abe administration opted for acceptance and friendly competition between the Belt and Road Initiative (BRI) and Japan’s FOIP despite concerns towards the BRI and China’s growing economic presence in Southeast Asia. In Hosoya’s view, China and Japan are steadily improving their relationship thanks to Japanese policymakers avoiding the assertive FOIP, and instead opting for economic cooperation.

This thesis agrees with Hosoya’s statement that Japan’s FOIP has been altered into a less aggressive and more cooperative economic development initiative in order to include the preferences of Southeast Asian states. It however does not see the developments

---

<sup>34</sup> Abe, Shinzo, 2007 (Speech delivered at Indian Parliament, New Delhi), ‘Confluence of the two seas’, 22 August, transcript of speech retrieved December 27<sup>th</sup>, 2020, <https://www.mofa.go.jp/region/asia-paci/pmv0708/speech-2.html>

<sup>35</sup> Hosoya, Yuichi. "FOIP 2.0: The Evolution of Japan's Free and Open Indo-Pacific Strategy." *Asia-Pacific Review* 26, no. 1 (2019): 18-28, p.22

<sup>36</sup> Arase, David, and ISEAS-Yusof Ishak Institute, Issuing Body. *Free and Open Indo-Pacific Strategy Outlook. Trends in Southeast Asia* ; 2019 No. 12. 2019, p.3

described by Hosoya as a transformation of the FOIP. Instead, it argues that the FOIP is evolving, as proposed by Koga.<sup>37</sup> Koga argues that Tokyo has opted for a flexible approach to the rise of China. The ambiguity surrounding the FOIP concept is an example of this flexibility. By avoiding a hard-line security strategy within the FOIP, Japan is able to alter the concept whenever it deems necessary. Japan's incorporation of the preferences of its Southeast Asian allies within the FOIP, as noticed by Hosoya, is an example of this flexibility.<sup>38</sup>

Another example of Japan's flexibility to the rise of China under the Abe and Suga administrations can be seen with the creation of Vientiane Vision in 2016, a defense cooperation initiative between Japan and ASEAN introduced in late 2016. While the FOIP altered its tone to the rise of China in 2016, Japan simultaneously initiated the Vientiane Vision initiative to strengthen its security relations with ASEAN. The security initiative is exclusively for ASEAN states and Japan, leaving the US out of the equation. This makes Vientiane Vision a security initiative tailored to the needs of Japan, the main contributor of the initiative, while also making room for ASEAN members to pursue their own security objectives. Through the new security cooperation initiative, Japan maintains a leading role as the most advanced security partner that contributes to the defensive capability enhancement of Southeast Asian states. This is done not only through the training of coast guard forces as seen with the presence of the JCG in Southeast Asia, but also through the transferring of Japanese military equipment and weaponry as seen within the introduction.

### **3.5 Gap in literature**

The literature on Japan's economic and security relations with Southeast Asia point out that Japanese policymakers see Southeast Asia as a vital region for Japan's economic and security interests. Japan's pursuit of further strengthening its security relations with Southeast Asia under the Abe and Suga administrations is furthermore supported by Wallace's 'Look South' strategy. As bilateral attempts in improving security relations with China has so far resulted in little improvement, Japan is redirecting its diplomatic energy

---

<sup>37</sup> Koga, Kei. "Japan's 'Indo-Pacific' Question: Countering China or Shaping a New Regional Order?" *International Affairs* (London) 96, no. 1 (2020): 49-73.

<sup>38</sup> Hosoya, "FOIP 2.0: The Evolution of Japan's Free and Open Indo-Pacific Strategy.", p.21.

to economic and security improvements with Africa, India and especially Southeast Asia.<sup>39</sup> These resource-rich and developing markets can in turn make Japan economically more autonomous from China.<sup>40</sup> This perspective reiterates the importance of the South China Sea as a corridor to Southeast Asian markets and the rest of the Indo-Pacific, as addressed in Rowan's and Patalano's analyses on Japan's maritime security development.<sup>41</sup>

The discussions on Japan's economic and security relations with Southeast Asia have also made clear that Japan has actively made alterations within its policies to promote security cooperation with Southeast Asian states. Within the security realm, the Abe administrations has made changes within the FOIP in response to ASEAN's concerns, and initiated Vientiane Vision in an attempt to strengthen its security relation with Southeast Asia outside of US-backed security initiatives. In the economic realm, Japan has taken a pragmatic approach to China's economic presence in the region, as can be seen with its response to China's Belt and Road Initiative (BRI) infrastructure program. Chirathivat, Suthiphand and Langhammer however do point out that Japanese policymakers are deeply concerned that the multibillion-dollar BRI investments from China are an attempt to ensure its access to Southeast Asian suppliers of goods, services and technology.<sup>42</sup> Exclusive access for China to Southeast Asian suppliers would decrease Southeast Asia's market dependence towards Japan, and increase its reliance on Chinese demand. Despite these concerns, Hosoya and Ito demonstrate that Japan has refrained from openly criticizing the BRI, and is instead conditionally engaging with it as interest partially overlap.<sup>43</sup> When Japan's does not conditionally engage with the BRI, it competes instead. The increase of Japanese ODA to Southeast Asia Since the late 2000s and the creation of infrastructure

---

<sup>39</sup> Wallace, Corey. "Leaving (north-east) Asia? Japan's Southern Strategy." *International Affairs* (London) 94, no. 4 (2018): 883-904, p. 883

<sup>40</sup> Wallace, "Leaving (north-east) Asia? Japan's Southern strategy", p. 903

<sup>41</sup> Rowan, Joshua P. "The U.S.-Japan Security Alliance, ASEAN, and the South China Sea Dispute." *Asian Survey* 45, no. 3 (2005): 414-36, p. 432

<sup>42</sup> Chirathivat, Suthiphand, and Langhammer, Rolf J. "ASEAN and the EU Challenged by "Divide and Rule" Strategies of the US and China Evidence and Possible Reactions." *International Economics and Economic Policy* 17, no. 3 (2020): 659-70, p. 659

<sup>43</sup> Ito, Asei. "China's Belt and Road Initiative and Japan's Response: From Non-participation to Conditional Engagement." *East Asia* (Piscataway, N.J.) 36, no. 2 (2019): 115-28.

development programs like the Partnership of Quality Infrastructure (PQI) enable Japan to compete with China for important infrastructure programs.

This competition has also brought more agency to Southeast Asian states, as they hedge China and Japan against each other to obtain more lucrative deals. With Japan altering its approach to the rise of China in order to promote security cooperation with ASEAN, the question then arises whether Japan has booked any significant progress in putting its key security objectives onto the agendas of Southeast Asia. Hosoya and Koga argue that this is not the case. The changes seen in what Hosoya calls the 'FOIP' can be considered as a rejection of Japan's security objectives, as Southeast Asian states are too hesitant to support initiatives that push for an assertive security stance towards China. Koga furthermore perceives the continuous alterations to appease ASEAN as a weakness within the FOIP for long-term security cooperation. He argues that the mix of competitive and cooperative strategies create ambiguity, decreasing the chance of ASEAN aligning with the security objectives in the FOIP.

The FOIP has been ambiguous to a certain degree, with the removal of basic values like democracy and human rights within the three pillars of the FOIP being an example of that. Economic prosperity, freedom of navigation, and maritime security have however remained untouched since its introduction.<sup>44</sup> Without adherence freedom of navigation, countries like China could deny access through the South China Sea if they were to take control. This would in turn impact Japan's economic prosperity and that of its trading partners, and further destabilize maritime security in the region. Human rights and democracy are not detrimental for Japan's national security, and are therefore aspects within the FOIP that Japan is willing to remove in order to promote security cooperation with non-democratic Southeast Asian regimes. Japan signing security deals with Vietnam and the Philippines, two countries whose governments are accountable for serious human rights violations, highlights the unimportance of the points removed from the FOIP, and

---

<sup>44</sup> Koga, Kei. "Japan's 'Indo-Pacific' Question: Countering China or Shaping a New Regional Order?" *International Affairs* (London) 96, no. 1 (2020): 49-73, p.63.

demonstrates the importance of booking progress in security cooperation.<sup>45</sup>

Therefore, the main position of this thesis is that Japan has been successful at pushing some of its key security objectives, with the most prominent objective being the maintenance of open seas in the South China Sea, onto the agendas of its Southeast Asian partners. The literature has shown that Japan's has been flexible with the rise of China, enabling Southeast Asia to continue to engage with China economically, while leaving room for security cooperation with Japan. These developments, combined with the active promotion of the FOIP by Japan in Southeast Asia and the export deals signed in light of China's growing assertiveness, demonstrate a growing acceptance or growing interest towards the Japanese FOIP by Southeast Asian states. Japan's bilateral interactions with littoral ASEAN-states surrounding the South China Sea are therefore analysed in order to demonstrate how Japan is able to put its key security objectives on their agendas.

---

<sup>45</sup> UNHR, "Philippines: UN report details widespread human rights violations and persistent impunity", United Nations Human Rights, office of the high commissioner, <https://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=25924>

## **4 Methodology**

### **4.1 Research question**

As discussed within the literature review, Japan under the Abe and Suga administrations has taken an active role in creating and bolstering its security cooperation with Southeast Asian nations to maintain unrestricted access through the South China Sea. Japan signing massive arms deals with Indonesia, the Philippines, and Vietnam furthermore indicates that Japan has successfully put China's capability to disrupt maritime access to the South China Sea onto the security agendas of its Southeast Asian partners. The research question that this thesis will therefore question how Japan has contributed to making China's growing military presence in the South China Sea an important security concern for Southeast Asia, despite Southeast Asia's strong economic integration with China. This thesis argues that Japan's tactical hedging plays a key role within the strategic successes booked by the Abe and Suga administrations, as both administrations have created forms of security cooperation that do not harm the economic relations the Southeast Asian states have with China. This thesis also proposes that anti-Chinese nationalistic sentiments within Southeast Asia have worked as an accelerator for the pursuit of security cooperation with Japan. Japan's tactical hedging is however still the primary factor, as anti-Chinese nationalism cannot lead to security cooperation if the Japanese security policies fail to take the importance of the Chinese economy into account, or are perceived as too assertive.

### **4.2 Theoretical framework**

This thesis proposes that the concept of "tactical hedging" explains whether Japan is successful in putting its key security objectives on to the agendas of Southeast Asian states. Tactical hedging shows similarities with "conventional hedging", but is essentially different. An explanation of the differences between the two is therefore required. Evelyn Goh explains that hedging, or conventional hedging, is the use of a set of strategies aimed at avoiding situations in which a state cannot decide upon straightforward alternatives like

balancing, bandwagoning, or neutrality.<sup>46</sup> States therefore choose alternative positions towards the country it hedges against without showing clearly choosing a side. Southeast Asia enhancing its economic engagement with China, while simultaneously improving its military capabilities to address China's assertiveness is an example of that. Goh's argues that hedging is widely used by Southeast Asian states.<sup>47</sup> Her analysis of hedging in Southeast Asia furthermore demonstrates that Southeast Asian states are significantly strengthening their bets on Chinese aggression in the short run due to China's growing assertiveness since 2010. This resulted in the pursuit of security enhancement through cooperation and defense procurement in Southeast Asia.

Koga Kei describes tactical hedging refers as a 'declaratory policy doctrine that aims to utilize temporal strategic ambiguity to understand and determine whether any long-term strategic shift is necessary or possible'.<sup>48</sup> Koga argues that countries that make use of tactical hedging seek to identify an optimal approach to achieve certain strategic objectives.<sup>49</sup> This makes tactical hedging a short-term posture, while conventional hedging aims for the long-term avoidance of provoking or the loss of autonomy. Tactical hedging is furthermore an indicator that there might be a strategy change in the future, while conventional hedging does not. Despite these key differences, there are similarities that makes a tactical hedger like Japan attractive for conventional hedgers in Southeast Asia. Both tactical hedging and conventional hedging have a strong emphasis on risk assessment, ambiguity in policy, and flexibility, resulting in a similar set of concerns and views towards the state it is hedging against. Tactical hedging however enables the pursuit of alternative ways for reaching one's strategic objectives. In other words, Japan can experiment with

---

<sup>46</sup> Goh, Evelyn, *Meeting the China Challenge: The US in Southeast Asian Regional Security Strategies*, Policy Studies Monograph 16 (Washington DC: East-West Center, 2005), p.19.

<sup>47</sup> Goh, Evelyn, "Southeast Asian Strategies toward the Great Powers: Still Hedging after All These Years?", *The Asan Forum*, original publication February 22<sup>nd</sup>, 2016, <http://www.theasanforum.org/southeast-asian-strategies-toward-the-great-powers-still-hedging-after-all-these-years/>

<sup>48</sup> Koga, Kei, 'Japan's "Free and Open Indo-Pacific" strategy: Tokyo's tactical hedging and the implications for ASEAN', *Contemporary Southeast Asia* 41: 2, 2019, p. 289.

<sup>49</sup> Koga, Kei. "Japan's 'Indo-Pacific' Question: Countering China or Shaping a New Regional Order?" *International Affairs* (London) 96, no. 1 (2020): 49-73, p 61.



alternative approaches towards China's growing presence in Southeast Asia while still maintaining a degree of ambiguity, allowing the continuation of the current status quo.

A tactical hedger like Japan therefore has a lot to offer for conventional hedgers in Southeast Asia. As China is currently the largest concern for the maritime sovereignty and freedom of navigation for both Japan and Southeast Asia, any solution to this issue offered by a tactical hedger like Japan would be attractive. If Japan's tactical hedging fails to create a promising strategy shift, conventional Southeast Asian hedgers can still return to their former strategies, as the status quo has for a large part been maintained during the process. This flexibility and relatively low-risk approach to the rise of China should therefore make security cooperation with Japan a viable option to address Southeast Asia's security concerns.

### **4.3 Thesis structure**

The thesis will primarily make use of process tracing. Process tracing is a qualitative analysis methodology that is used to answer whether, and how, potential causes influenced a specific change or set of changes.<sup>50</sup> This method is in particular useful for the analysis, as the following chapters are in essence case studies that to a large extent analyze how Japan's relations with the three states have evolved from the start Abe administration to the present. The hypothesis of this thesis is that Japan's usage of tactical hedging is the key factor of Japan's success in putting put China's presence in the South China Sea onto the security agenda of its Southeast Asian partners. In order to test whether this hypothesis is correct, this thesis will look at Japan's bilateral relations with three Southeast Asian states in order to assess whether Japan is successfully pushing its security objectives on the agendas of Southeast Asian states.

For the case studies, Indonesia, the Philippines, and Vietnam are chosen for the analysis due to the following two reasons. First of all, the geographical location of the three countries makes security cooperation attractive for Japan. With Vietnam, the Philippines, and Indonesia surrounding the South China Sea, Japan can create an Asian maritime security diamond that defends freedom of navigation throughout the contested sea. The

---

<sup>50</sup> George, Alexander, Bennett, Andrew, (2005). *Case Studies and Theory Development in the Social Sciences*. (Belfer Center Studies in International Security). The MIT Press.

area would cover the routes of ships from the port of Nagoya, Japan's largest and busiest trading port, all the way to the Strait of Malacca. Japan enhancing the maritime capabilities of these three countries would therefore be the most effective way to ensure unrestricted access to the South China Sea. The second reason for the three countries is the fact that all three countries have territorial disputes within the South China Sea with China, ranging from overlapping EEZs to territorial disputes over rocks, shoals, and islands. The existing territorial tensions between the three Southeast Asian states and China works in the advantage of Japan, as Japanese policymakers can utilize the tensions to further emphasize the importance of the FOIP, security cooperation, and international maritime law.

The thesis will primarily look at bilateral economic and security developments between Japan and the three ASEAN-states during the Abe and Suga administration (2012-2021). This timeframe is chosen due to the many security economic and security initiatives that were implemented or gained traction during this period. The uninterrupted LDP rule from 2012 to the present is also an important factor for choosing this timeframe, as it enabled Abe and his successor Suga to expand and modify its security policy towards Southeast Asia beyond a typical four-year term.

The three analysis chapters are divided into four sections. The first section gives an overview of the country's economic and security relationship with China and Japan. This thesis believes that the anti-Chinese nationalism plays a role in the speed at which Japan's security cooperation is accepted. Looking at the historical background of their economic and diplomatic relationships is therefore important, as it highlights existing longstanding issues that still influence present day politics like the Sino-Vietnamese War of 1979. The second section discusses the country's economic relations with Japan and China from the Abe administration to the present. It addresses how both China and Japan are competing over the Indonesian, Philippine, and Vietnamese markets, and how the investments have influenced the perspectives of the Southeast Asian governments towards China and Japan. The third section analyzes the Southeast Asian country's security relations with China and Japan from the Abe administration to the present. Key events that show changes within the country's approach of China's growing military presence in the South China Sea are analyzed. In particular, events that highlight the intensification of security cooperation with Japan are addressed. Such events range from weapon procurements to speeches that

indicate support of the FOIP. Lastly, the fourth section is a preliminary conclusion of the chapter. It summarizes key findings and remarks that help answer whether Japan is successfully putting the South China Sea onto the agendas of Southeast Asia.

The conclusion of the thesis compiles the findings of the case studies, and answer whether the Japan under the Abe and Suga administrations have successfully put the security of the South China Sea China's on the agenda of Southeast Asia through the process of tactical hedging. The conclusion will also briefly discuss topics that require further research, and speculate on what the future of Japan's security cooperation with Southeast Asian states might look like.

## 5 The Republic of Indonesia

### 5.1 Overview

Indonesia, the largest archipelago in the world with a GDP of \$1.119 trillion in 2019, is Southeast Asia's biggest economy.<sup>51</sup> The abundance of gas, minerals and palm oil makes Indonesia an important resource market for both China and Japan. With a population of 270 million, and a rapidly growing middle class, the Southeast Asian country is also an interesting market for Chinese and Japanese companies that wish to manufacture or sell goods in Indonesia. This has resulted in fierce economic competition between China and Japan over the Indonesian market.

The developments in Sino-Japanese economic competition in Indonesia, or Southeast Asia in general, is an expected development. Globalization has enabled countries to produce and trade throughout the world, resulting in manufacturing being displaced to locations where labor cost are low and tax incentives are high. Japan's and China's focus on Indonesia follows within the globalization developments. What is less discussed is Indonesia's role as a security actor in Southeast Asia, and the security developments between Indonesia, China, and Japan. Indonesia's geographical location from China and lack of a shared, conflictual history are important factors for the less strained diplomatic relationship that Indonesia had with Beijing. This becomes obvious when comparing Sino-Indonesian diplomatic and security relations with China to that of Vietnam or the Philippines. Despite the lack of a shared conflictual history, current developments within Sino-Indonesian security relations under the administration of President Joko Widodo indicates that Indonesia's long-maintained neutrality towards China is eroding, as the rise of China has become an increasingly important subject for Indonesia's foreign policy agenda. This chapter will therefore look at the evolution of Indonesia's economic and security relations with China and Japan, and analyse whether the developments in

---

<sup>51</sup> World Bank, "The World Bank In Indonesia: overview", The World Bank Group, accessed March 23<sup>rd</sup>., 2021, <https://www.worldbank.org/en/country/indonesia/overview>

Indonesia-Japan relations have contributed to Indonesia's increased assertiveness towards Beijing.

## **5.2 Indonesia-Japan and China-Indonesia relations from the Cold War to 2012**

After the end of the Second World War in 1945 and the transfer of sovereignty by the Dutch in 1949, Indonesia's future was uncertain. Sukarno's rule during the 1950s resulted in negative growth, and the rise of Indonesian communism brought political unrest. The instability in Indonesian politics and economic stagnation resulted in Suharto taking over the Indonesian government in 1965 under the guise of averting a coup by the Indonesian Communist Party (PKI).<sup>52</sup> In a retaliatory act against the Indonesian communists, the Indonesian Army and various other groups killed hundreds of thousands of PKI members and PKI sympathizers over a span of three years. Peace was restored to a certain degree once Suharto was formally elected president, making room for the much-needed economic improvements.

During Suharto's almost three-decades lasting regime, trade between Indonesia and Japan saw significant growth. Japan had already made the first steps for the improvement of the two countries diplomatic and economic relations during Sukarno's presidency by signing the peace treaty and reparations agreement in 1958.<sup>53</sup> Real progress in the economic realm could however only be seen during the Suharto regime. Suharto surrounded himself with technocrats who were supportive of privatization, certain degrees of deregulation, and FDI. This, combined with a strong focus on improving the agricultural sector and building infrastructure, promoted economic growth and political stability. The more foreign investment friendly climate and political stability enabled Japan to intensify its trade relations with Indonesia.

Trade between Japan and Indonesia in the 1960s and 1970s primarily focused on the import of natural resources to Japan. The heavy focus on natural resource accumulation

---

<sup>52</sup>Turner, Sarah, Allen, Pamela. "Chinese Indonesians in a Rapidly Changing Nation: Pressures of Ethnicity and Identity." *Asia Pacific Viewpoint* 48, no. 1 (2007): 112-27, p.115.

<sup>53</sup> Glenn D. Hook, Hugo Dobson, Julie Gilson, and Christopher W. Hughes. *Japan's International Relations*. Vol. 44. The University of Sheffield/Routledge Japanese Studies Series. Florence: Taylor and Francis, 2012, p.205.

by Japan resulted in critique from the Indonesian population. Japan's exploitation of natural resources and cheap labor resulted in Japan obtaining the image of an 'economic animal'. The contempt of the public resulted in the burning of Japanese products on the streets of Jakarta in 1975, and the eventual introduction of the Fukuda doctrine.<sup>54</sup> Japan improved its diplomatic relations and image in Indonesia by increasing its ODA to Indonesia. Data from the Japan International Cooperation Agency (JICA) shows that up to the fiscal year 2016, Japan's total ODA to Indonesia amounts to more than 5.5 trillion yen, or 50 billion USD.<sup>55</sup> This makes Indonesia one of Japan's top recipients of ODA. Japan has furthermore invested in social infrastructure in an attempt to improve its image. The creation of institutionalized maternal handbooks in 1994, promotion immunization, provisioning of ballot boxes and voting booths for the 2004 Indonesian election, and supported the reconstruction of Aceh after the 2004 tsunami are examples of such goodwill campaigns.<sup>56</sup>

Improving infrastructure contributed also to a strong economic and political bond between Indonesia and Japan. The signing of the Indonesia-Japan Economic Partnership Agreement (IJEPA) in 2008, Indonesia's first free trade agreement, highlights the improvements made in Indonesia-Japan economic relations before the return of Abe in 2012. Japan's image for the Indonesian public has also improved dramatically since the 1970s.<sup>57</sup> Surveys by the ISEAS Institute on Indonesian perspectives towards Japan show that there is a high degree of confidence towards Japan as a major power, indicating that Japan's decades of soft power policies towards Indonesia have been very effective.<sup>58</sup>

Japan's diplomatic and economic relations is one of that demonstrates significant improvement. China's economic and diplomatic relations with Indonesia however tells a different story. First of all, China diplomatic and economic engagement with Indonesia

---

<sup>54</sup> Hook et al, Japan's International relations, p.207.

<sup>55</sup> JICA, "Indonesia's development and Japan's Cooperation: Building the Future Based on Trust", Japan International Cooperation Agency, original publication April 2018, p.2,  
[https://www.jica.go.jp/publication/pamph/region/ku57pq00002izqzn-att/indonesia\\_development\\_en.pdf](https://www.jica.go.jp/publication/pamph/region/ku57pq00002izqzn-att/indonesia_development_en.pdf)

<sup>56</sup> Ibid.

<sup>57</sup> JICA, "Indonesia's development and Japan's Cooperation", p.7.

<sup>58</sup> Seah, S. et al., The State of Southeast Asia: 2021 (Singapore: ISEAS-Yusof Ishak Institute, 2021), p.55,  
<https://www.iseas.edu.sg/wp-content/uploads/2021/01/The-State-of-SEA-2021-v2.pdf>

only intensified from the late 1980s onward, giving Japan a head start of more than two decades. This primarily has to do with China's focus on the improvement of China's domestic politics and economic rebuilding during the 60s and 70s, resulting in China being relatively closed-off from the international market. It was only under the rule of Deng Xiaoping that China rapidly opened up to the world economy by approving reforms that allowed more capitalist forms of trade.<sup>59</sup> Second, China's image did not improve to the same degree as that of Japan. Many Southeast Asian states like Indonesia had anti-communist regimes. Anti-Chinese sentiments have furthermore been present in Indonesia since Dutch colonial rule, but intensified under the Cold War by the Suharto regime and the US anti-communist movement. The slaughter of thousands of ethnic Chinese during the eradication of the PKI and forced cultural assimilation programs are the most prominent examples of ultranationalist Indonesian movements dealing with the 'Chinese problem' during the Cold War.<sup>60</sup>

These anti-Chinese sentiments did not completely dissipate once China opened its economy and tried to improve its relations with Indonesia. The 1998 riots caused by the 1997 Asian Financial Crisis resulted in the killing over a thousand ethnic Chinese Indonesians, as China and ethnic Chinese are often chosen as scapegoats during economic downturn.<sup>61</sup> It is only from the 2000s onward that one can see a very steady decline in Anti-Chinese sentiment. More ethnic Chinese Indonesians are becoming active within the Indonesian public sphere. The immense popularity of the ethnic Chinese Ahok, Indonesia's

---

<sup>59</sup> Vogel, Ezra F. *Deng Xiaoping and the Transformation of China*. Cambridge, Mass.: Belknap Press of Harvard University Press, 2011, p.450.

<sup>60</sup> Setijadi, Charlotte. "A Beautiful Bridge': Chinese Indonesian Associations, Social Capital and Strategic Identification in a New Era of China-Indonesia Relations." *The Journal of Contemporary China* 25, no. 102 (2016): 822-35, p.825.

<sup>61</sup> Landler, Mark, "UNREST IN INDONESIA: THE OVERVIEW; Indonesian Capital Engulfed by Rioting", *The New York Times*, original publication May 15<sup>th</sup>, 1998  
<https://www.nytimes.com/1998/05/15/world/unrest-in-indonesia-the-overview-indonesian-capital-engulfed-by-rioting.html>

former governor of Jakarta, is a prime example of how perceptions towards China and ethnic Chinese have shown some degree of improvement since the late 1990s.<sup>62</sup>

China's relations with Jakarta has furthermore improved to the degree that both countries actively sought to improve security ties in the mid-2000s. Indonesia's former president Suliso Bambang Yudhoyono attempted to create a comprehensive relationship with Beijing. Further improvements in their economic relationship were the primary objective, but security also played an important role within the discussions. Beijing was eager to become an arms exporter for Indonesia, and quickly responded to the Yudhoyono administration's request of enhancing security cooperation. Within the first year of Yudhoyono's presidency, the two countries announced that they would build a strategic partnership.<sup>63</sup> Two months after the announcement, China and Indonesia signed a Memorandum of Understanding (MoU) on defense technology cooperation. Little progress has however been made in security cooperation since the signing of the MoU until 2012. China's notoriously unreliable armament has resulted in Indonesia buying fighter jets from Russia rather than China, and China remained unwilling to invest in Indonesia's own defense industry.<sup>64</sup>

To summarize, Japan has had a head start with improving its economic and diplomatic relations with Indonesia. Japan heavily investing in social infrastructure furthermore improved its image for the Indonesian government. China however suffers from the strong negative perception that the Indonesian public has towards China and Ethnic Chinese in Indonesia created during the Cold War, and its late focus on improving economic and diplomatic ties with Southeast Asia. These setbacks have resulted in China having the same image in 2012 as Japan in the 1970s: important for the Indonesian economy, but not well received by the Indonesian public. Even when China was able to

---

<sup>62</sup> Kwok, Yenni, "Indonesia Reaches Racial Milestone With Chinese Governor of Jakarta", TIME, original publication November 19<sup>th</sup>, 2014, <https://time.com/3594125/indonesia-jakarta-chinese-christian-governor-joko-widodo-jokowi-ahok-basuki-purnama/>

<sup>63</sup> Storey, Ian, "China and Indonesia: Military-security Ties Fail to Gain Momentum", China Brief Volume:9, Issue:4, original publication February 20<sup>th</sup>, 2009, <https://jamestown.org/program/china-and-indonesia-military-security-ties-fail-to-gain-momentum/>

<sup>64</sup> Ibid.



make serious steps in enhancing its defense ties with Indonesia more than a decade before Japan could, it failed to advance the negotiations into concrete and long-term deals.

### **5.3 Sino-Indonesian and Indonesia-Japanese economic relations from the Abe administration to the present**

As China's economy grew significantly from the 2000s onward, so did the dependency of Indonesia on the Chinese market. Indonesia, which saw a surge in the export of natural resources thanks to the increased international demand, profited from the economic rise of China. Concerns towards China's economic power and its implications for Indonesia however only became a topic of national interest with the announcement of the Belt and Road Initiative (BRI) by China's president Xi Jinping in 2013. The initiative received the attention of many developing countries, Indonesia included. Indonesia's president Jokowi, who himself was a former businessman, was well aware that the current state Indonesia's infrastructure needed to be addressed if his administration wanted to rejuvenate the Indonesian economy.<sup>65</sup> A 2016 analysis by Salim and Dharma Negara shows that Indonesia would need about 450 billion USD to realize the infrastructure development plans of the Jokowi administration.<sup>66</sup> Jokowi therefore embraced the BRI in order to fund its infrastructure ambitions. The best-known high profile BRI project in Indonesia is the Jakarta-Bandung High Speed Rail. With a total length of 150 kilometers, the railway was supposed to increase mobility and improve economic growth. The project was initially meant for Japan, who had requested JICA to study the feasibility of the project since 2009. China's bid however did not require government financing or guarantees from Indonesia and was expected to be delivered by 2019, making it more lucrative for the Jokowi administration than the Japanese proposal. This resulted in Japan losing the bid to the

---

<sup>65</sup> Lim, Guanle, Li, Chen, and Adi Syailendra, Emirza. "Why Is It so Hard to Push Chinese Railway Projects in Southeast Asia? The Role of Domestic Politics in Malaysia and Indonesia." *World Development* 138 (2021): *World Development*, 2021-02, Vol.138, p.2.

<sup>66</sup> Salim, W., & Dharma Negara, S. (2016). Why is the High-Speed Rail Project So Important to Indonesia? *ISEAS Perspective* (16), pp. 1-10, p.5.

surprise of many.

The high-speed rail project has so far however failed to deliver. Issues with the procurement of land, domestic critique over the necessity of high-speed rail, and rising development costs have resulted in continued delays. With currently just 73% of the railway completed, the Jokowi administration hopes that the Jakarta-Bandung line will be operated by late 2022, three years after the initially envisioned date.<sup>67</sup> The delays and growing price tag of the project is a setback for the Jokowi administration, as it has nullified the initial advantages of granting the project to China.

In order to speed up the project, Indonesia has asked Japan to assist with the Jakarta-Bandung line construction. The Jokowi administration even proposed that Japan and China would work together on the Bandung-Surabaya high speed rail extension, which is five times the size of the current project.<sup>68</sup> Japan has however declined to offer support with the high-speed rail project. JICA maintains that Japan rather focusses on working on the Medium Speed Rail from Jakarta to Surabaya, which it was granted in 2019.<sup>69</sup> There are multiple reasons for Japan to refuse cooperation. First of all, Sino-Japanese competition over infrastructure projects in Southeast Asia does not promote cooperation. Projects sponsored by the BRI are projects that could have been handled by JICA. Negative media towards BRI investments are therefore advantageous for Japan. As can be seen with the Jakarta-Bandung HSR, the Indonesian government is struggling with the BRI-backed project, and sought help from Japan. Japan however denying this request however publicly shows that Japan is not confident about the feasibility of the BRI-backed project, further straining the Jokowi administration with the already significantly delayed project.

---

<sup>67</sup> Xinhua, “Indonesian president hopes Jakarta-Bandung HSR will operate by end of 2022”, Xinhua News Agency, original publication May 18<sup>th</sup>, 2021, [http://www.xinhuanet.com/english/2021-05/18/c\\_139954225.htm](http://www.xinhuanet.com/english/2021-05/18/c_139954225.htm).

<sup>68</sup> Mutfi, Riza Roidila, “Govt wants Japan to join China-backed high-speed rail project”, The Jakarta Post, original publication May 31<sup>st</sup>, 2020, <https://www.thejakartapost.com/news/2020/05/29/govt-wants-japan-to-join-china-backed-high-speed-rail-project.html>

<sup>69</sup> Cuenca, Oliver, “Indonesia to continue with Jakarta-Bandung extension plans”, International Railway Journal, original publication January 27<sup>th</sup>, 2021, <https://www.railjournal.com/regions/asia/indonesia-to-continue-with-jakarta-bandung-extension-plans/>

Second of all, domestic critique towards the creation of high-speed rail has made the project immensely unpopular. Public opposition has resulted in the stalling of land acquisition, and critique is given towards the fact that the economic benefits of high-speed rail will disproportionately favor the elite who are able to afford the high-priced tickets.<sup>70</sup> Considering the plethora of rules that the Jakarta-Bandung already violates, and the complete disregard from China's side for the environmental impact that the construction has, it is in the interest of Japan to let the Chinese funded infrastructure project derail.

Japan's choice of refraining to cooperate has proven to be a tactically wise one. As international media continues to highlight serious issues surrounding the BRI funded projects, ranging from undisclosed viability reports about the project to dramatic debts, the Indonesian public and political elite have become increasingly wary of Chinese funded projects. The Jokowi administration has therefore actively been avoiding projects that receive strong Chinese government support like the Jakarta-Bandung line.<sup>71</sup> Instead, the Indonesian government prefers BRI projects to be private sector driven, making the potential debts an issue for companies rather than the government. This mitigates the change for the Jokowi administration being stuck in a debt trap, as seen with governments that did take government-to-government loans from China. The Jokowi administration has also actively avoided Chinese funding for the creation of Indonesia's new capital in an attempt to not worsen the already controversial project.<sup>72</sup> The Jokowi administration has furthermore refrained from asking for Chinese investments into the newly created Indonesia Investment Authority (INA) to ensure that important infrastructure projects

---

<sup>70</sup> Paendong, Meiki W., "The Jakarta-Bandung Rail Project: 5 Years On and Still Going Nowhere", *The Diplomat*, original publication December 3<sup>rd</sup>, 2020, <https://thediplomat.com/2020/12/the-jakarta-bandung-rail-project-5-years-on-and-still-going-nowhere/>

<sup>71</sup> Soeriaatmadja, Wahyudi, "Indonesia wants BRI projects to be in line with national development plan, no government debt", *The Straits Times*, original publication April 25<sup>th</sup>, 2019, <https://www.straitstimes.com/asia/se-asia/indonesia-wants-bri-projects-to-be-in-line-with-national-development-plan-no-government>

<sup>72</sup> Rakhmat, Muhammad Z., Permadi, Dimas, "Why Isn't Indonesia Seeking China's Funding for Its New Capital?", *The Diplomat*, original publication April 3<sup>rd</sup>, 2020, <https://thediplomat.com/2020/04/why-isnt-indonesia-seeking-chinas-funding-for-its-new-capital/>

would remain under state ownership.<sup>73</sup> Japan was however included with INA, which indicates that the Jokowi administration does believe that the same level of cautiousness is required for large capital investments from the Japanese government.

The developments show that during the Abe and Suga administrations, China's economic presence increased in Indonesia. Indonesia has accepted many Chinese backed projects, with Jokowi's \$91 billion dollar project package offer in 2019 being a more recent example.<sup>74</sup> The Jokowi administration has however also become wary of state funded projects due to the possibility of the debt trap. Indonesia has therefore stayed away from government-to-government loans since the Jakarta-Bandung line, and is actively looking for other partners for financial support. Japan in the meanwhile has refrained from cooperating with China on big ticket projects to ensure that BRI issues and the growing critique towards Chinese projects and investments are not directed towards Japan. China's worsening reputation in Indonesia works in the advantage of Japan, as it makes granting big ticket infrastructure projects to Japan politically more attractive for the Jokowi administration.

#### **5.4 Sino-Indonesian and Indonesia-Japanese security relations from the Abe administration to the present**

Indonesia being an archipelagic state makes maritime trade and maritime security important focus points for the Indonesian government. This has become particularly important under the Jokowi administration. Like Indonesia's land-based infrastructure, a significant number of investments are needed for the improvement and creation for ports, fisheries. The modernization of Indonesia's ports in particular is one of the most important maritime infrastructure development objectives for the Jokowi administration, as they are

---

<sup>73</sup> Yuniar, Resty Woro, "Why is China being left out of Indonesia's US\$20 billion wealth fund?", South China Morning Post, original publication February 8<sup>th</sup>, 2021, <https://www.scmp.com/week-asia/economics/article/3120687/why-china-being-left-out-indonesias-us20-billion-wealth-fund>

<sup>74</sup> Asmarini, Wilda, Jefriando, Maikel, "Indonesia asks China for special fund under Belt and Road: Ministers", Reuters, original publication July 3<sup>rd</sup>, 2019, <https://www.reuters.com/article/us-indonesia-china-beltandroad-idUSKCNITY1DU>

crucial for the transportation of good within the archipelago and to destinations abroad.

When looking at the security of Indonesia's waters, Illegal fishing within Indonesian waters and piracy have been the primary issues that the Jokowi administration and his predecessor have been actively working on to improve.<sup>75</sup> Jokowi however also uses the maintenance of maritime security and the sovereignty for political purposes. As seen in the analysis of Indonesia's relationship with China during the Cold War, Indonesian governments have a track record for using nationalism to rile up the Indonesian population for a specific cause, or avert the critical eyes of the public from mishaps caused by the government.

An example of such nationalistic acts can for example be seen with the confiscation of illegal fishing boats that were active within Indonesian waters. The Jokowi administration has taken a zero-tolerance approach towards unauthorized activities within its maritime waters, which often lead to clashes between illegal foreign fishers and the Indonesian Coast Guard (ICG). A majority of these illegal fishers are from Malaysia, Vietnam and the Philippines. The Jokowi administration made clear that it will defend its EEZ's by destroying 317 illegal fishing vessels captured in the period from 2014 to 2017.<sup>76</sup> Indonesia's zero-tolerance policy and the destruction of the ships was not only meant for those who wish to illegally fish in Indonesian waters, but is meant for the Indonesian public. Such displays of power, in particular for the protection of one's sovereignty, boosts nationalistic sentiment and is a simple way of increasing the popularity of the Jokowi administration without receiving serious diplomatic repercussions.

The downside of stirring up nationalist sentiments is that the public can force the government to take more drastic measure than initially intended, creating new problems for the government. This can for example be seen within Indonesia's current high-profile maritime security issue: the ongoing conflict between China and Indonesia over the

---

<sup>75</sup> Cribb, Robert, Michele Ford, Institute of Southeast Asian Studies Content Provider, and Indonesia Update Conference. *Indonesia beyond the Water's Edge: Managing an Archipelagic State*. Indonesia Update Series. 2009, p.131.

<sup>76</sup> Chan, Francis, "Indonesia blows up and sinks another 81 fishing boats for poaching", *The Straits Times*, original publication April 2<sup>nd</sup>, 2017, <https://www.straitstimes.com/asia/se-asia/indonesia-blows-up-and-sinks-another-81-fishing-boats-for-poaching>

Exclusive Economic Zone (EEZ) of the Natuna Islands. The islands, which are located near the edge of the South China Sea, are acknowledged by Beijing as a part of Indonesia's archipelago. China has however refrained on commenting whether it also acknowledges the EEZ surrounding the Natuna Islands as described by the UNCLOS. Doing so would mean that China accepts Indonesia's EEZ stretching far into the South China Sea, and overlap with Beijing's own Nine Dash Line claim.<sup>77</sup> China's silence towards its acceptance of the Natuna's EEZ however ended after a series of events from 2016 onward that worsened Sino-Indonesian relations significantly, and resulted in the strengthening of security relations between Indonesia and Japan.

On the 19<sup>th</sup> of March 2016, Indonesian coast guard forces incarcerated Chinese fishermen who were illegally fishing within the EEZ of the Natunas.<sup>78</sup> Indonesia's zero-tolerance policy resulted in the confiscation of the Chinese vessel and the apprehension of the fishermen. Two months later, Chinese fishermen were once again apprehended by the Indonesian coast guard. Officials from Beijing criticized the Indonesian government for the incarceration of the Chinese fishermen, arguing that Beijing and Jakarta 'have different views' on whether the Chinese fishermen did or did not enter Indonesian waters. Another two months later, Chinese fishermen were again arrested, with one fisherman rescued by a Chinese coast guard ship that entered the Natuna's EEZ. This time, the Chinese Foreign Ministry claimed that the fishermen and coastguard vessel were within Chinese fishing grounds.<sup>79</sup>

Indonesian officials denied the Chinese claim, and referred to the United Nations Conventions on the Law of the Sea (UNCLOS). As China recognizes the Natuna Islands to be from Indonesia, and is a signatory of the 1982 UNCLOS, the Jokowi administration and his predecessors expected that the EEZ around the Natuna Islands would not form an issue.<sup>80</sup> The expectation that the EEZ of the Natunas was acknowledged was also supported

---

<sup>77</sup> Suryadinata, Leo, and Mustafa Izzuddin. The Natunas: Territorial Integrity in the Forefront of Indonesia-China Relations. *Trends in Southeast Asia* ; 2017 No. 5. 2017, 3.

<sup>78</sup> Suryadinata, Mustafa, The Natunas, p.4

<sup>79</sup> Ibid.

<sup>80</sup> Ma, Xinmin. " China and the UNCLOS: Practices and Policies", *The Chinese Journal of Global Governance* 5, 1 (2019): 1-20, p.1, doi: <https://doi.org/10.1163/23525207-12340036>

by the fact that the Natunas are home to almost 70.000 Indonesians, making the EEZ around the Natunas a much less controversial discussion than the ones surrounding the Senkaku Islands or China's artificial islands in the South China Sea. The official statement given by the Chinese Foreign Ministry toward the handling of the ICG within the Indonesian EEZ however made clear that this was not the case. With the Indonesian government displeased by the Chinese coast guard conducting unauthorized operations within Indonesian waters, and nationalistic, anti-Chinese sentiment quickly rising in Indonesia, action needed to be taken in order to show that Indonesia would defend its EEZ. Jokowi responded by personally visiting the Natuna Islands aboard the Indonesian coast guard ship that apprehended the Chinese fishermen.<sup>81</sup> Jokowi's message made clear that the Indonesian government did not tolerate China's actions, and was ready defending its maritime waters.

While the message was clear, the bold stance towards China also brought up the question of how Jokowi exactly planned to defend its maritime waters from the increasingly assertive China. For years, Indonesia's defense spending hovered around the 1% of its GDP, well below the regional average of 2.2%.<sup>82</sup> The low defense budget has crippled the capabilities of its navy and resulted the lack of maintenance of already outdated equipment. In order to address these issues, the Jokowi administration released the Global Maritime Fulcrum White Paper in 2016. The paper introduced an outward looking maritime policy that enables Indonesia to become a more active player within maritime disputes beyond its own waters, and promotes cooperation with other nations on maritime security issues.<sup>83</sup> The following year, Jokowi invited Prime Minister Abe Shinzo to discuss

---

<sup>81</sup> Kwok, Yenni, "Indonesian President Jokowi Visits the Natuna Islands to Send a Strong Signal to China", TIME, original publication June 23<sup>rd</sup>, 2016, <https://time.com/4379401/indonesia-china-jokowi-natuna-sovereignty-maritime-fishing-dispute/>

<sup>82</sup> Morris, Lyle J. and Giacomo Persi Paoli, A Preliminary Assessment of Indonesia's Maritime Security Threats and Capabilities. Santa Monica, CA: RAND Corporation, 2018, p.40, [https://www.rand.org/pubs/research\\_reports/RR2469.html](https://www.rand.org/pubs/research_reports/RR2469.html).

<sup>83</sup> Dharma Agastia, I.G.B., "Indonesia's Global Maritime Fulcrum: An Updated Archipelagic Outlook?", The Diplomat, original publication December 17<sup>th</sup>, 2016, <https://thediplomat.com/2016/12/indonesias-global-maritime-fulcrum-an-updated-archipelagic-outlook/>

bilateral relations and global issues of common concern.<sup>84</sup> Abe pledged during his visit in Indonesia that Japan would “actively encourage maritime security and encourage the development of the remote islands of Indonesia”.<sup>85</sup> Abe personally introduced Jokowi to the FOIP, and both parties agreed on the creation of the Japan-Indonesia Maritime Forum in order to strengthen and accelerate their maritime security cooperation. Abe and Jokowi also agreed to hold a second 2+2 dialogue with their foreign and defense ministers, which is seen as the diplomatic watermark for a strategic political relationship.<sup>86</sup>

Besides Indonesia’s pursuit of security cooperation with Japan, Jokowi also asked Japan to further invest in the Natuna Islands.<sup>87</sup> Through such investments, Jokowi wishes to further strengthen its claim in on the surrounding waters. Japan, which has already invested 7.3 million USD in the creation of a fish market in Natuna, approved further investing in the development of the Natuna’s fisheries in 2018.<sup>88</sup> The combination of security cooperation between Indonesia and Japan, and economic investment by Japan in disputed areas, has since 2016 become a reoccurring theme. In December 2019, a Chinese coast guard vessel was spotted within the EEZ of the Natuna Islands.<sup>89</sup> Critique by from the Indonesian government and the denial of China’s claim within the South China Sea resulted in the sudden appearance of dozens of Chinese fishing vessels that stayed within Indonesia’s EEZ for days. The Indonesian government scrambled fighter jets and deployed

---

<sup>84</sup> MOFA, “Japan-Indonesia Joint Statement on Strengthening Strategic Partnership”, Japan Ministry of Foreign Affairs, original publication January 15<sup>th</sup>, 2017, <https://www.mofa.go.jp/files/000218457.pdf>

<sup>85</sup> Miller, J. Berkshire, “With an Eye on China- and Trump- Japan Enhances Security Ties With Southeast Asia”, World Politics Review, original publication January 26<sup>th</sup>, 2017,

<https://www.worldpoliticsreview.com/articles/21002/with-an-eye-on-china-and-trump-japan-enhances-security-ties-with-southeast-asia>

<sup>86</sup> Ibid.

<sup>87</sup> Parameswaran, Prashanth, “The Truth About China’s Indonesia South China Sea Tantrum”, The Diplomat, original publication September 6<sup>th</sup>, 2017, <https://thediplomat.com/2017/09/the-truth-about-chinas-indonesia-south-china-sea-tantrum/>

<sup>88</sup> Kyodo, “Japan to help develop Indonesian islands in South China Sea”, South China Morning Post, original publication June 25<sup>th</sup>, 2018, <https://www.scmp.com/news/asia/southeast-asia/article/2152361/japan-help-develop-indonesian-islands-south-china-sea>

<sup>89</sup> Reuters staff, “Indonesia rejects China’s claims over the South China Sea, Reuters, original publication January 1<sup>st</sup>, 2020, <https://www.reuters.com/article/us-indonesia-china-southchinasea-idUSKBN1Z01RE>



warships to patrol near the Chinese ships, while Indonesian officials summoned the Chinese ambassador in Jakarta for an explanation.<sup>90</sup> While the fleet of Chinese vessels eventually left, China made it clear that it did not accept the Indonesian stance towards the South China Sea.

After the event, Jokowi once again sought for support from Japan. Jokowi has asked Minister of Foreign Affairs Motegi Toshimitsu to step up its investment fisheries in the Natuna Islands. The Indonesian president also sought to further strengthen its coast guard cooperation with Japan.<sup>91</sup> The previous investment from the Japanese government in the creation of a modernized fish market in Natuna was lauded by the Indonesian government and local authorities, thus once again Japan supported further investing in the Natuna Islands.

The January 2020 event also accelerated Indonesia's pursuit for the further strengthening of Indonesia-Japan security relations. Japan's current Prime Minister Suga Yoshihide quickly traveled to Indonesia after his inauguration in September 2020.<sup>92</sup> During his visit, Suga and Jokowi expressed the need for Japan and Indonesia to step up their defense cooperation.<sup>93</sup> After their meeting at the Bogor palace near Jakarta, Suga stated that "to further advance security and defense cooperation between the two countries amid the changing regional situation, we've agreed to hold a meeting of foreign and defense ministers at an early date and to accelerate talks over the transfer of defense equipment and technology". Jokowi confirmed the discussions on the intensification of security operation,

---

<sup>90</sup> Siregar, Kiki, "Chinese vessels leaving Natuna after days of stand-off with Indonesia", Channel News Asia, original publication January 9th, 2020, <https://www.channelnewsasia.com/news/asia/natuna-china-indonesia-standoff-vessels-leave-12247302>

<sup>91</sup> IPD Forum, "INDONESIA: Seeking Investment in Disputed Waters", Indo-Pacific Defense, original publication August 3<sup>rd</sup>, 2020, <https://ipdefenseforum.com/2020/08/indonesia-seeking-investment-in-disputed-waters/>

<sup>92</sup> Green, Michael J., Szechenyi, Nicholas, "Shinzo Abe's Decision to Step Down", original publication August 28<sup>th</sup>, 2020, <https://www.csis.org/analysis/shinzo-abes-decision-step-down>

<sup>93</sup> Widiyanto, Stanley, Takenaka, Kiyoshi, "Indonesia, Japan seek stronger security, economic ties in China's Shadow", Reuters, original publication October 20<sup>th</sup>, 2020, <https://www.reuters.com/article/japan-southeastasia-indonesia-idUSKBN2751GE>

and said that it was necessary, “especially amid increasingly glaring rivalry between the world’s big powers”.<sup>94</sup>

Japan and Indonesia continued their defense cooperation discussions during 2-plus-2 security meeting on the 30<sup>th</sup> of March 2021. The meeting between the Japanese and Indonesian foreign and defense ministers focused on the creation of security pact agreement that enables the Japanese government to export domestically produced equipment and weaponry.<sup>95</sup> Within a day, Japan and Indonesia inked the agreement, marking a historic moment in the relationship between Indonesia and Japan.<sup>96</sup> A week after the announcement of the deal, Indonesia announced that it started building a maritime combat headquarters on the Natuna Islands in order to address the presence of Chinese ships within the EEZ of the Natunas.<sup>97</sup>

## 5.5 Chapter conclusion

The Indonesian case study has shown key events and developments that help explain how and why Indonesia is putting key security objectives from Japan onto its agenda. Indonesia’s diplomatic and economic history with China and Japan shows that Japan had a head start with improving its relations, and that the negative perception towards China remained after the Cold War, despite the intensification of trade relations and improvements in the diplomatic realm. The deficit that China has to Japan in regard to its image in Indonesia puts Tokyo in an advantageous position. As can be seen with both the development of the Jakarta-Bandung HSR and the Natuna Islands EEZ dispute, Indonesia

---

<sup>94</sup> Ibid.

<sup>95</sup> KYODO, “Japan and Indonesia to hold 2-plus-2 security talks om Mar.30, Nikkei Asia, original publication March 26<sup>th</sup>, 2021, <https://asia.nikkei.com/Politics/International-relations/Japan-and-Indonesia-to-hold-2-plus-2-security-talks-on-Mar.-30>

<sup>96</sup> Permana, Erric, “Indonesia, Japan ink agreement on defense cooperation”, AA, original publication March 31<sup>st</sup>, 2021, <https://www.aa.com.tr/en/asia-pacific/indonesia-japan-ink-agreement-on-defense-cooperation/2193537>

<sup>97</sup> Bhwana, Petir Garda, “TNI Starts Building Marine Combat Force Command HQ in Natuna”, Tempo, original publication April 7<sup>th</sup>, 2021, <https://en.tempo.co/read/1449904/tni-starts-building-marine-combat-force-command-hq-in-natuna>

has come to the Abe and Suga administrations for support. In the case of the Jakarta-Bandung line, the Abe and Suga administrations have kept their hands clean by refraining to assist with the project. Further delays and violations of regulations would then further worsen the public's image of Chinese backed investments and be advantageous for Japan's position as a big-ticket infrastructure provider. The Abe and Suga administration therefore do not need to take an active approach in securitizing or criticizing the BRI, as that would create unnecessary friction between the three countries. Japan thus instead continues to compete with China over big-ticket infrastructure development projects. Japan's investments for the INA fund and China's absence within it is an example of how the growing discontent towards Chinese investments works into the advantage of Japan.

The growing discontent toward China has also played an important role in Jokowi's assertive responses to the developments near the Natuna Islands. The Indonesian government has shown clear concern towards the presence of Chinese fishers within its EEZ and Beijing ignoring the UNCLOS. The Jokowi administration is however also securitizing China's presence near the Natuna Islands, and uses displays of military responses to gain further popularity. The Abe and Suga administrations have played an active role in supporting the Jokowi administration's security ambitions. Through economic investments to the Natuna Islands, continued security dialogues, promotion of the FOIP, and the creation of the weapon export deal in April this year, the Abe and Suga administrations continue to give Jokowi the tools to achieve its political and security objectives. Considering the ongoing discussions for the procurement of eight frigates from Japan, it is expected that the intensification of security cooperation will continue under the Jokowi administration.<sup>98</sup>

The increased security cooperation with Japan is notable, especially when one considers Indonesia's reluctance towards enhancing its security cooperation with the US. The Jokowi administration is wary of active security cooperation with the US, as they are concerned that the further support of the US presence within Southeast Asia would drag Indonesia into the China-US struggle for power. These concerns can be seen with the

---

<sup>98</sup> The Sankei Shimbun, "Japan Offers to Jointly Build Warship with Indonesia", Japan Forward, original publication May 21<sup>st</sup>, 2021, <https://japan-forward.com/japan-offers-to-jointly-build-warship-with-indonesia/>

Jokowi administration rejecting the US request to land and refuel its P-8 Poseidon maritime surveillance planes at Indonesian airbases.<sup>99</sup> The planes were supposed to be used for the monitoring of China's maritime activities within the South China Sea.

Indonesia refusing the US request, but actively searching for support from Japan shows that the Indonesian government does not consider security cooperation with Japan as a politically less controversial move. The security cooperation with Japan allows Indonesia to pursue its defense objectives without needing to face the potential economic repercussions from Beijing if they were to seek support from the US. These developments are therefore indicators demonstrates that Abe and Suga's tactical hedging is successfully promoting Japan's security objectives to Indonesia through its less assertive and more tailored form of capability enhancement.

---

<sup>99</sup> Allard, Tom, "Exclusive: Indonesia rejected U.S. request to host spy planes – officials", Reuters, original publication October 20<sup>th</sup>, 2020, <https://www.reuters.com/article/indonesia-usa-idUSKBN2750M7>

## **6 The Republic of the Philippines**

### **6.1 Overview**

The Philippine case study that is one that is more complex than its Indonesian counterpart. This is due to three characteristics of Sino-Philippine relations. First, Sino-Philippine security tensions do not only focus on the overlap of maritime claims, but groups of islands as well. The disputed islands and waters are furthermore much closer to Manila, making the disputes an issue that is much closer to home for the Philippine government than in the case of the Natuna EEZ dispute. Second, the Philippines has experienced economic repercussions from Beijing due to the territorial tensions, a tool that has not yet been used by Beijing against Jakarta. Lastly, the president of the Philippines, Rodrigo Duterte, has since the start of the presidency put a significant amount of effort in pleasing Beijing to receive infrastructure investments, while downplaying China's growing assertiveness in the South China Sea.

Despite the greater economic and security risks linked to facing off with China, and a president that is desperately trying to appease to the expectations of Beijing, there are clear developments during the Duterte administration that indicate the Philippines coming closer to Japan. This chapter will therefore look at the development of the Philippines economic and diplomatic relations with China and Japan, and how Japan is able to put its key security objectives on the agenda of the Philippines despite Duterte's China appeasement policy.

### **6.2 Sino-Philippine and Philippine-Japanese relations from the Cold War to the start of the Abe administration in 2012**

Similar to the Indonesian case study, the diplomatic relations between the Philippines and China were strained during the Cold War, in particular from the 1950s until the mid-1970s. The Philippines was a close ally of Taiwan, and perceived Beijing as a national security threat to its ally and itself. This worsened the China's image under the Philippine public, further riled up anti-Chinese anti-communist sentiments caused by the Cold War.

Discrimination towards ethnic-Chinese and Chinese visitors during the Cold War reached its peak when immigration and deportation laws were altered specifically towards ethnic-Chinese, as Philippine intelligence agents believed that Beijing was sending undercover agents to the archipelago for information gathering and sabotage.<sup>100</sup>

Concerns towards Chinese espionage was to a certain degree justified, as the Philippines was a springboard for the US's campaign against communism in East Asia. The US had a naval base in the Subic Bay of the Philippines. It was actively used by the US during the Cold War, and served as the forward base for repair and replenishment of the Seventh Fleet during the Vietnam War. The US therefore supported Philippine presidents that were anticommunist, with authoritarian President Ferdinand Marcos being the best known and most controversial of them all.<sup>101</sup>

The end of the Vietnam War in 1975 initiated the normalization of Sino-Philippine relations with the establishment of diplomatic relations. Multiple visits of high-profile Philippine officials were held in the following three decades, with President Benigno Aquino III being the high-profile visit China before the rise of tensions in 2012. The improvements in diplomatic relations resulted in trade between the two countries resuming as the Cold War tensions began to ease. China would eventually become one of the most important trading partners of the Philippines, with it becoming the third largest country for Philippine export products, and second largest for the import of goods by 2012.<sup>102</sup>

Another similarity to the Indonesian cases study is the head start that Japan had in improving its economic and diplomatic relationship with the Philippines. Japan re-established its diplomatic relations with the Philippines in 1956 after the war reparations agreement was concluded. The normalization of relations between the two countries also resulted in the return of Japanese investors to the Philippines. The increase of Japanese business activity in the Philippines, combined with massive economic growth seen in Japan

---

<sup>100</sup> Woods, Colleen. Freedom Incorporated. The United States in the World. Ithaca: Cornell University Press, 2020, p.108.

<sup>101</sup> Woods, Freedom Incorporated, p.186.

<sup>102</sup> Philippine Statistics Authority, "Foreign Trade Statistics of the Philippines: 2012, Reference Number: 2013-082", Philippine Statistics Authority, original publication November 7<sup>th</sup>, 2013, <https://psa.gov.ph/content/foreign-trade-statistics-philippines-2012>

during the 60s and 70s, resulted in Japan becoming the main source of FDI to the Philippines by 1975.<sup>103</sup> Japan continued to strengthen its relationship with the Philippines during the Marcos regime, as economic profitability keeping communism at bay outweighed its controversial and corrupt authoritarian regime. Japanese ODA for the improvement of infrastructure and economic development enhancement in the Philippines saw a further increase with the implementation of the Plaza Accord in 1985. By 2001, the Philippine's ODA portfolio was for 51% made of Japanese development assistance.<sup>104</sup> Even with China's trade relations with the Philippines reaching new heights in 2011, 44% of the total ODA given by the top ten donors of the Philippines still came from Japan, which demonstrates Japan's continued dominance within the Philippine economy.<sup>105</sup>

Tensions however arose from 2010, as began challenging the Philippines claim over Scarborough Shoal. China quickly built up its maritime capabilities from 2010 onward in order to defend its maritime claims. China's rhetoric towards the South China Sea also became more assertive as former Chinese Foreign Minister Yang Jienchi stated that China had "indisputable sovereignty" in the South China Sea.<sup>106</sup> The developments caught the attention of the Aquino administration, which was concerned that Beijing's newfound assertiveness would lead to a confrontation in the South China Sea. These concerns would prove to be legitimate, as the 2012 Scarborough Shoal standoff would drastically change the diplomatic and security relationship that the Philippines has with China and Japan for the years to come.

---

<sup>103</sup> Setsuho, Ikehata. *Philippines-Japan Relations*. Manila: Ateneo De Manila University Press, 2003, p. 591.

<sup>104</sup> Embassy of Japan in the Philippines, "ODA: OFFICIAL DEVELOPMENT ASSISTANCE", Embassy of Japan in the Philippines, accessed May 8<sup>th</sup>, 2021, <https://www.ph.emb-japan.go.jp/bilateral/oda/index.htm>

<sup>105</sup> Troilo, Pete, "Top 10 foreign aid donors to the Philippines", Devex, original publication November 6<sup>th</sup>, 2011, <https://www.devex.com/news/top-10-foreign-aid-donors-to-the-philippines-76515>

<sup>106</sup> China Briefing, "China's Territorial Disputes in the South China Sea and East China Sea", China Briefing, original publication May 31<sup>st</sup>, 2011, <https://www.china-briefing.com/news/chinas-territorial-disputes-in-the-south-china-sea-and-east-china-sea/>

### 6.3 Sino-Philippine and Philippine-Japanese economic relations from the Abe administration to the present

From 2012 onward, the Philippines reliance on the Chinese market continued to grow. In particular, China's integration into the Southeast Asian markets resulted in the Philippines economy becoming increasingly reliant on the import of Chinese products to the Philippines. In 2013, China surpassed the US for imported goods to the Philippines, with 13,08% of the Philippines's imports being from China.<sup>107</sup> This percentage increased to 18,53% by 2016, and 22% by 2019, leaving Japan far behind.<sup>108</sup> Looking at the statistics of exports destinations for the Philippines shows that China is also quickly catching up to Japan, making it a matter of time before China dominates both the import and export market of the Philippines. The level of dependency on the Chinese market however highlighted its issues in 2012, when tensions between Beijing and Manila rose over the Scarborough Shoal. Former Philippine President Benigno Aquino III's assertive stance towards Beijing over the dispute resulted in economic repercussions from China. China started off by banning the import of bananas from the Philippines.<sup>109</sup> Soon after, Chinese authorities slowed down the inspections of papayas, mangoes and other fruits, further impacting the Philippine fruit export.<sup>110</sup> This forced Philippine authorities to search for other markets that would accept its produce. As the territorial tensions between China and the Philippines remained, so did the import ban on Philippine fruit produce.

---

<sup>107</sup> WITS, "TRADE SUMMARY FOR PHILIPPINES 2013", World Integrated Trade Solution, accessed June 13<sup>th</sup>, <https://wits.worldbank.org/CountryProfile/en/Country/PHL/Year/2013/Summarytext>

<sup>108</sup> WITS, "TRADE SUMMARY FOR PHILIPPINES 2016", World Integrated Trade Solution, accessed June 13<sup>th</sup>, <https://wits.worldbank.org/CountryProfile/en/Country/PHL/Year/2016/Summarytext>; UN Comtrade, "Philippines | Imports and Exports | World | ALL COMMODITIES | Value (US\$) and Value Growth, YoY (%) | 2008 – 2019", Trend Economy, original publication April 5<sup>th</sup>, 2021, <https://trendeconomy.com/data/h2/Philippines/TOTAL>

<sup>109</sup> Zirulnick, Ariel, "Philippines feels the economic cost of standing up to China", The Christian Science Monitor, original publication May 15<sup>th</sup>, 2012, <https://www.csmonitor.com/World/Security-Watch/terrorism-security/2012/0515/Philippines-feels-the-economic-cost-of-standing-up-to-China>

<sup>110</sup> Asia Sentinel, "The China-Philippine Banana War", original publication June 7<sup>th</sup>, 2012, <https://www.asiasentinel.com/p/the-china-philippine-banana-war>



Change however came within Philippine politics once Rodrigo Duterte became the 16<sup>th</sup> president of the Philippines in 2016. During the Aquino administration, little progress was made in infrastructure development and public-private partnerships, resulting in a serious infrastructure deficit that needed to be addressed. Aquino's inability to boost the Philippine economy became one of Duterte's main selling points.<sup>111</sup> Promising the revitalization of the Philippine economy and a crackdown on widespread crime, Duterte won the election with a landslide.<sup>112</sup> Under the catchphrase "Build, Build, Build", Duterte vowed to start an 'infrastructure renaissance' in the Philippines that would stimulate economic growth and reduce poverty.<sup>113</sup> The infrastructure development plans are ambitious, and require capital that the Philippine government does not have in its disposal. Duterte therefore set his aims on improving China-Philippine relations in order to receive funding from for his campaign promises. Within the first year four months of his presidency, Duterte visited China's President Xi Jinping in Beijing and returned with \$24 billion in BRI investment and loan pledges.<sup>114</sup> China also ended its ban on banana and pineapple exports ahead of Duterte's visit, signaling that Beijing welcomed his attempts in improving the relationship between the two countries.<sup>115</sup>

The deals that Duterte hauled in was seen as a success by his administration, as the funding would help carry out the infrastructure development projects during Duterte's time in office. Japan and the US also kept an eye on the development of the deal, as both

---

<sup>111</sup> De Castro, Renato Cruz. "China's Belt and Road Initiative (BRI) and the Duterte Administration's Appeasement Policy: Examining the Connection Between the Two National Strategies." *East Asia* (Piscataway, N.J.) 36, no. 3 (2019): 205-27, p.205.

<sup>112</sup> BBC, "Philippines election: Maverick Rodrigo Duterte wins presidency", BBC News, original publication May 10<sup>th</sup>, 2016, <https://www.bbc.com/news/world-asia-36253612>

<sup>113</sup> Macaraeg, Pauline, "With 2 years left in Duterte's term, where are we on Build, Build, Build?", Rappler, original publication July 6<sup>th</sup>, 2020, <https://www.rappler.com/newsbreak/in-depth/where-are-we-on-build-build-build-program>

<sup>114</sup> Cheng, Willard, "Duterte heads home from China with \$24 billion deals", ABS CBN News, original publication October 21<sup>st</sup>, 2016, <https://news.abs-cbn.com/business/10/21/16/duterte-heads-home-from-china-with-24-billion-deals>

<sup>115</sup> Cheng, Willard, "Duterte heralds 'springtime' in ties with China", ABS CBN News, original publication October 20<sup>th</sup>, 2016, <https://news.abs-cbn.com/news/10/20/16/duterte-heralds-springtime-in-ties-with-china>

countries were concerned that the influx of Chinese capital would result in the Philippines coming closer to Beijing, and distance itself from Tokyo and Washington.

The BRI deals signed by Duterte and Xi Jinping have so far however failed to deliver. While trade between the two countries did see an increase, little progress can be seen with the Chinese backed infrastructure development projects, as none of the projects have so far been finished. The Kaliwa Dam project, which is supposed to be the centerpiece of the BRI funded infrastructure development projects, is facing significant delays. China has so far been unable to comply with Philippine regulation, ranging from minimum Filipino labor to adhering to the minimum financial requirements. Bureaucratic regulation in the Philippines can delay such projects in general. Infrastructure projects funded by Japan are however successful in complying to the same regulations and demands from the Philippines.<sup>116</sup> This can indicate that, as seen with the Jakarta-Bandung HSR line, Chinese developers have failed to design and propose a project that would work with the already existing regulations, resulting in issues that could have been avoided with a proper and transparent feasibility study. Opposition from indigenous peoples towards the lack of transparency and environmental impact highlights this reoccurring issue with big-ticket BRI projects in Southeast Asia.<sup>117</sup>

The significant delays an opposition towards the Kaliwa dam project is one that can be seen with most of the BRI funded projects in the Philippines, and has resulted in more political pressure and critique towards on Duterte's China appeasement policy. Making matters worse, China has been withholding a significant chunk of its BRI loans. In 2019, The Philippines only received \$924 million of the \$9 billion it was supposed to receive.<sup>118</sup> By withholding the much-needed financing, Beijing has leverage over the Duterte

---

<sup>116</sup> CNA Insider, "Where are China's billions promised to the Philippines?", Chanel News Asia, original publication December 19<sup>th</sup>, 2020, <https://www.channelnewsasia.com/news/cnainsider/where-are-china-s-billions-promised-to-the-philippines-13807288>

<sup>117</sup> Green, David, "The Philippines' China Dam Controversy", The Diplomat, original publication March 27<sup>th</sup>, 2019, <https://thediplomat.com/2019/03/the-philippines-china-dam-controversy/>

<sup>118</sup> Robles, Reissa, "China promised Duterte US\$9 billion. He's had only US\$924 million in loans and grants. Why?", South China Morning Post, original publication October 26<sup>th</sup>, 2019, <https://www.scmp.com/week-asia/politics/article/3034666/china-promised-duterte-us9-billion-infrastructure-hes-had-only>

administration. This can be seen with Duterte refraining from criticizing China's assertiveness within the South China Sea from 2016 to 2019, or reference to the 2016 ruling by the permanent court of arbitration in The Hague which states that China's claims within the South China Sea are illegitimate.<sup>119</sup>

Duterte's silence towards Beijing's assertiveness in the South China Sea for financial aid has led to growing critique towards his administration, both from the public and political elite. While immensely popular in due to his humble background and crackdown on crime, Duterte receives no sympathy from the public for his handling of China, and is portrayed as a "Chinese puppet".<sup>120</sup> Duterte's political opponents are critical of his pivot to China approach, as they believe that Duterte has made too many political concessions to China in order to receive the pledged loans.<sup>121</sup> They are furthermore concerned that the projects are putting the Philippine economy at risk, and refer to China's withholding of the loans as a form of debt-trap diplomacy.

To summarize, Sino-Philippine economic relations have put a lot of pressure on the Duterte administration. What was supposed to be a \$24 billion deal that would improve infrastructure and normalize the strained relations between Beijing and Manila has now become a political nightmare. The advantages of the Chinese backed BRI projects, which are usually described as being cheaper and not requiring financial commitment from the receiving government, are quickly becoming costly as delays that cause years of missed economic growth. Economists that are skeptical of the economical aspects of the BRI

---

<sup>119</sup> PCA, "PCA Press Release: The South China Sea Arbitration (The Republic of the Philippines v. The People's Republic of China)", Permanent Court of Arbitration in The Hague, original publication July 12<sup>th</sup>, 2016, <https://pca-cpa.org/en/news/pca-press-release-the-south-china-sea-arbitration-the-republic-of-the-philippines-v-the-peoples-republic-of-china/>

<sup>120</sup> Guarco, Isabel, "Filipinos Don't Trust Duterte to Handle China", Foreign Policy, original publication July 12<sup>th</sup>, 2019, <https://foreignpolicy.com/2019/07/12/filipinos-dont-trust-duterte-to-handle-china/>

<sup>121</sup> Petty, Martin, Morales, Neil Jerome, "China's Xi visits Philippines as Duterte pressed to take tougher line", Reuters, original publication November 20<sup>th</sup>, 2018, <https://www.reuters.com/article/us-philippines-china-idUSKCN1NP0BR>

projects furthermore argued that the projects are not economical at all.<sup>122</sup> When comparing the Japanese and Chinese infrastructure development offers, the skeptics argue that the Chinese advantages are exaggerated and are usually as costly as the Japanese offer. This makes Duterte's choice for Chinese loans even more painful, as the Japanese offers would not have been as politically controversial and risky compared to the Chinese offers.

#### **6.4 Sino-Philippine and Philippine-Japanese security relations from the Abe administration to the present**

As briefly discussed within the previous section, the diplomatic relations between the Philippines and China are currently strained due to territorial conflicts within the South China Sea. Since the beginning of the 2010s, Beijing has become more active within the East and South China Sea and aggressively expanded its navy to challenge other claimants within the waters.<sup>123</sup> China's growing maritime presence within the South China Sea and its assertiveness eventually led to the 2012 Scarborough Shoal stand-off between China and the Philippines. On the 10<sup>th</sup> of April, 2012, the Philippine Navy's BRP Gregorio Del Pilar attempted to apprehend several Chinese fishing boats at Scarborough Shoal. The shoal is about 120 nautical miles from the Philippine coast, and is located within its EEZ as calculated under UNCLOS. This allows the Philippine government to apprehend the fishers if they did not receive permission to be active near the shoal. Two Chinese maritime surveillance vessels however prevented the apprehension of the fishermen, resulting in a standoff between the Chinese and Philippine vessels. In an attempt to defuse the tensions near Scarborough Shoal, the Philippine government replaced the warship with a smaller Philippines Coast Guard (PCG) vessel. Beijing however responded by sending its largest coast guard vessel at the time, the Yuzheng 310, and responded in a public statement that

---

<sup>122</sup> CNA Insider, "Where are China's billions promised to the Philippines?", Chanel News Asia, original publication December 19<sup>th</sup>, 2020, <https://www.channelnewsasia.com/news/cnainsider/where-are-china-s-billions-promised-to-the-philippines-13807288>

<sup>123</sup> De Castro, Renato Cruz. "Facing Up to China's Realpolitik Approach in the South China Sea Dispute." *Journal of Asian Security and International Affairs* 3, no. 2 (2016): 157-82, p.157.

the shoal was an integral part of China's territory.<sup>124</sup>

The dispute has put the Philippines at the forefront of the ongoing South China Sea disputes. Unable to defend its maritime claims from the vastly superior CCG vessels, the Aquino administration appealed for diplomatic and military support from its allies. The US sent nuclear submarines to Subic Bay, hinting that the US would defend its Southeast Asian ally if China were to start a conflict.<sup>125</sup> The Aquino administration also turned to Japan for support. In December 2012, a few months after Prime Minister Abe Shinzo returned to power, the Philippine foreign minister Albert del Rosario commented that the Philippines would strongly support a rearmed Japan to counterweight China's growing military assertiveness in the South China Sea.<sup>126</sup>

Aquino's attempts in searching support resulted in the improvement of Philippine-US and Philippine-Japan security relations, but failed to alter Beijing's stance towards the disputes. As China refused to retreat its ships, and instead intensified its presence at the shoal, the Aquino administration initiated international arbitration against China regarding the territorial and maritime disputes in the South China Sea on the 22<sup>nd</sup> of January, 2013.<sup>127</sup> The legal action was a premier, as it marked the first time that a country had taken China to court over a dispute involving the South China Sea.

While the security relations between China and the Philippines were strained, and the court of arbitration in the Hague was in the process of judging whether China's claims were legal, Japan made use of the opportunity to strengthen its security cooperation with the Philippines. The Abe administration took an active role in improving the coast guard capabilities of the Philippines to address China's growing assertiveness. In 2013, Japan and the Philippines signed a two-phase loan-based modernization initiative called the Maritime Safety Capability Improvement Project (MSCIP). The loan allowed the

---

<sup>124</sup> De Castro, Facing Up to China's Realpolitik Approach in the South China Sea Dispute.", p.158.

<sup>125</sup> De Castro, Facing Up to China's Realpolitik Approach in the South China Sea Dispute.", p.173.

<sup>126</sup> Pilling, David, Landingin, Roel, Soble, Jonathan, "Philippines backs rearming of Japan", Financial Times, original publication December 9<sup>th</sup>, 2012, <https://www.ft.com/content/250430bc-41ba-11e2-a8c3-00144feabdc0>

<sup>127</sup> Bautista, Lowell, "Philippine Arbitration against china over the South China Sea", Asia-Pacific Journal of Ocean Law and Policy no. 1 (2016): 121-126, p.121.

construction of ten Multi-Role Response Vessels (MRRVs), which when completed would enhance the capacities of the PCG.<sup>128</sup> As China-Philippine diplomatic and security relations worsened, Aquino intensified his critique towards China, stating that Beijing's assertive actions are comparable to Nazi Germany's claims in the Sudetenland.<sup>129</sup> In 2015, Japan and the Philippines went another step further by holding their first joint naval exercise in the South China Sea. The exercise was a clear example of Japan and the Philippines enhancing their security cooperation to address China's growing assertiveness in the region. The Philippines however stated that the exercise was related to the Code for Unplanned Encounters at Sea (CUES) in order to avoid critique from Beijing.<sup>130</sup>

The Abe and Aquino administrations made good progress in enhancing the security cooperation of Japan and the Philippines. The inauguration of Duterte in 2016 however risked reverting the progress made by the Abe and Aquino administrations. As seen within the analysis of Duterte's economic relations with China, the Duterte administration's pivot to China also entailed distancing itself from the US, its most important security ally. Duterte had already shown during his presidential campaign that he was extremely critical towards the state of affairs in Philippine-US relations, and has supported its contempt to the US with drastic actions and controversial statements. During his visit to Beijing on the 20<sup>th</sup> of October, 2016, Duterte announced his "separation from the United States" and that America has lost both in military and economics from China.<sup>131</sup>

Concerned with Duterte's remarks and the implications of his pivot to China on Philippine-Japan security relations, the Abe administration sought to quickly establish a

---

<sup>128</sup> JICA, "JICA and GOP sign agreement for ODA on maritime safety", Japan International Cooperation Agency, original publication December 16<sup>th</sup>, 2013,

<https://www.jica.go.jp/philippine/english/office/topics/news/131216.html>

<sup>129</sup> Reuters, "Philippine's Aquino revives comparison between China and Nazi Germany", Thomson Reuters Foundation News, original publication June 3<sup>rd</sup>, 2015,

<https://news.trust.org/item/20150603084633-ialu8/?source=search>

<sup>130</sup> Parameswaran, Prashanth, "Japan, Philippines Hold First South China Sea Naval Exercises", The Diplomat, original publication May 13<sup>th</sup>, 2015, <https://thediplomat.com/2015/05/japan-philippines-hold-first-south-china-sea-naval-exercises/>

<sup>131</sup> Blanchard, Ben, "Duterte aligns Philippines with China, says U.S. has lost", Reuters, original publication October 20<sup>th</sup>, 2016, <https://www.reuters.com/article/us-china-philippines-idUSKCN12K0AS>

good relationship with the new president. Abe visited the Philippines soon after Duterte returned from his controversial visit to Beijing, and discussed the future of Philippine-Japan economic and security relations. Duterte lauded the relationship the Philippines had with Japan, and ensured that the two countries would continue to work on maintaining regional peace and stability.<sup>132</sup> The Abe administration continued to roll out the deliveries it had signed with the Aquino administration, and successfully signed new deals with Duterte for the further improvement of the PCG's maritime capabilities. The ship builder Japan Marine United Corporation was for example awarded the creation of ten coast guard ships, which would be delivered before 2018.<sup>133</sup>

Japan's continued focus on maintaining good relations paid off as Duterte failed to negotiate with China about the ongoing territorial disputes. From 2019 onward, the Duterte administration has shown some clear changes towards its handling of China. Under pressure by the backlog of Chinese funded projects and growing discontent towards China's presence in the South China Sea, the Duterte administration is having an increasingly harder time with justifying China's aggressive behavior to the public and opposition. The Philippines therefore intensified its security cooperation with Japan. On February 7<sup>th</sup>, 2020, Japan and the Philippines signed the second phase of the MSCIP.<sup>134</sup> The second phase of the MSCIP marked the approval of the creation of two 94 meter long Multi-Role Response Vessels (MRRV) that will enhance the capabilities of the PCG. The ships that are twice the size of the previously ordered ships are constructed by Mitsubishi Shipbuilding, and are based of the Japanese Kunigami-class patrol vessels. The ships are not equipped with weaponry as seen with the Japanese patrol vessels in this class, but

---

<sup>132</sup> CNN Philippines Staff, "Duterte on Japan: 'Closer than brother' ", CNN Philippines, original publication October 26<sup>th</sup>, 2016, <https://cnnphilippines.com/news/2016/10/26/Duterte-Abe-joint-statement.html>

<sup>133</sup> Reuters Staff, "Philippines gets first coastguard boat from Japan to boost security", Reuters, original publication August 18<sup>th</sup>, 2016, <https://www.reuters.com/article/us-southchinasea-philippines-japan-idUSKCN10T11V>

<sup>134</sup> Inaba, Yoshihoro, "Here Is The Philippine Coast Guard Future Patrol Vessel Under Construction In Japan", Naval News, original publication July 1<sup>st</sup>, 2020, <https://www.navalnews.com/naval-news/2020/07/here-is-the-philippine-coast-guard-future-patrol-vessel-under-construction-in-japan/>

analyses of the ship published by the PCG shows that the ships are designed to accommodate later weaponry upgrades when deemed necessary.

Another important change within the Duterte administration was the acknowledgement of the 2016 arbitral tribunal award. Four years after the statement from the Hague, the Department of Foreign Affairs (DFA) finally issued a statement in which the Duterte administration celebrates the significance of the ruling, and highlighted the illegitimacy of the Nine-Dash Line claim.<sup>135</sup> The statement is significant, as Duterte has been reluctant to use the contentious ruling against Beijing. Soon after the acknowledgement of the ruling, Duterte signed a US\$ 100 million contract in which Japan will provide the Philippines with advanced air surveillance radars in August 2020, marking the first large defense procurement deal between Japan and the Philippines.<sup>136</sup> These radars help improve Manila's response time to incoming threats and illegal activities within its aerospace, and are acquired for the purpose of keeping monitoring China's areal activity over the South China Sea.

Duterte's careful but increasingly critical responses towards China's presence within the EEZ of the Philippines has led to a strong response from China in 2021. As the Philippines increased the patrols of the PCG in the South China Sea from March to May, and tracked CCG vessels more often than in the ten months before, Beijing decided to step up its assertiveness to defend its claims. A few weeks after Duterte's denial of China's demand to keep PCG away from the contested waters, over 200 Chinese ships entered the EEZ of the Philippines. The ships were recognized as part of the Chinese Maritime Militia

---

<sup>135</sup> De Castro, Renato Cruz, "After Four Years, The Philippines Acknowledges the 2016 Arbitral Tribunal Award!", Asia Maritime Transparency Initiative, original publication July 27<sup>th</sup>, 2020,

<https://amti.csis.org/after-four-years-the-philippines-acknowledges-the-2016-arbitral-tribunal-award/>

<sup>136</sup> Jain, Purnendra, "Japan's weapon-export industry takes its first steps", East Asia Forum, original publication October 30<sup>th</sup>, 2020, <https://www.eastasiaforum.org/2020/10/30/japans-weapon-export-industry-takes-its-first-steps/#:~:text=In%20its%20first%20breakthrough%20since,surveillance%20radars%20to%20the%20Philippines.>

ppines.



(CMM), and swarmed multiple reefs within the EEZ of the Philippines.<sup>137</sup> With the ships being much larger and more heavily armored than the PCG vessels, little could be done to force the ships out of the EEZ. The event once again led to fierce critique towards Beijing from Filipino politicians and public protests on the streets. Philippine foreign minister Teddy Locsin Jr. responded to China's harassment of PCG vessels within the EEZ, tweeting that Beijing should 'get the fuck out' of the waters of the Philippines.<sup>138</sup>

Duterte, once again stuck between choosing a hard lined response to China's aggression or appealing to Beijing, decided to place a gag order on its own government to stop them from publicly commenting on the South China Sea dispute. Duterte hoped that this would reduce the further escalation of tensions.<sup>139</sup> Ignoring the growing discontent in the Philippines was however impossible. Duterte therefore reiterated in a televised address on the 14<sup>th</sup> of May that the Philippines will not withdraw its vessels from the disputed waters as demanded by China, and instead intensify its presence within the EEZ.<sup>140</sup> Duterte also quickly sought support from the Suga administration to tackle security and stability in the South China Sea, and stressed the importance of domain awareness, maritime security and freedom of navigation within the South China Sea.<sup>141</sup> Suga shared Duterte's concerns

---

<sup>137</sup> Straits Times, "Philippines says more Chinese militia ships return to its western waters", The Straits Times, original publication May 13<sup>th</sup>, 2021, <https://www.straitstimes.com/asia/se-asia/philippines-says-more-chinese-militia-ships-return-to-its-western-waters>

<sup>138</sup> Reuters, " 'China... GET THE F\*\*\* OUT!' Philippines foreign minister blasts Beijing for 'illegal' activity in the disputed South China Sea", The Daily Mail, original publication May 3<sup>rd</sup>, 2021, <https://www.dailymail.co.uk/news/article-9537307/Philippines-foreign-minister-tells-Beijing-f-South-China-Sea.html>

<sup>139</sup> Strangio, Sebastian, "Philippine President Imposes Cabinet Gag Order Over South China Sea", The Diplomat, original publication May 19<sup>th</sup>, 2021, <https://thediplomat.com/2021/05/philippine-president-imposes-cabinet-gag-order-over-south-china-sea/>

<sup>140</sup> CNN, "Philippines' Duterte says he won't withdraw ships from contested waters", CNN, original publication May 15<sup>th</sup>, 2021, <https://edition.cnn.com/2021/05/14/asia/philippines-duterte-south-china-sea-intl-hnk/index.html>

<sup>141</sup> Valente, Catherine, Calayag, Keith, "Duterte, Japan head agree to tackle security in disputed sea", The Manila Times, original publication May 21<sup>st</sup>, 2021, <https://www.manilatimes.net/2021/05/21/news/national/duterte-japan-head-agree-to-tackle-security-in-disputed-sea/1800030>

over the developments within the South China Sea, and agreed to further cooperate with the Philippines to maintain peace and stability in the region.

## **6.5 Chapter conclusion**

The Philippine case study shows that as seen with Indonesia, Japan had a head start in the improvement of diplomatic relations returns with the Philippines compared to China. The improvement and alignment of Philippine-Japan security relations was furthermore accelerated during the Aquino administration due to the Scarborough Shoal stand-off in 2012, marking what the Aquino administration called a golden age in Japan-Philippine security relations. Aquino's successor however quickly seemed to threaten the progress made between the two countries. Duterte's pivot to China and distancing from the US was supposed to give his administration the financial support for infrastructure development and closure between Manila and Beijing over the territorial disputes. With little domestic support, Duterte has made significant concessions within the economic and security realm in order to improve Sino-Philippine relations.

Duterte's politically unpopular gamble has however failed to deliver. The multibillion-dollar investment projects signed by Xi Jing Ping in 2016 were supposed to usher a new era of cooperation, but little of the promises made by Beijing have been carried out, leading to growing discontent from the public towards Chinese funded BRI projects. Duterte's blind eye towards the court ruling from the court of arbitration in the Hague and China's presence within the EEZ of the Philippines has also failed to mitigate tensions between the two countries. Instead, Beijing has used the opportunity to further consolidate its presence in the South China Sea, further aggravating the public and Philippine officials. China's growing presence in the South China Sea and failure in living up to Duterte's initial expectations has therefore forced him to take a harder stance towards China.

The Duterte administration's options are however limited. Duterte's contempt to the US has made him extremely reluctant in openly requesting military support from Washington. Even if his administration were to suddenly pivot back to the US, such an act would contradict his previous statements and promises made to Beijing, which would most likely further worsen Sino-Philippine relations. Searching support from Japan, which under

the Abe and Suga administrations continued to pump billions of USD into the Philippine economy and supported the capability enhancement of the PCG, is therefore considered a politically safe option to further expand its security cooperation with. While it is obvious that Japan is enhancing its security relations with the Philippines in order to address China's growing assertiveness in the region, it does so in a manner that is less confrontational than its US counterpart. The defense procurements between Japan and the Philippines, which are mainly meant for defensive purposes, allows the Duterte administration to expand its security capabilities without facing severe backlash from Beijing, and adhere to the public's demand of a more assertive stance towards China.

## 7 The Socialist Republic of Vietnam

### 7.1 Overview

Located in the Greater Mekong Subregion, Vietnam is a one party-socialist republic that has an extensive and complex relationship with China. Vietnam sharing its northern borders with China has characterized both its diplomatic and economic relations with Beijing. It however also influences China's threat level for the Vietnamese government, as Vietnam's geography allows disputes or conflicts within the South China Sea to shift into a land-based conflict. This geographical aspect, which both Indonesia and the Philippines do not have, makes the worsening of Sino-Vietnamese security relations a much greater threat to national security. Analyzing Vietnam's strained history with China, and how Hanoi's security agenda is steadily converging with that of Japan since the Abe administration is therefore important. This chapter addresses Sino-Vietnamese and Japan-Vietnamese relations from the Cold War until the Abe administration. Consequently, analyzes Sino-Vietnamese and Japan-Vietnamese economic and security relations from the Abe administration onward to understand how the Abe and Suga administrations were able to put China's presence in the South China Sea on Hanoi's agenda.

### 7.2 Sino-Vietnamese and Vietnam-Japanese relations from the Cold War to the start of the Abe administration in 2012

While Indonesia and the Philippines had the opportunity to pursue economic growth throughout the Cold War to various degrees of success, Vietnam was the center stage of the Cold War in East Asia. From 1955 until 1975, North and South Vietnam fought a bloody war for the reunification of Vietnam. South Vietnam, which was anti-communist, received military support from the US and its allies, while communist North-Vietnam received troops and weaponry from China and the USSR.<sup>142</sup> The eventual defeat of South-Vietnam and the US was a massive victory for the North-Vietnamese communists, but

---

<sup>142</sup> Kort, Michael. *The Vietnam War Reexamined*. Cambridge Essential Histories. 2018, p.101.

came at the cost of a total death toll ranging from 996,000 to 3,812,000 Vietnamese troops and civilians.<sup>143</sup>

The end of the Vietnam War left little room for the proper restoration Vietnam's war ridden economy, as Cambodia-Vietnamese and Sino-Vietnamese security relations began to worsen. The Vietnamese communist government warmed up its ties with the USSR, and anti-Chinese policies were implemented that led to the persecution of Ethnic-Chinese citizens in the Northern regions of Vietnam.<sup>144</sup> Beijing heavily criticized Vietnam's pursuit of better diplomatic relationships with the Soviets, and was insulted by Vietnam's lack of gratitude for China's effort in supporting the North-Vietnamese communist movement during the Vietnam War. As China's plead to halt the persecution of ethnic Chinese was ignored, and Hanoi remained unwilling to make any form of concession on the Sino-Vietnamese territorial issues in Northern regions of Vietnam, Beijing utilized economic sanctions to punish the Vietnamese government. The sanctions however did little to change the stance of Hanoi, further increasing tensions between the two states.

Unable to alter Hanoi's policies towards the Ethnic Chinese near the northern border, and enraged by the invasion of Cambodia in 1978, China launched a ground offensive to gain control over the disputed northern territories of Vietnam.<sup>145</sup> The war was brief, lasting no longer than a month, but China's self-proclaimed victory and the number of Vietnamese casualties had a lasting impact on Sino-Vietnamese diplomatic and security relations. Despite China's self-proclaimed victory of the Sino-Vietnamese war, the two

---

<sup>143</sup> Charles Hirschman, Samuel Preston, and Vu Manh Loi. "Vietnamese Casualties During the American War: A New Estimate." *Population and Development Review* 21, no. 4 (1995): 783-812, p.807.; Obermeyer, Ziad, Murray, Christopher J L, and Gakidou, Emmanuela. "Fifty Years of Violent War Deaths from Vietnam to Bosnia: Analysis of Data from the World Health Survey Programme." *BMJ* 336, no. 7659 (2008): 1482-486.

<sup>144</sup> Path, Kosal. "China's Economic Sanctions against Vietnam, 1975–1978." *The China Quarterly* (London) 212, no. 212 (2012): 1040-058.

<sup>145</sup> Raymond, Gregory V. "Strategic Culture and Thailand's Response to Vietnam's Occupation of Cambodia, 1979–1989: A Cold War Epilogue." *Journal of Cold War Studies* 22, no. 1 (2020): 4-45.

countries continued to clash on the northern border of Vietnam until 1991.<sup>146</sup> Vietnam also continued to disregard Beijing's demand of ending the occupation of its former ally Cambodia, and instead pressed on with the war until 1989, further souring Sino-Vietnamese relations.

The Cold War nearing its end however forced Hanoi to make a few dramatic shifts within its economic and security policies, as the isolation of Vietnam by the international community was wearing off its already crippled economy. Vietnam was therefore in dire need for the improvement of its international standing to receive financial support for economic growth. It was within this period that Japanese policymakers saw an opportunity to improve Japan's relationship with Vietnam. Before the late 1980s, Japan has made multiple attempts to strengthen its diplomatic and economic relations with Vietnam in order to settle Japan's colonial legacy. Japan for example approved the demand of then North Vietnam to pay the equivalent of \$45 million in World War II reparations. Japan furthermore recognized the Democratic Republic of Vietnam (DRVN) and opened its embassy in Hanoi following the reunification of North and South Vietnam in the 1970s.<sup>147</sup>

The highlight of Japan's attempts in improving Vietnam-Japanese relations was when it had an active role in brokering peace between Vietnam and Cambodia that resulted in the start of significant economic and diplomatic improvements. Japan used the opportunity to show its political willingness to secure peace and stability in the Southeast Asian region, and sponsored the June 1990 Tokyo Conference on the Vietnam-Cambodia war.<sup>148</sup> Once peace was brokered, Japan lifted the economic restrictions it placed on trade with Vietnam. Japan re-started its ODA to Vietnam in 1992, which focused on the development and improvement of infrastructure, human resources, health, education, and the improvement of Vietnam's rural conditions. While quite diverse in its coverage, most of these investments were primarily injected into the development of Vietnam's

---

<sup>146</sup> Eisenman, Joshua. "China's Vietnam War Revisited: A Domestic Politics Perspective." *The Journal of Contemporary China* 28, no. 119 (2019): 729-45, p.729.

<sup>147</sup> Shiraishi, Masaya. *Japanese Relations with Vietnam, 1951–1987*. Cornell University Press, 2018, p.45.

<sup>148</sup> Hook, Glenn D. *Japan's International Relations : Politics, Economics and Security*. 3rd [rev.] ed. Sheffield Centre for Japanese Studies/Routledge Series ; 44 155274945. Abingdon [etc.]: Routledge, 2012, p.209.

infrastructure. By 1999, Japan provided 48% of the total amount of ODA received by Vietnam.<sup>149</sup> Japan also had an active role in attracting new donors like the World Bank and the ADB.<sup>150</sup>

Vietnam profited considerably from the influx of Japanese investments and ODA, but concerns towards Hanoi's growing dependence on Japan for economic growth. This, combined with the fear that Japan's slow post-bubble economic recovery would result in a reduction of financial support, led to Hanoi looking for other countries to diversify its ODA and FDI portfolio. The rising prices and interest rates of JICA funded projects consolidated the search for other benefactors, and resulted in a Hanoi pursuing economic pragmatism towards China.<sup>151</sup> As Japan's ODA investment to Vietnam plummeted from 2000 onward, the Vietnamese government began to improve its economic relations with China. Vietnam signed major loan agreements in 2003, 2005, and 2008, and increased its infrastructure development collaboration with China.<sup>152</sup>

While diplomatic relations between China and Vietnam steadily improved, the Vietnamese government continued to actively engage with Japan to ensure the inflow of Japanese ODA. Vietnamese policymakers were after all wary of the potential implications that Chinese backed infrastructure projects might have on national security, and therefore wished to maintain Japan as a large investor within its FDI and ODA portfolio. Vietnam also became more open to the idea of security cooperation with Japan. In October 2006, SRV's prime minister Nguyen Tan Dung discussed with prime minister Abe Shinzo to strengthen not only their economic bonds, but their security cooperation as well.<sup>153</sup> The Strategic Partnership for Peace and Prosperity in Asia was finalized in 2009, and a joint

---

<sup>149</sup> MOFA, "Evaluation Study of Japanese ODA for Vietnam Summary", Ministry of Foreign Affairs Japan, published March, 2002, <https://www.mofa.go.jp/policy/oda/evaluation/FY2001/text-pdf/vietnam.pdf>

<sup>150</sup> Liao, Jessica C, and Dang, Ngoc-Tram. "The Nexus of Security and Economic Hedging: Vietnam's Strategic Response to Japan-China Infrastructure Financing Competition." *Pacific Review* 33, no. 3-4 (2020): 669-96, p.678.

<sup>151</sup> Liao & Dang, *The nexus of Security and Economic Hedging*, p.679.

<sup>152</sup> Liao & Dang, *The nexus of Security and Economic Hedging*, p.681.

<sup>153</sup> MOFA, "Japan-Vietnam Joint Statement Toward a Strategic Partnership For Peace and Prosperity in Asia", Ministry of Foreign Affairs of Japan, original publication October 19<sup>th</sup>, 2006, <https://www.mofa.go.jp/region/asia-paci/vietnam/joint0610.html>

statement by Japan and Vietnam revealed that next to the further deepening of economic cooperation, high level consultations at the Director General level would be held in order to enhance security in the region.<sup>154</sup> While the strategic partnership did not mean a drastic change in cooperation on security matters between Vietnam and Japan, it did mark then Minister of Foreign Affairs Abe Shinzo's first attempt in enhancing security cooperation between the two countries through a deal that combines both economic and security matters.

### **7.3 Sino-Vietnamese and Vietnam-Japanese economic relations from the Abe administration to the present**

Despite the relatively small percentage of Chinese investments within Hanoi's FDI and ODA portfolio, especially when compared to that of Japan, concerns towards the rising dependence on Chinese infrastructure saw a steady increase. The Vietnamese population, which has been influenced by anti-Chinese nationalism for decades, became more vocally critical of the reliance on Chinese investments for infrastructure development. The contempt of the Vietnamese public towards China worsened once Beijing became more assertive in the South China Sea. The 2011 cable cutting incident, in which a seven-kilometer-long seismic survey cable used for the search of oil and gas was cut by Chinese patrol boats, led to fierce critique from Hanoi.<sup>155</sup> Vietnam accused China of obstructing its attempts of finding natural resources within its waters. China denied the allegations by stressing that the waters are part of China's territory. The dispute led to massive protest in Vietnam, further fueling anti-China nationalist sentiments. The growing discontent towards China within the Vietnamese population eventually became so severe that the Vietnamese government tightened censorship controls on reports over Sino-Vietnamese economic and security relations. Hanoi chose to do so as it was feared that further news

---

<sup>154</sup> MOFA, "Japan- Viet Nam Joint Statement on the Strategic Partnership for Peace and Prosperity in Asia", Ministry of Foreign Affairs of Japan, original publication April 20<sup>th</sup>, 2009, <https://www.mofa.go.jp/region/asia-paci/vietnam/joint0904.html>

<sup>155</sup> Watts, Alex, "Vietnam accuses China of sabotage", The Sydney Morning Herald, original publication June 2<sup>nd</sup>, 2011, <https://www.smh.com.au/world/vietnam-accuses-china-of-sabotage-20110601-1fgec.html>



about their strained relationship would result in critique from the public turning towards the inability of Vietnamese government to address China's assertiveness.<sup>156</sup>

Sino-Vietnamese relations continued to worsen from 2011 onward. The 2012 Scarborough Shoal standoff between China and the Philippines and the subsequent export ban of specific Philippine products further raised concerns in Hanoi about the implications that defending its territorial waters has on Sino-Vietnamese diplomatic and economic relations. It was in the wake of these growing tensions that Japan further strengthened its economic and security relations with Vietnam. Not long after becoming prime minister in September 2012, Abe Shinzo visited multiple Southeast Asian states in 2013 to reiterate the important bond that Japan has with Southeast Asia. The first country on Abe's agenda was Vietnam. During the visit, Abe announced an extra \$500 million in infrastructure project aid, and highlighted the importance of maintaining peace and jointly pursuing prosperity in the region.<sup>157</sup> While Abe's visit primarily focused on financial aid and infrastructure investments to boost Japan-Vietnamese economic cooperation, both countries also agreed on further expanding on their comprehensive strategic partnership.

In the same year, Japan introduced its first National Security Strategy (NSS), which highlighted the need for Japan to expand and deepen its relationship with other countries. Specifically, diversifying Japan's bilateral security ties was one of the spearpoints of the NSS.<sup>158</sup> The timing of the NSS and its pursuit of new bilateral security ties in the Indo-Pacific came right before the worsening of Sino-Vietnamese relations in 2014. The 2014 China-Vietnam oil rig crisis, also known as the HD 981 incident, resulted in a dramatic shift in Sino-Vietnamese relations. On the 4<sup>th</sup> of May, China National Offshore Oil Corporation started with the movement of one of its oil platforms to the EEZ of Vietnam. The act led to a month-long stand-off between Chinese warships and coast guard vessels against the Vietnamese coast guard forces attempting to block the movement in the

---

<sup>156</sup> Liao & Dang, *The nexus of Security and Economic Hedging*, p.685.

<sup>157</sup> Sieg, Linda, Thatcher, Jonathan, "Japan's Abe turns to South East Asia to counter China", Reuters, original publication January 16<sup>th</sup>, 2013, <https://www.reuters.com/article/us-japan-abe-asean-idUSBRE90F0LW20130116>

<sup>158</sup> Grønning, Bjørn Elias Mikalsen. "Japan's Security Cooperation with the Philippines and Vietnam." *Pacific Review* 31, no. 4 (2018): 533-52, p 533.

Southern waters of the Paracel Islands.<sup>159</sup> In response to Vietnam's obstruction of the oil rig displacement, Beijing froze lines of credit without specifying any reason, and launched a cyber warfare campaign against Vietnamese websites.

The oil platform eventually returned to non-disputed Chinese waters on July 15<sup>th</sup>, after being stationed within the disputed waters for no longer than a month. Its impact on the opinion in of the Vietnamese public and political elite was however lasting, leading to a wave of short- and long-term events. On the short term, the oil rig incident sparked Anti-China riots throughout Vietnam for weeks before peace was finally restored. The political elite also became vocally opposed against Chinese built infrastructure projects, as the sudden freezing of loans for infrastructure project have shown that China is more than willing to use its infrastructure projects to force its will on Vietnamese government.<sup>160</sup>

The long-term effect was Hanoi's further distancing from Beijing. The Abe administration, which saw the tensions as a golden opportunity to bring Vietnam closer to Japan, immediately reached out to Hanoi. The result was a wave of big-ticket infrastructure projects, which were initially meant for Chinese contractors, being awarded to Japanese contractors instead. The introduction of the PQI in 2015 further accelerated the amount of infrastructure projects awarded to Japanese contractors, which resulted in Japan's total sum of ODA to Vietnam once again reaching new heights.<sup>161</sup> By 2016, Japan's financial aid to Vietnam amounted to about 40 percent of the total amount of foreign aid received. Vietnam thus became increasingly dependent on Japanese investments for its infrastructure growth. The concerns of Japan decreasing its amount of ODA has diminished from the late 2000s onward, as Japanese capital once again saw a massive influx. The worsening of Sino-Vietnamese relations and the distrust towards Chinese investments has also contributed to

---

<sup>159</sup> Brummit, Chris, "Vietnam tries to stop China oil rig deployment", USA Today News, original publication May 7<sup>th</sup>, 2014,

[https://www.google.com/search?q=china+oil+platform+vietnam&rlz=1C1CHBD\\_nlNL873NL873&biw=1920&bih=969&source=Int&tbs=cdr%3A1%2Ccd\\_min%3A2014%2Ccd\\_max%3A2014&tbm=nws](https://www.google.com/search?q=china+oil+platform+vietnam&rlz=1C1CHBD_nlNL873NL873&biw=1920&bih=969&source=Int&tbs=cdr%3A1%2Ccd_min%3A2014%2Ccd_max%3A2014&tbm=nws)

<sup>160</sup> Liao & Dang, *The nexus of Security and Economic Hedging*, p.685.

<sup>161</sup> MOFA, "Announcement of "Partnership for Quality Infrastructure: Investment for Asia's Future", Ministry of Foreign Affairs of Japan, published May 21<sup>st</sup>, 2015,

[https://www.mofa.go.jp/policy/oda/page18\\_000076.html](https://www.mofa.go.jp/policy/oda/page18_000076.html)

Vietnam's further dependency on Japanese ODA, as Hanoi does not perceive Japanese capital as a potential national security issue.

Despite the increased concerns towards financial support from Beijing and the growing reliance towards Japanese investments, Hanoi did not completely turn its back on Chinese infrastructure investments. The need for infrastructure to boost economic growth pushed the Vietnamese government to maintain a certain degree of its economic pragmatism towards China. This can be seen with the acceptance of BRI funded projects. While still skeptical of the political implications that the BRI might have, Hanoi, joined the BRI initiative and signed the MoU in 2017.<sup>162</sup> The tensions between the two countries have however resulted in Vietnam demanding strict requirements for the approval of BRI funded projects, making the amount of Chinese infrastructure projects under the BRI in Vietnam relatively low. Vietnam's Prime Minister Nguyễn Xuân Phúc for example stated during a Belt and Road forum in Beijing that the cooperation between China and the recipients of BRI funding should be transparent.<sup>163</sup> One of the main critiques towards the funding of BRI projects is however its lack of transparency, which has been a structural issue since its introduction in 2013.<sup>164</sup> Vietnam emphasizing the need for transparency within the Chinese funded initiative furthermore highlights its further alignment with Abe's focus on transparency in economic cooperation as seen within the reiterated FOIP vision of 2016.

Nguyễn Xuân Phúc also stated that one's sovereignty and territorial integrity should be respected according to international law. The demand was a clear reference to the ongoing territorial disputes between China and Vietnam in the South China Sea, and showed that Vietnam required China to respect its sovereignty if it wishes to pursue economic growth together with Vietnam. Hanoi is even willing to briefly delay economic

---

<sup>162</sup> Toai, Doan Ba, Guan, Xi, Ghimire, Amogh, "Situational Analysis of Vietnam for Belt and Road Initiative", Atlantis Press: Advances in Economics, Business and Management Research, volume 67, (EBMCSR 2018).

<sup>163</sup> Duong Van Huy. "A Vietnamese Perspective on China's Belt and Road Initiative in Vietnam." Contemporary Chinese Political Economy and Strategic Relations 6, no. 1 (2020): 145-VIII, p.149.

<sup>164</sup> Crabtree, James, "China needs to make BRI more transparent and predictable", Financial Times, original publication April 25<sup>th</sup>, 2019, <https://www.ft.com/content/3c5d6d14-66ac-11e9-b809-6f0d2f5705f6>

growth to maintain its national security interest. This can be seen with Hanoi obstructing the acquisition of 47.3% of the Vietnam International Container Terminals in Ho Chi Minh city by Chinese investors.<sup>165</sup> While not officially stated, Hanoi's obstruction of the deal was a clear retaliatory response to the sinking of a Vietnamese fishing boat by a CCG vessel, and the PLAN navy exercises held within Vietnam's EEZ that year.<sup>166</sup>

#### **7.4 Sino-Vietnamese and Vietnam-Japanese security relations from the Abe administration to the present**

The worsening of Sino-Vietnamese relations in the 2010s did not only impact Vietnam's perspective towards Chinese investment capital. The 2011 cable cutting incident and the 2014 Chinese oil platform standoff made clear that Vietnam lacked the capability to defend its territorial waters. The events led to growing discontent within the Vietnamese government towards China's assertiveness, which resulted in Hanoi becoming more vocal towards China's acts within the South China Sea. Former Vietnamese Prime Minister Nguyen Tan Dung expressed his concerns with China's actions, stating that 'Vietnam was determined to oppose China's violations.'<sup>167</sup> Hanoi therefore pursued further maritime security cooperation with countries that are concerned with China's presence in the South China Sea. The strong diplomatic relations that Vietnam has with Japan led to the Vietnamese government choosing Japan as its primary partner for security cooperation.

---

<sup>165</sup> Reuters Staff, "Vietnam condemns new Chinese military drills in South China Sea", Reuters, original publication August 26<sup>th</sup>, 2020, <https://www.reuters.com/article/us-vietnam-china-southchinasea-idUSKBN25M0Y5>

<sup>166</sup> Huang, Kristin, "South China Sea: Chinese military holds drills near Paracel Islands for a third time this year", South China Morning Post, original publication September 28<sup>th</sup>, 2020, <https://www.scmp.com/news/china/military/article/3103393/south-china-sea-chinese-military-holds-drills-near-paracel>; Joscelyn, Thomas, "Why China Sunk a Vietnamese Fishing Boat During the COVID-19 Pandemic", Foundation for Defense of Democracies, original publication April 10<sup>th</sup>, 2020, <https://www.fdd.org/analysis/2020/04/10/why-china-sunk-a-vietnamese-fishing-boat-during-the-covid-19-pandemic/>

<sup>167</sup> Chand, Bibek & Garcia, Zenel. (2017). Power Politics and Securitization: The Emerging Indo-Japanese Nexus in Southeast Asia. *Asia & the Pacific Policy Studies*. 4. 10.1002/app5.180, p.4.

The Abe administration welcomed Hanoi's request for stronger security cooperation, and sent high-profile officials like Japan's Defense Ministers Onodera Itsunori (2013), Takeshi Iwaya (2019), and chiefs of staff from both the GSDF and MSDF (2013) to discuss security matters.<sup>168</sup> Upgrading Japan's "Strategic Partnership" with Vietnam into an "Extensive Strategic Partnership" in 2014, and Abe's FOIP rhetoric during his Shangri-La speech in 2014 also indicated that Japan was more than willing to support Vietnam's territorial claims which adhere to the UNCLOS charter. Japan has also "utterly condemned" the CCG's confrontation with VCG vessels in Vietnam's exclusive economic zone in 2019. The Chinese vessels came near the Hakuryu-5, a Japanese oil rig which operated within the EEZ of Vietnam, but were halted by VCG vessels. The Abe administration stated that countries need to refrain searching confrontation in the South China Sea, and reiterated the importance of international maritime law.<sup>169</sup>

The growing cooperation between Vietnam and Japan can also be seen with the acceptance of Japanese warships within Vietnamese waters. In 2016, Japan made its first port call at Cam Ranh Bay in Vietnam.<sup>170</sup> The two guided missile destroyers JS Ariake and JS Setogiri docked at the port to conduct a joint naval exercise with the Vietnamese Navy. Another notable port call was that of the JS Izumo in 2017.<sup>171</sup> The ship, which is now being refitted into a full-fledged aircraft carrier, was under heavy scrutiny by Beijing due to its potential aircraft carrier capabilities. The JS Izumo, together with the JS Sazanami, were briefly docked at the Vietnamese port before it held a navy exercise with the US in the

---

<sup>168</sup> Nguyen, Hung Cao, "The security cooperation between Japan and Vietnam in the face of imminent conflicts in the East Sea", University of Social Sciences & Humanities, National University HCMC, SCIS no. 28, published December, 2019,

<http://scis.hcmussh.edu.vn/Resources/Docs/SubDomain/scis/Commentary/SCIS-Commentary-28-English-version.pdf>

<sup>169</sup> Ibid.

<sup>170</sup> Kyodo, "Japanese destroyers visit Vietnam's Cam Ranh Bay", The Japan Times, original publication April 12<sup>th</sup>, 2016, <https://www.japantimes.co.jp/news/2016/04/12/national/japanese-destroyers-visit-vietnams-cam-ranh-bay/>

<sup>171</sup> VnExpress, "American and Japanese warships make port call in Vietnam", Vietnam Express International, original publication May 21<sup>st</sup>, 2017, <https://e.vnexpress.net/news/news/american-and-japanese-warships-make-port-call-in-vietnam-3587954.html>

South China Sea. Japan's military presence being accepted by Vietnam is a strong message to Beijing, and shows that Japan's colonial history does not stand in the way of further improving Vietnam-Japanese security cooperation.

Besides high-level security discussions between Japanese and Vietnamese officials on China's growing assertiveness in the South China Sea, Vietnam increased its defense procurements in order to display its willingness to defend its territorial waters from anyone who attempts to claim them. In order to modernize its military capabilities to address the China threat, Vietnam became the tenth largest importer of arms in the world from 2012 to 2016. The defense budget for the air force, ground forces and coast guard in particular saw a rapid increase after the 2014 oil platform incident. Early warning systems, Unmanned Aerial Drones (UAVs), and the procurement of heavier ships were approved by the Vietnamese government to extend patrols and surveillance missions in the South China Sea.<sup>172</sup>

Japan also plays an important role in the capability enhancement of Vietnam. From 2014 to the present, Japan invested heavily in increasing Vietnam's maritime capabilities. On November 4<sup>th</sup>, 2015, the Abe administration gifted Vietnam two 600-ton patrol vessels and four commercial fishing boats to beef up the capabilities of the VCG.<sup>173</sup> The gifting of the ships were a clear response to the oil rig crisis of 2014, and was the start of multiple maritime defense equipment transfers from Japan to Vietnam. Two years later, Abe pledged to support Vietnam "enhance its maritime law enforcement capability".<sup>174</sup> Another six vessels, this time all patrol boats, were sold to Vietnam through a concessional ODA loan. In 2020, Japan signed yet another deal that provides Vietnam with six new patrol

---

<sup>172</sup> Carlyle A. Thayer. "FORCE MODERNIZATION." *Southeast Asian Affairs* 2018 (2018): 429-44.

<sup>173</sup> STARS AND STRIPES, "Japan gives Vietnam 2 ships to beef up maritime security", *Stars and Stripes*, original publication November 4<sup>th</sup>, 2015, <https://www.stripes.com/news/japan-gives-vietnam-2-ships-to-beef-up-maritime-security-1.376884>

<sup>174</sup> Panda, Ankit, "Japan Pledges 6 New Patrol Boats for Vietnam Coast Guard", *The Diplomat*, original publication January 17<sup>th</sup>, 2017, <https://thediplomat.com/2017/01/japan-pledges-6-new-patrol-boats-for-vietnam-coast-guard/>

ships made by Japanese contractors.<sup>175</sup> The deal, which comes in the form of a \$345 million loan from JICA, will strengthen and extend capabilities of the VCG by 2025. Lastly, Vietnam and Japan decided upon a basic agreement that enables Japan to export Japanese military hardware in October 2020.<sup>176</sup> While both Hanoi and Tokyo have been silent on what the first arms export deal will entail, many analysts assume that it will be in line with the defense contracts made between the Philippines, initially focusing on radar surveillance systems and reconnaissance planes.

Lastly, Vietnam has taken an active role in settling territorial disputes with its Southeast Asian neighbors. In 2015, Vietnam and the Philippines established a strategic partnership to address the heightened tensions between China and the Philippines.<sup>177</sup> In April this year, Malaysia agreed to sign a Memorandum of Understanding (MoU) with Vietnam.<sup>178</sup> The MoU is currently at its final stage, and promotes cooperation for maritime law enforcement and rescue operations. Vietnam also held talks with the government of Thailand to improve their cooperation for maintaining international maritime law within the South China Sea.<sup>179</sup> By improving its relationship with other Southeast Asian countries that are impacted by China's growing assertiveness, Hanoi hopes to create a united front that has enough leverage to deter China from becoming more assertive in the South China Sea.

---

<sup>175</sup> Kyodo, "Japan signs deal to provide Vietnam with six patrol ships amid South China Sea tensions", South China Morning Post, original publication August 11<sup>th</sup>, 2020, <https://www.scmp.com/news/asia/east-asia/article/3096865/japan-signs-deal-provide-vietnam-six-patrol-ships-amid-south>

<sup>176</sup> Wozniak, Jakub, "Japan and Vietnam Reach Agreement on Arms Exports to Vietnam", Overt Defense, original publication October 20<sup>th</sup>, 2020, <https://www.overtdefense.com/2020/10/20/japan-and-vietnam-reach-agreement-on-arms-exports-to-vietnam/>

<sup>177</sup> Galang, Mico, "Opportunities for the Philippines-Vietnam strategic partnership", Asia Maritime Transparency Initiative", original publication May 1<sup>st</sup>, 2020, <https://amti.csis.org/opportunities-for-the-philippines-vietnam-strategic-partnership/>

<sup>178</sup> Strangio, Sebastian, "Malaysia, Vietnam Set to Pen Agreement on Maritime Security", The Diplomat, original publication April 7<sup>th</sup>, 2021, <https://thediplomat.com/2021/04/malaysia-vietnam-set-to-pen-agreement-on-maritime-security/>

<sup>179</sup> Lan, Ngoc, "Growing cooperation between Hanoi and Bangkok on South China Sea", AsiaNews, original publication April 3<sup>rd</sup>, 2021, <http://www.asianews.it/news-en/Growing-cooperation-between-Hanoi-and-Bangkok-on-South-China-Sea-52510.html>

## 7.5 Chapter conclusion

This chapter has shown that because of its proximity to China, which makes the worsening of security relations a serious risk for Vietnam's national security, Hanoi has chosen to strengthen its economic and security cooperation with Japan under the Abe and Suga administrations. From the end of the Vietnam War until the fall of the Soviet Union, Vietnam's diplomatic relationship with China was strained by conflict and anti-Chinese nationalism. The end of the Cold War and the dire state of the Vietnamese economy however forced Hanoi to take a pragmatic approach towards its economic reengagement with China. Hanoi's economic pragmatism was further accelerated as Japanese ODA slipped away during the late 1990s and begin 2000s due to slow economic recovery and the pursuit of cheaper manufacturing in China.

Sino-Vietnamese economic and diplomatic relations saw significant improvements in the 2000s compared to the Cold War era, but Beijing's assertiveness in the South China Sea has tempered, and to a certain degree even reverted, the progress made. The 2011 cable cutting incident, HD 981 oil rig incident, and Beijing's continued disregard of Vietnam's maritime sovereignty have resulted the return of security tensions and Hanoi's pursuit of security cooperation and the increase of defense procurements. During these events, Japan has condemned China for not respecting Vietnam's maritime sovereignty and supported Vietnam's position by offering coast guard capability enhancements. Turning to Japan for the enhancement of security cooperation was therefore an obvious choice. As Vietnam and Japan intensified their security cooperation, Japanese policymakers have continued to vouch for the adherence to international maritime law, and further aligned Japan's maritime security interests with that of Vietnam. Suga's most recent conversation with Vietnamese President Nquyen Xuan Phuc on the realization of a free and open Indo-Pacific highlights the alignment of security agenda and the importance of unrestricted access to the South China Sea for Hanoi.<sup>180</sup>

---

<sup>180</sup> Strangio, Sebastian, "Japanese PM Suga Talks Maritime Security With Vietnam's President", The Diplomat, original publication May 12<sup>th</sup>, 2021, <https://thediplomat.com/2021/05/japanese-pm-suga-talks-maritime-security-with-vietnams-president/>



The approach of the Abe and Suga administrations towards China's growing economic presence in Vietnam has also made it easier for Hanoi to cooperate with Japan without facing immediate backlash from Beijing. While Japan's does not openly attack or securitize the BRI, it does present viable alternatives to Vietnam. Japanese led initiatives like the \$200 billion PQI fund and the increase of Japanese ODA to Vietnam enables Japan to compete against China's capital.<sup>181</sup> Japan's growing economic presence in Vietnam also makes Vietnam less dependent on investments and loans from China. This allows Hanoi to take a stronger position when negotiating with China about BRI proposals, as the projects can be given to Japan if China fails to propose a more lucrative deal.

Important to note is that Vietnam's intensified economic and security cooperation with Japan is also pushed by the growing discontent within the Vietnamese population towards China. As seen with the anti-Japanese riots in China during the 2010 trawler incident, or the massacre of ethnic Chinese during the Asian Financial Crisis in Indonesia, Vietnamese anti-Chinese nationalism is forcing the government in Hanoi to act tough against China's assertiveness, even if it rather prefers to take a less confrontational approach.<sup>182</sup> To avoid anti-Chinese violence that might unnecessarily worsen China-Vietnam relations, Hanoi is pushed to demonstrate that it will not accept to China's assertiveness within Vietnamese waters. Hanoi rejecting Beijing's claims however only results in stronger responses from China, further angering the Vietnamese public and political elite. This leads to a spiral where both states need to react assertively to appease to the demand of the enraged public. The growing critique by both Vietnamese politicians as its citizens towards Vietnam's economic pragmatism to China has also resulted in a slowdown of Chinese investments in Vietnam, despite the growing need for infrastructure

---

<sup>181</sup> Pascha, Werner, "The Quest for Infrastructure development from a "Market creation" perspective; China's "Belt and Road", Japan's "Quality Infrastructure" and the EU's "Connecting Europe and Asia". *International Economic Policy* 17, 687-704 (2020). <https://doi.org/10.1007/s10368-020-00468-0>

<sup>182</sup> Duncan, Maxim, "China Breaks up anti-Japan protests", Reuters, original publication October 24<sup>th</sup>, 2010, <https://www.reuters.com/article/us-china-japan-idUSTRE69N0C320101024>; Mydans, Seth, "Wave of Riots Against Chinese and Christians Sets Indonesia on Edge", *The New York Times*, original publication April 8<sup>th</sup>, 1997, <https://www.nytimes.com/1997/04/08/world/wave-of-riots-against-chinese-and-christians-sets-indonesia-on-edge.html>

development. Nguyễn Xuân Phúc call for transparency within the BRI is therefore not only an indicator that Vietnam is taking over the rhetoric of the Japanese FOIP, but that it is appealing to the public's demand of a tougher stance towards China, despite the need of easy capital for economic growth.

## 8 Conclusion

Analyzing Indonesia, the Philippines and Vietnam demonstrates that since 2012, Japan under the Abe and Suga administrations has greatly bolstered its security cooperation with its Southeast Asian allies. Both administrations recognized the hedging characteristics of the Southeast Asian countries, and have implemented economic and security policies that strengthened Japan's bilateral relations with the three countries. When discussing Japan's economic relations with the Southeast Asian case studies, Japan has refrained from aggressively attacking or securitizing China's growing economic presence in Southeast Asia, even though it is considered an obstacle to Japan's economic integration with Southeast Asia. This indicates that both administrations are aware that Southeast Asia is not willing to compromise Chinese funded growth due to the already existing Sino-Japanese tensions. Japan has therefore instead opted to increase its ODA and established initiatives like the PQI to compete with China. This gives the Southeast Asian countries the opportunity, and agency, to choose from multiple benefactors without facing severe political consequences from Japan for their choices.

The Abe and Suga administration have however refrained from cooperating with China on BRI funded projects. The literature did argue that Abe has refrained from criticizing BRI projects within Southeast Asia, but the case studies also demonstrate that nothing is done to improve or normalize the image of Chinese funded projects in Southeast Asia either. As seen with the delayed Jakarta-Bandung Line, Japan has declined the opportunity to show that China and Japan can work together on infrastructure development in Southeast Asia. Abe and Suga instead leave China's image as a provider of sub-par, highly-polluting, and politically compromising infrastructure project image as it is, and make use of it to position Japan as a better provider of quality infrastructure.

When discussing Japan's security relations with the Southeast Asian case studies, Japan has actively and consistently condemned China's growing military presence and assertive actions within the South China Sea. The denial of China's Nine-Dash Line claim, Japan's continued pursuit of requiring countries to adhere to the UNCLOS, and its role in enhancing the coast guard capabilities of Southeast Asian states demonstrate that Japan is adamant in keeping the South China Sea accessible. Abe's and Suga's consistent but

cautious approach towards China's presence in the South China Sea dispute have made Japan an attractive security partner for the three countries. Japan's continued support of the interests of Southeast Asia when support from the US under the Trump administration waned furthermore consolidated Japan's position as a reliable partner in uncertain times. It is this combination of relatively friendly economic competition with China in Southeast Asia, consistent rejection of China's unlawful territorial claims, and careful security cooperation enhancements that characterizes Japan's tactical hedging. The growing call for adherence to international maritime law, the acceptance of the free and open Indo-Pacific discussions, and the milestone arms export deals by the three Southeast Asian states discussed in this thesis are a testament to Japan's success in strategic hedging.

The analysis of the three Southeast Asian states has also shown that the degree or speed of security alignment was back by anti-Chinese nationalistic sentiments which were formed during the Cold War. As can be seen in all three cases, the historical relations between the Southeast Asian states and China played an important role in contemporary politics and the speed at which Japan was able to strengthen its security relations with the three states. Indonesia, the Philippines, and Vietnam have all seen a strong degree of state-led discrimination towards ethnic-Chinese and China during the Cold War. In the case of Indonesia and Vietnam, contempt towards the Chinese and China is particularly strong and forms an integral part of its nationalistic movements. The strong anti-China and nationalistic sentiments within the three countries therefore forces the governments to act firmly whenever China infringes its territorial waters or EEZs. As seeking (further) security cooperation with the US would often be politically too severe of a response, the three countries have chosen the next best option, Japan.

Considering the influence that anti-Chinese nationalistic movements have on Southeast Asian politics, further research on this topic would help with better understanding contemporary policymaking in Southeast Asia, both in the economic and security realm. Another topic that was not discussed within this thesis is Beijing's own foreign policy and security objectives. The thesis has shown that there are examples of Japan actively framing China's growing military presence in the region as a threat to unrestricted access to the South China Sea. It can however also be said that the current high degree of distrust towards China in Southeast Asia is also caused by the choices made by

the Chinese government. Beijing has refused to compromise on its territorial claims, creating tensions between China and littoral Southeast Asian states. When the Aquino administration retreated its PCG vessels from Scarborough Shoal in an attempt to mitigate tensions, Beijing took advantage of the situation by immediately maintaining a permanent presence. When the Vietnamese coast guard forces attempted to halt the Chinese oil rig HD-981 from further enter Vietnam's EEZ, China froze infrastructure loans and launched cyberattacks against the government in Hanoi. Even for the relatively small overlap in territorial claims with Indonesia, Beijing has refused to take a less assertive position, aggravating a country that for long has taken a neutral stance towards China's rise.

All these actions combined have heavily influenced Southeast Asia's once neutral or even slightly optimistic perspective towards the rise of China. The historical relation between China and the Southeast Asian states, combined with China's growing assertiveness, generated more willingness to cooperate with the Abe and Suga administrations on security matters despite the potential consequences that it might entail. Further research on the reasoning behind China's uncompromising position towards the Nine-Dash Line would therefore be beneficial for this study.

Since tensions between China and Southeast Asia over the South China Sea is still on the rise, this thesis expects that Southeast Asian nations will further enhance their security cooperation with Japan. The recent intrusion of Malaysian airspace by Chinese aircraft over the South China Sea shows that Beijing's actions are further worsening its relationship with Southeast Asia, and shows that China will not back down on its claims any time soon.<sup>183</sup> It would therefore be interesting to re-analyze Japan's security relations with the three countries discussed in this thesis in order to assess whether China's growing military presence in the region might eventually lead to an actual multilateral security pact. For now, however, all we can do is speculate about future of the unfolding security developments in the region, and hope that the ever-increasing security cooperation between Japan and Southeast Asian nations will not result any unwanted conflicts.

---

<sup>183</sup> Al Jazeera, "Malaysia protests, summons envoy after China aircraft intrusion", Al Jazeera, original publication June 2<sup>nd</sup>, 2021, <https://www.aljazeera.com/news/2021/6/2/malaysia-summons-chinese-ambassador-after-aircraft-intrusion>

## 9 bibliography

Abe, Shinzo, 2007 (Speech delivered at Indian Parliament, New Delhi), ‘Confluence of the two seas’, 22 August, transcript of speech retrieved December 27<sup>th</sup>, 2020, <https://www.mofa.go.jp/region/asia-paci/pmv0708/speech-2.html>

Abe, Shinzo, 2012, ‘Asia’s Democratic Security Diamond’, Project Syndicate, 27 December, retrieved 21 July 2018, <https://www.project-syndicate.org/commentary/a-strategic-alliance-for-japan-and-india-by-shinzo-abe?barrier=accessreg>>.

AFP, “Japanese PM Shinzo Abe warns African Leaders about debt, Seeking to counter China’s growing influence”, South China Morning Post, original publication August 29<sup>th</sup>, 2019, <https://www.scmp.com/news/asia/east-asia/article/3024821/japanese-pm-shinzo-abe-warns-african-leaders-about-debt-seeking>

Aglibot, Joana Rose, Nestor Corrales, “Subic being turned into US base again? Lawmaker slams military, DND silence”, The Inquirer, original publication February 18<sup>th</sup>. 2021, <https://newsinfo.inquirer.net/1397109/subic-us-base-again-lawmaker-slams-military-dnd-silence>

AIIB, “AIIB Approves USD 1 Billion in Loans to Indonesia for COVID-19 Response, Asian Infrastructure Investment Bank, original publication June 23<sup>rd</sup>, 2020, <https://www.aiib.org/en/news-events/news/2020/AIIB-Approves-USD1-Billion-in-Loans-to-Indonesia-for-COVID-19-Response.html>

Al Jazeera, “Malaysia protests, summons envoy after China aircraft intrusion”, Al Jazeera, original publication June 2<sup>nd</sup>, 2021, <https://www.aljazeera.com/news/2021/6/2/malaysia-summons-chinese-ambassador-after-aircraft-intrusion>

- Allard, Tom, “Exclusive: Indonesia rejected U.S. request to host spy planes – officials”, Reuters, original publication October 20th, 2020, <https://www.reuters.com/article/indonesia-usa-idUSKBN2750M7>
- ANI, “Indonesia trying to ‘steer clear’ of Chinese investment in USD 20 billion wealth fund: Report, Asian News International, original publication February 11<sup>th</sup>, 2021, <https://www.aninews.in/news/world/asia/indonesia-trying-to-steer-clear-of-chinese-investment-in-usd-20-billion-wealth-fund-report20210211144116/>
- Araki, Mitsuya. "Japan's Official Development Assistance: The Japan ODA Model That Began Life in Southeast Asia." *Asia-Pacific Review* 14, no. 2 (2007): 17-29, p.21.
- Arase, David, and ISEAS-Yusof Ishak Institute, Issuing Body. *Free and Open Indo-Pacific Strategy Outlook. Trends in Southeast Asia ; 2019 No. 12. 2019*
- Asia Sentinel, “The China-Philippine Banana War”, original publication June 7<sup>th</sup>, 2012, <https://www.asiasentinel.com/p/the-china-philippine-banana-war>
- Asmarini, Wilda, Jefriando, Maikel, “Indonesia asks China for special fund under Belt and Road: Ministers”, Reuters, original publication July 3<sup>rd</sup>, 2019, <https://www.reuters.com/article/us-indonesia-china-beltandroad-idUSKCNITY1DU>
- Ba, Alice D. "Staking Claims and Making Waves in the South China Sea: How Troubled Are the Waters?" *Contemporary Southeast Asia* 33, no. 3 (2011): 269-91.
- Bautista, Lowell, “Philippine Arbitration against china over the South China Sea”, *Asia-Pacific Journal of Ocean Law and Policy* no. 1 (2016): 121-126.

BBC, "Philippines election: Maverick Rodrigo Duterte wins presidency", BBC News, original publication May 10<sup>th</sup>, 2016, <https://www.bbc.com/news/world-asia-36253612>

"Belt and Road Initiative (BRI)", *European Bank*, 2020. Accessed October 26<sup>th</sup>, 2020. <https://www.ebrd.com/what-we-do/belt-and-road/overview.html>

Bhwana, Petir Garda, "TNI Starts Building Marine Combat Force Command HQ in Natuna", *Tempo*, original publication April 7<sup>th</sup>, 2021, <https://en.tempo.co/read/1449904/tni-starts-building-marine-combat-force-command-hq-in-natuna>

Blanchard, Ben, "Duterte aligns Philippines with China, says U.S. has lost", Reuters, original publication October 20<sup>th</sup>, 2016, <https://www.reuters.com/article/us-china-philippines-idUSKCN12K0AS>

Bond, Brian, *Britain's Two World Wars against Germany*, Cambridge University Press, 2014.

Brummit, Chris, "Vietnam tries to stop China oil rig deployment", USA Today News, original publication May 7<sup>th</sup>, 2014, [https://www.google.com/search?q=china+oil+platform+vietnam&rlz=1C1CHBD\\_nlNL873NL873&biw=1920&bih=969&source=ln&tbs=cdr%3A1%2Ccd\\_min%3A2014%2Ccd\\_max%3A2014&tbm=nws](https://www.google.com/search?q=china+oil+platform+vietnam&rlz=1C1CHBD_nlNL873NL873&biw=1920&bih=969&source=ln&tbs=cdr%3A1%2Ccd_min%3A2014%2Ccd_max%3A2014&tbm=nws)

Carlyle A. Thayer. "FORCE MODERNIZATION." *Southeast Asian Affairs 2018* (2018): 429-44.

CEIC, "China Direct Investment Abroad 1998-2020", CEIC, accessed March 18<sup>th</sup>, 2021, <https://www.ceicdata.com/en/indicator/japan/direct-investment-abroad#:~:text=The%20Bank%20of%20Japan%20provides%20Direct%20Invest>



[ment%20Abroad%20in%20local%20currency.&text=Foreign%20Direct%20Investment%20\(FDI\)%20increased,USD%20bn%20in%20Dec%202020.](#)

Chand, Bibek & Garcia, Zenel. (2017). Power Politics and Securitization: The Emerging Indo-Japanese Nexus in Southeast Asia. *Asia & the Pacific Policy Studies*. 4. 10.1002/app5.180.

Chan, Francis, "Indonesia blows up and sinks another 81 fishing boats for poaching", *The Straits Times*, original publication April 2<sup>nd</sup>, 2017, <https://www.straitstimes.com/asia/se-asia/indonesia-blows-up-and-sinks-another-81-fishing-boats-for-poaching>

Chang, Felix K. "Economic and Security Interests in Southeast Asia." *Orbis* (Philadelphia) 58, no. 3 (2014): 378-91.

Charles Hirschman, Samuel Preston, and Vu Manh Loi. "Vietnamese Casualties During the American War: A New Estimate." *Population and Development Review* 21, no. 4 (1995): 783-812

Cheng, Willard, "Duterte heads home from China with \$24 billion deals", *ABS CBN News*, original publication October 21<sup>st</sup>, 2016, <https://news.abs-cbn.com/business/10/21/16/duterte-heads-home-from-china-with-24-billion-deals>

Cheng, Willard, "Duterte heralds 'springtime' in ties with China", *ABS CBN News*, original publication October 20<sup>th</sup>, 2016, <https://news.abs-cbn.com/news/10/20/16/duterte-heralds-springtime-in-ties-with-china>

China Briefing, "China's Territorial Disputes in the South China Sea and East China Sea", *China Briefing*, original publication May 31<sup>st</sup>, 2011, <https://www.china-briefing.com/news/chinas-territorial-disputes-in-the-south-china-sea-and-east-china-sea/>

Chirathivat, Suthiphand, and Langhammer, Rolf J. "ASEAN and the EU Challenged by "Divide and Rule" Strategies of the US and China Evidence and Possible Reactions." *International Economics and Economic Policy* 17, no. 3 (2020): 659-70.

CNA Insider, "Where are China's billions promised to the Philippines?", Chanel News Asia, original publication December 19<sup>th</sup>, 2020, <https://www.channelnewsasia.com/news/cnainsider/where-are-china-s-billions-promised-to-the-philippines-13807288>

CNN, "Philippines' Duterte says he won't withdraw ships from contested waters", CNN, original publication May 15<sup>th</sup>, 2021, <https://edition.cnn.com/2021/05/14/asia/philippines-duterte-south-china-sea-intl-hnk/index.html>

CNN Philippines Staff, "Duterte on Japan: 'Closer than brother' ", CNN Philippines, original publication October 26<sup>th</sup>, 2016, <https://cnnphilippines.com/news/2016/10/26/Duterte-Abe-joint-statement.html>

Corell, Diana Stancy, "US, Japan, Australia team up for naval exercises in South China Sea", *Navy Times*, Original publication October 21<sup>st</sup>, 2020. Accessed October 22<sup>nd</sup>, 2020. <https://www.navytimes.com/news/your-navy/2020/10/21/us-japan-australia-team-up-for-naval-exercises-in-south-china-sea/>

Crabtree, James, "China needs to make BRI more transparent and predictable", *Financial Times*, original publication April 25<sup>th</sup>, 2019, <https://www.ft.com/content/3c5d6d14-66ac-11e9-b809-6f0d2f5705f6>

Cribb, Robert, Michele Ford, Institute of Southeast Asian Studies Content Provider, and Indonesia Update Conference. *Indonesia beyond the Water's Edge : Managing an Archipelagic State*. Indonesia Update Series. 2009, p.131.

Cuenca, Oliver, "Indonesia to continue with Jakarta-Bandung extension plans", *International Railway Journal*, original publication January 27<sup>th</sup>, 2021, <https://www.railjournal.com/regions/asia/indonesia-to-continue-with-jakarta-bandung-extension-plans/>

Daily Mail, " 'China... GET THE F\*\*\* OUT!' Philippines foreign minister blasts Beijing for 'illegal' activity in the disputed South China Sea", *The Daily Mail*, original publication May 3<sup>rd</sup>, 2021, <https://www.dailymail.co.uk/news/article-9537307/Philippines-foreign-minister-tells-Beijing-f-South-China-Sea.html>

De Castro, Renato Cruz, "After Four Years, The Philippines Acknowledges the 2016 Arbitral Tribunal Award!", *Asia Maritime Transparency Initiative*, original publication July 27<sup>th</sup>, 2020, <https://amti.csis.org/after-four-years-the-philippines-acknowledges-the-2016-arbitral-tribunal-award/>

De Castro, Renato Cruz. "China's Belt and Road Initiative (BRI) and the Duterte Administration's Appeasement Policy: Examining the Connection Between the Two National Strategies." *East Asia* (Piscataway, N.J.) 36, no. 3 (2019): 205-27.

De Castro, Renato Cruz. "Facing Up to China's Realpolitik Approach in the South China Sea Dispute." *Journal of Asian Security and International Affairs* 3, no. 2 (2016): 157-82.

Dharma Agastia, I.G.B., "Indonesia's Global Maritime Fulcrum: An Updated Archipelagic Outlook?", *The Diplomat*, original publication December 17<sup>th</sup>, 2016, <https://thediplomat.com/2016/12/indonesias-global-maritime-fulcrum-an-updated-archipelagic-outlook/>

Duncan, Maxim, "China Breaks up anti-Japan protests", Reuters, original publication October 24<sup>th</sup>, 2010, <https://www.reuters.com/article/us-china-japan-idUSTRE69N0C320101024>

Duong Van Huy. "A Vietnamese Perspective on China's Belt and Road Initiative in Vietnam." *Contemporary Chinese Political Economy and Strategic Relations* 6, no. 1 (2020): 145-VIII.

Embassy of Japan in the Philippines, "ODA: OFFICIAL DEVELOPMENT ASSISTANCE", Embassy of Japan in the Philippines, accessed May 8<sup>th</sup>, 2021, <https://www.ph.emb-japan.go.jp/bilateral/oda/index.htm>

Eisenman, Joshua. "China's Vietnam War Revisited: A Domestic Politics Perspective." *The Journal of Contemporary China* 28, no. 119 (2019): 729-45.

Erickson, Amanda, "Malaysia cancels two big Chinese projects, fearing they will bankrupt the country", *The Washington Post*, original publication August 21<sup>st</sup>, 2018, [https://www.washingtonpost.com/world/asia\\_pacific/malaysia-cancels-two-massive-chinese-projects-fearing-they-will-bankrupt-the-country/2018/08/21/2bd150e0-a515-11e8-b76b-d513a40042f6\\_story.html](https://www.washingtonpost.com/world/asia_pacific/malaysia-cancels-two-massive-chinese-projects-fearing-they-will-bankrupt-the-country/2018/08/21/2bd150e0-a515-11e8-b76b-d513a40042f6_story.html)

FEPC, "Japan's Energy Supply Situation and Basic Policy", *The Federation of Electric Power Companies of Japan*, accessed March 14<sup>th</sup>, 2021, [https://www.fepec.or.jp/english/energy\\_electricity/supply\\_situation/index.html](https://www.fepec.or.jp/english/energy_electricity/supply_situation/index.html)

Fitriani, Evi. "Indonesian Perceptions of the Rise of China: Dare You, Dare You Not." *Pacific Review* 31, no. 3 (2018): 391-405.

Flath, David, *The Japanese Economy*, Oxford: Oxford University Press, Incorporated (2014).

- Flores, Mikhail, “ADB chief warns of Belt and Road debt trap”, Nikkei Asia, original publication May 3<sup>rd</sup>, 2018, <https://asia.nikkei.com/Economy/ADB-chief-warns-of-Belt-and-Road-debt-trap>
- Galang, Mico, “Opportunities for the Philippines-Vietnam strategic partnership”, Asia Maritime Transparency Initiative”, original publication May 1<sup>st</sup>, 2020, <https://amti.csis.org/opportunities-for-the-philippines-vietnam-strategic-partnership/>
- Goldstein, Lyle J. “*Meeting China Halfway*”, Washington: Georgetown University Press, 2015.
- Gooch, Elizabeth, Grimm, Katharina, Hayes, Christopher, “Does Japanese FDI grow negative media coverage of China in ASEAN?”, Southeast Asia Globe, original publication August 28<sup>th</sup>, 2020, <https://southeastasiaglobe.com/japan-china-southeast-asia/>
- Green, David, “The Philippines’ China Dam Controversy”, The Diplomat, original publication March 27<sup>th</sup>, 2019, <https://thediplomat.com/2019/03/the-philippines-china-dam-controversy/>
- Green, Michael J., Szechenyi, Nicholas, “Shinzo Abe’s Decision to Step Down”, original publication August 28<sup>th</sup>, 2020, <https://www.csis.org/analysis/shinzo-abes-decision-step-down>
- Guarco, Isabel, “Filipinos Don’t Trust Duterte to Handle China”, Foreign Policy, original publication July 12<sup>th</sup>, 2019, <https://foreignpolicy.com/2019/07/12/filipinos-dont-trust-duterte-to-handle-china/>

Grønning, Bjørn Elias Mikalsen. "Japan's Security Cooperation with the Philippines and Vietnam." *Pacific Review* 31, no. 4 (2018): 533-52.

Hatakeyama, Kyoko. "A Middle Power's Roles in Shaping East Asian Security Order: Analysis of Japan's Engagement from a Normative Perspective." *The Australian Journal of Politics and History* 65, no. 3 (2019): 466-81, p. 469.

Hook, Glenn D. *Japan's International Relations Politics, Economics and Security*. 3rd ed. Sheffield Centre for Japanese Studies/Routledge Series ; 44. New York: Routledge, 2012.

Huang, Kristin, "South China Sea: Chinese military holds drills near Paracel Islands for a third time this year", *South China Morning Post*, original publication September 28<sup>th</sup>, 2020, <https://www.scmp.com/news/china/military/article/3103393/south-china-sea-chinese-military-holds-drills-near-paracel>

Inaba, Yoshihoro, "Here Is The Philippine Coast Guard Future Patrol Vessel Under Construction In Japan", *Naval News*, original publication July 1<sup>st</sup>, 2020, <https://www.navalnews.com/naval-news/2020/07/here-is-the-philippine-coast-guard-future-patrol-vessel-under-construction-in-japan/>

IPD Forum, "INDONESIA: Seeking Investment in Disputed Waters", *Indo-Pacific Defense Forum*, original publication August 3<sup>rd</sup>, 2020, <https://ipdefenseforum.com/2020/08/indonesia-seeking-investment-in-disputed-waters/>

Ito, Asei. "China's Belt and Road Initiative and Japan's Response: From Non-participation to Conditional Engagement." *East Asia* (Piscataway, N.J.) 36, no. 2 (2019): 115-28.

Japan Ministry of Defense, ‘Updating the “Vientiane Vision: Japans Defense Cooperation Initiative with ASEAN”’ digital presentation, *Japan Ministry of Defense*, Published November 2019, accessed October 20<sup>th</sup>, 2020. [https://www.mod.go.jp/e/d\\_act/exc/admm/06/vv2\\_en.pdf](https://www.mod.go.jp/e/d_act/exc/admm/06/vv2_en.pdf)

Jain, Purnendra, “Japan’s weapon-export industry takes its first steps”, East Asia Forum, original publication October 30<sup>th</sup>, 2020, <https://www.eastasiaforum.org/2020/10/30/japans-weapon-export-industry-takes-its-first-steps/#:~:text=In%20its%20first%20breakthrough%20since,surveillance%20radars%20to%20the%20Philippines.>

JICA, “Indonesia’s development and Japan’s Cooperation: Building the Future Based on Trust”, Japan International Cooperation Agency, original publication April 2018, [https://www.jica.go.jp/publication/pamph/region/ku57pq00002izqzn-att/indonesia\\_development\\_en.pdf](https://www.jica.go.jp/publication/pamph/region/ku57pq00002izqzn-att/indonesia_development_en.pdf)

JICA, “JICA and GOP sign agreement for ODA on maritime safety”, Japan International Cooperation Agency, original publication December 16<sup>th</sup>, 2013, <https://www.jica.go.jp/philippine/english/office/topics/news/131216.html>

Joscelyn, Thomas, “Why China Sunk a Vietnamese Fishing Boat During the COVID-19 Pandemic”, Foundation for Defense of Democracies, original publication April 10<sup>th</sup>, 2020, <https://www.fdd.org/analysis/2020/04/10/why-china-sunk-a-vietnamese-fishing-boat-during-the-covid-19-pandemic/>

Kort, Michael. *The Vietnam War Reexamined*. Cambridge Essential Histories. 2018.

Kwok, Yenni, “Indonesian President Jokowi Visits the Natuna Islands to Send a Strong Signal to China”, TIME, original publication June 23rd, 2016,

<https://time.com/4379401/indonesia-china-jokowi-natuna-sovereignty-maritime-fishing-dispute/>

Kwok, Yenni, “Indonesia Reaches Racial Milestone With Chinese Governor of Jakarta”, TIME, original publication November 19<sup>th</sup>, 2014, <https://time.com/3594125/indonesia-jakarta-chinese-christian-governor-joko-widodo-jokowi-ahok-basuki-purnama/>

KYODO, “Japan and Indonesia to hold 2-plus-2 security talks on Mar.30”, Nikkei Asia, original publication March 26<sup>th</sup>, 2021, <https://asia.nikkei.com/Politics/International-relations/Japan-and-Indonesia-to-hold-2-plus-2-security-talks-on-Mar.-30>

Kyodo, “Japanese destroyers visit Vietnam’s Cam Ranh Bay”, The Japan Times, original publication April 12<sup>th</sup>, 2016, <https://www.japantimes.co.jp/news/2016/04/12/national/japanese-destroyers-visit-vietnams-cam-ranh-bay/>

Kyodo, “Japan signs deal to provide Vietnam with six patrol ships amid South China Sea tensions”, South China Morning Post, original publication August 11<sup>th</sup>, 2020, <https://www.scmp.com/news/asia/east-asia/article/3096865/japan-signs-deal-provide-vietnam-six-patrol-ships-amid-south>

Kyodo, “Japan to help develop Indonesian islands in South China Sea”, South China Morning Post, original publication June 25<sup>th</sup>, 2018, <https://www.scmp.com/news/asia/southeast-asia/article/2152361/japan-help-develop-indonesian-islands-south-china-sea>

Landler, Mark, “UNREST IN INDONESIA: THE OVERVIEW; Indonesian Capital Engulfed by Rioting”, The New York Times, original publication May 15<sup>th</sup>, 1998



<https://www.nytimes.com/1998/05/15/world/unrest-in-indonesia-the-overview-indonesian-capital-engulfed-by-rioting.html>

Lan, Ngoc, "Growing cooperation between Hanoi and Bangkok on South China Sea", AsiaNews, original publication April 3<sup>rd</sup>, 2021, <http://www.asianews.it/news-en/Growing-cooperation-between-Hanoi-and-Bangkok-on-South-China-Sea-52510.html>

Latiff, Rozanna, Sipalan, Joseph, "Malaysia had plan to use Chinese money to bail out 1MDB, court hears", Reuters, original publication September 4<sup>th</sup>, 2019, <https://www.reuters.com/article/us-malaysia-politics-najib-idUSKCN1VPIDS>

Liao, Jessica C, and Dang, Ngoc-Tram. "The Nexus of Security and Economic Hedging: Vietnam's Strategic Response to Japan-China Infrastructure Financing Competition." *Pacific Review* 33, no. 3-4 (2020): 669-96

Lim, Guanle, Li, Chen, and Adi Syailendra, Emirza. "Why Is It so Hard to Push Chinese Railway Projects in Southeast Asia? The Role of Domestic Politics in Malaysia and Indonesia." *World Development* 138 (2021): *World Development*, 2021-02, Vol.138.

Ma, Xinmin. "China and the UNCLOS: Practices and Policies", *The Chinese Journal of Global Governance* 5, 1 (2019): 1-20, p.1, doi: <https://doi.org/10.1163/23525207-12340036>

Macaraeg, Pauline, "With 2 years left in Duterte's term, where are we on Build, Build, Build?", Rappler, original publication July 6<sup>th</sup>, 2020, <https://www.rappler.com/newsbreak/in-depth/where-are-we-on-build-build-build-program>

Michael C. Williams, “Words, images, enemies: Securitization and international politics,” *International Studies Quarterly* 47, no. 4 (2003): 511–531, 527.

Midford, Paul. "Japan's Approach to Maritime Security in the South China Sea." *Asian Survey* 55, no. 3 (2015): 525-47.

Miller, J. Berkshire, “With an Eye on China- and Trump- Japan Enhances Security Ties With Southeast Asia”, *World Politics Review*, original publication January 26<sup>th</sup>, 2017, <https://www.worldpoliticsreview.com/articles/21002/with-an-eye-on-china-and-trump-japan-enhances-security-ties-with-southeast-asia>

MOFA, “Announcement of “Partnership for Quality Infrastructure: Investment for Asia’s Future”, Ministry of Foreign Affairs of Japan, published May 21<sup>st</sup>, 2015, [https://www.mofa.go.jp/policy/oda/page18\\_000076.html](https://www.mofa.go.jp/policy/oda/page18_000076.html)

MOFA, “Evaluation Study of Japanese ODA for Vietnam Summary”, Ministry of Foreign Affairs Japan, published March, 2002, <https://www.mofa.go.jp/policy/oda/evaluation/FY2001/text-pdf/vietnam.pdf>

MOFA, “Japan-Indonesia Joint Statement on Strengthening Strategic Partnership”, Japan Ministry of Foreign Affairs, original publication January 15<sup>th</sup>, 2017, <https://www.mofa.go.jp/files/000218457.pdf>

MOFA, “Japan-Vietnam Joint Statement Toward a Strategic Partnership For Peace and Prosperity in Asia”, Ministry of Foreign Affairs of Japan, original publication October 19<sup>th</sup>, 2006, <https://www.mofa.go.jp/region/asia-paci/vietnam/joint0610.html>

MOFA, “Japan- Viet Nam Joint Statement on the Strategic Partnership for Peace and Prosperity in Asia”, Ministry of Foreign Affairs of Japan, original publication April 20<sup>th</sup>, 2009, <https://www.mofa.go.jp/region/asia-paci/vietnam/joint0904.html>

Moramudali, Umesh, “Is Sri Lanka Really a Victim of China’s ‘Debt Trap’?”, The Diplomat, original publication May 14<sup>th</sup>, 2019, <https://thediplomat.com/2019/05/is-sri-lanka-really-a-victim-of-chinas-debt-trap/>

Morck, Randall, and Nakamura, Masao. "Japan's Ultimately Unaccursed Natural Resources-financed Industrialization." *Journal of the Japanese and International Economies* 47 (2018): 32-54

Morris, Lyle J. and Giacomo Persi Paoli, A Preliminary Assessment of Indonesia's Maritime Security Threats and Capabilities. Santa Monica, CA: RAND Corporation, 2018. [https://www.rand.org/pubs/research\\_reports/RR2469.html](https://www.rand.org/pubs/research_reports/RR2469.html).

Mourdoukoutas, Panos, “Indonesia Warns About Bad Side of Chinese Investments – And Isn’t Alone”, Forbes, original publication December 13<sup>th</sup>, 2019, <https://www.forbes.com/sites/panosmourdoukoutas/2019/12/13/indonesia-warns-about-bad-side-of-chinese-investments-and-isnt-alone/?sh=395eb9ea707e>

Mourdoukoutas, Panos, “Japan, Not China, Is The Biggest Investor In Southeast Asia’s Infrastructure”, Forbes, original publication June 26<sup>th</sup>, 2019, <https://www.forbes.com/sites/panosmourdoukoutas/2019/06/26/japan-beats-china-in-the-philippines-singapore-and-vietnam/?sh=5cfbb02639d8>

Mutfi, Riza Roidila, “Govt wants Japan to join China-backed high-speed rail project”, The Jakarta Post, original publication May 31<sup>st</sup>, 2020, <https://www.thejakartapost.com/news/2020/05/29/govt-wants-japan-to-join-china-backed-high-speed-rail-project.html>

Mydans, Seth, “Wave of Riots Against Chinese and Christians Sets Indonesia on Edge”, The New York Times, original publication April 8<sup>th</sup>, 1997,

<https://www.nytimes.com/1997/04/08/world/wave-of-riots-against-chinese-and-christians-sets-indonesia-on-edge.html>

Ng, Abigail, “The Philippines has dramatically boosted South China Sea patrols, data shows”, CNBC, original publication May 28<sup>th</sup>, 2021, <https://www.cnbc.com/2021/05/28/philippines-dramatically-boosted-south-china-sea-patrols-data-shows.html>

Nguyen, Hung Cao, “The security cooperation between Japan and Vietnam in the face of imminent conflicts in the East Sea”, University of Social Sciences & Humanities, National University HCMC, SCIS no. 28, published December, 2019, <http://scis.hcmussh.edu.vn/Resources/Docs/SubDomain/scis/Commentary/SCIS-Commentary-28-English-version.pdf>

Nozawa, Koji, “Japan in talks to invest \$4bn in Indonesia sovereign wealth fund”, Nikkei Asia, original publication December 10<sup>th</sup>, 2020, <https://asia.nikkei.com/Editor-s-Picks/Interview/Japan-in-talks-to-invest-4bn-in-Indonesia-sovereign-wealth-fund>

Obermeyer, Ziad, Murray, Christopher J L, and Gakidou, Emmanuela. "Fifty Years of Violent War Deaths from Vietnam to Bosnia: Analysis of Data from the World Health Survey Programme." *BMJ* 336, no. 7659 (2008): 1482-486.

Owuor, Sophy, “What Are The Major Natural Resources Of Japan?”, World Atlas, original publication August 22<sup>nd</sup>, 2019, <https://www.worldatlas.com/articles/what-are-the-major-natural-resources-of-japan.html>

Paendong, Meiki W., “The Jakarta-Bandung Rail Project: 5 Years On and Still Going Nowhere”, The Diplomat, original publication December 3<sup>rd</sup>, 2020, <https://thediplomat.com/2020/12/the-jakarta-bandung-rail-project-5-years-on-and-still-going-nowhere/>

- Pajon, Céline, “Japan’s Security Policy in Africa: The Dawn of a Strategic Approach?”, *Asie. Visions*, No. 93, Ifri, May 2017.
- Panda, Ankit, “Japan Pledges 6 New Patrol Boats for Vietnam Coast Guard”, *The Diplomat*, original publication January 17<sup>th</sup>, 2017, <https://thediplomat.com/2017/01/japan-pledges-6-new-patrol-boats-for-vietnam-coast-guard/>
- Parameswaran, Prashanth, “Japan, Philippines Hold First South China Sea Naval Exercises”, *The Diplomat*, original publication May 13<sup>th</sup>, 2015, <https://thediplomat.com/2015/05/japan-philippines-hold-first-south-china-sea-naval-exercises/>
- Parameswaran, Prashanth, “The Truth About China’s Indonesia South China Sea Tantrum”, *The Diplomat*, original publication September 6<sup>th</sup>, 2017, <https://thediplomat.com/2017/09/the-truth-about-chinas-indonesia-south-china-sea-tantrum/>
- Pascha, Werner, “The Quest for Infrastructure development from a “Market creation” perspective; China’s “Belt and Road”, Japan’s “Quality Infrastructure” and the EU’s “Connecting Europe and Asia”. *International Economic Policy* 17, 687-704 (2020). <https://doi.org/10.1007/s10368-020-00468-0>
- Patalano, Alessio. *Post-War Japan As a Sea Power*. Bloomsbury Studies in Military History. London: Bloomsbury Publishing Plc, 2016.
- Path, Kosal. "China's Economic Sanctions against Vietnam, 1975–1978." *The China Quarterly* (London) 212, no. 212 (2012): 1040-058.
- PCA, “PCA Press Release: The South China Sea Arbitration (The Republic of the Philippines v. The People’s Republic of China)”, Permanent Court of Arbitration in The Hague, original publication July 12<sup>th</sup>, 2016, <https://pca->

[cpa.org/en/news/pca-press-release-the-south-china-sea-arbitration-the-republic-of-the-philippines-v-the-peoples-republic-of-china/](https://cpa.org/en/news/pca-press-release-the-south-china-sea-arbitration-the-republic-of-the-philippines-v-the-peoples-republic-of-china/)

Permana, Erric, “Indonesia, Japan ink agreement on defense cooperation”, AA, original publication March 31<sup>st</sup>, 2021, <https://www.aa.com.tr/en/asia-pacific/indonesia-japan-ink-agreement-on-defense-cooperation/2193537>

Petty, Martin, Morales, Neil Jerome, “China’s Xi visits Philippines as Duterte pressed to take tougher line”, Reuters, original publication November 20<sup>th</sup>, 2018, <https://www.reuters.com/article/us-philippines-china-idUSKCN1NP0BR>

Philippine Statistics Authority, “Foreign Trade Statistics of the Philippines: 2012, Reference Number: 2013-082”, Philippine Statistics Authority, original publication November 7<sup>th</sup>, 2013, <https://psa.gov.ph/content/foreign-trade-statistics-philippines-2012>

Pilling, David, Landingin, Roel, Soble, Jonathan, “Philippines backs rearming of Japan”, Financial Times, original publication December 9<sup>th</sup>, 2012, <https://www.ft.com/content/250430bc-41ba-11e2-a8c3-00144feabdc0>

Rakhmat, Muhammad Z., Permadi, Dimas, “Why Isn’t Indonesia Seeking China’s Funding for Its New Capital?”, The Diplomat, original publication April 3<sup>rd</sup>, 2020, <https://thediplomat.com/2020/04/why-isnt-indonesia-seeking-chinas-funding-for-its-new-capital/>

Raymond, Gregory V. "Strategic Culture and Thailand's Response to Vietnam's Occupation of Cambodia, 1979–1989: A Cold War Epilogue." *Journal of Cold War Studies* 22, no. 1 (2020): 4-45.

Reuters, “Philippine’s Aquino revives comparison between China and Nazi Germany”, Thomson Reuters Foundation News, original publication June 3<sup>rd</sup>, 2015, <https://news.trust.org/item/20150603084633-ialu8/?source=search>

Reuters Staff, “Indonesia asks Japan to invest in islands near waters disputed with China”, Reuters, original publication January 10<sup>th</sup>, 2020, <https://www.reuters.com/article/us-indonesia-japan-southchinasea-idUSKBN1Z90IY>

Reuters staff, “Indonesia rejects China’s claims over the South China Sea, Reuters, original publication January 1<sup>st</sup>, 2020, <https://www.reuters.com/article/us-indonesia-china-southchinasea-idUSKBN1Z01RE>

Reuters Staff, “Philippines gets first coastguard boat from Japan to boost security”, Reuters, original publication August 18<sup>th</sup>, 2016, <https://www.reuters.com/article/us-southchinasea-philippines-japan-idUSKCN10T11V>

Reuters Staff, “Vietnam condemns new Chinese military drills in South China Sea”, Reuters, original publication August 26<sup>th</sup>, 2020, <https://www.reuters.com/article/us-vietnam-china-southchinasea-idUSKBN25M0Y5>

Robles, Reissa, “China promised Duterte US\$9 billion. He’s had only US\$924 million in loans and grants. Why?”, South China Morning Post, original publication October 26<sup>th</sup>, 2019, <https://www.scmp.com/week-asia/politics/article/3034666/china-promised-duterte-us9-billion-infrastructure-hes-had-only>

Rossiter, Ash, “The “Free and Open Indo-Pacific” Strategy and Japan’s Emerging Security Posture”, Volume 3, Issue 2 of *The "Indo-Pacific" - Regional Dynamics in the 21st Century's New Geopolitical Center of Gravity*, Aug. 2018, pp. 113-131

- Rowan, Joshua P. "The U.S.-Japan Security Alliance, ASEAN, and the South China Sea Dispute." *Asian Survey* 45, no. 3 (2005): 414-36.
- Rudner, Martin. "Japanese Official Development Assistance to Southeast Asia." *Modern Asian Studies* 23, no. 1 (1989): 73-116.
- Salim, W., & Dharma Negara, S. (2016). Why is the High-Speed Rail Project So Important to Indonesia? *ISEAS Perspective* (16), pp. 1-10.
- Seah, S. et al., *The State of Southeast Asia: 2021* (Singapore: ISEAS-Yusof Ishak Institute), <https://www.iseas.edu.sg/wp-content/uploads/2021/01/The-State-of-SEA-2021-v2.pdf>
- Setijadi, Charlotte. "'A Beautiful Bridge': Chinese Indonesian Associations, Social Capital and Strategic Identification in a New Era of China-Indonesia Relations." *The Journal of Contemporary China* 25, no. 102 (2016): 822-35.
- Setsuho, Ikehata. *Philippines-Japan Relations*. Manila: Ateneo De Manila University Press, 2003.
- Shakil, F.M, "Chinese power loans fueling a debt trap in Pakistan", *Asia Times*, original publication February 23<sup>rd</sup>, 2021, <https://asiatimes.com/2021/02/chinese-power-loans-fueling-a-debt-trap-in-pakistan/>
- Shiraishi, Masaya. *Japanese Relations with Vietnam, 1951–1987*. Cornell University Press, 2018.
- Sieg, Linda, Thatcher, Jonathan, "Japan's Abe turns to South East Asia to counter China", *Reuters*, original publication January 16<sup>th</sup>, 2013, <https://www.reuters.com/article/us-japan-abe-asean-idUSBRE90F0LW20130116>



Sing, Chan Chun, “A Resilient and Future-Ready ASEAN”, ASEAN economic integration brief no.4, original publication November 2018, [https://asean.org/storage/2018/11/AEIB\\_4th-Issue\\_r1.pdf](https://asean.org/storage/2018/11/AEIB_4th-Issue_r1.pdf)

Siregar, Elizabet, “Indonesia Finally Has a Sovereign Wealth Fund: Indonesia Investment Authority (INA)”, Indonesia Investments, original publication February 25<sup>th</sup>, 2021, <https://www.indonesia-investments.com/business/business-columns/indonesia-finally-has-a-sovereign-wealth-fund-indonesia-investment-authority-ina/item9376>

Siregar, Kiki, “Chinese vessels leaving Natuna after days of stand-off with Indonesia”, Channel News Asia, original publication January 9<sup>th</sup>, 2020, <https://www.channelnewsasia.com/news/asia/natuna-china-indonesia-standoff-vessels-leave-12247302>

Soeriaatmadja, Wahyudi, “Indonesia wants BRI projects to be in line with national development plan, no government debt”, The Straits Times, original publication April 25<sup>th</sup>, 2019, <https://www.straitstimes.com/asia/se-asia/indonesia-wants-bri-projects-to-be-in-line-with-national-development-plan-no-government>

STARS AND STRIPES, “Japan gives Vietnam 2 ships to beef up maritime security”, Stars and Stripes, original publication November 4<sup>th</sup>, 2015, <https://www.stripes.com/news/japan-gives-vietnam-2-ships-to-beef-up-maritime-security-1.376884>

Storey, Ian, “China and Indonesia: Military-security Ties Fail to Gain Momentum”, China Brief Volume:9, Issue:4, original publication February 20<sup>th</sup>, 2009, <https://jamestown.org/program/china-and-indonesia-military-security-ties-fail-to-gain-momentum/>

Straits Times, “Philippines says more Chinese militia ships return to its western waters”, The Straits Times, original publication May 13<sup>th</sup>, 2021,

<https://www.straitstimes.com/asia/se-asia/philippines-says-more-chinese-militia-ships-return-to-its-western-waters>

Strangio, Sebastian, “Japanese PM Suga Talks Maritime Security With Vietnam’s President”, The Diplomat, original publication May 12<sup>th</sup>, 2021, <https://thediplomat.com/2021/05/japanese-pm-suga-talks-maritime-security-with-vietnams-president/>

Strangio, Sebastian, “Malaysia, Vietnam Set to Pen Agreement on Maritime Security”, The Diplomat, original publication April 7<sup>th</sup>, 2021, <https://thediplomat.com/2021/04/malaysia-vietnam-set-to-pen-agreement-on-maritime-security/>

Strangio, Sebastian, “Philippine President Imposes Cabinet Gag Order Over South China Sea”, The Diplomat, original publication May 19<sup>th</sup>, 2021, <https://thediplomat.com/2021/05/philippine-president-imposes-cabinet-gag-order-over-south-china-sea/>

Sugihara, Kaoru. Japanese Imperialism in Global Resource History. Department of Economic History, London School of Economics and Political Science, 2004.

Suryadinata, Leo, and Mustafa Izzuddin. The Natunas : Territorial Integrity in the Forefront of Indonesia-China Relations. Trends in Southeast Asia ; 2017 No. 5. 2017.

The Sankei Shimbun, “Japan Offers to Jointly Build Warship with Indonesia”, Japan Forward, original publication May 21<sup>st</sup>, 2021, <https://japan-forward.com/japan-offers-to-jointly-build-warship-with-indonesia/>

Toai, Doan Ba, Guan, Xi, Ghimire, Amogh, “Situational Analysis of Vietnam for Belt and Road Initiative”, Atlantis Press: Advances in Economics, Business and Management Research, volume 67, (EBMCSR 2018).

Troilo, Pete, "Top 10 foreign aid donors to the Philippines", Devex, original publication November 6<sup>th</sup>, 2011, <https://www.devex.com/news/top-10-foreign-aid-donors-to-the-philippines-76515>

Turner, Sarah, and Allen, Pamela. "Chinese Indonesians in a Rapidly Changing Nation: Pressures of Ethnicity and Identity." *Asia Pacific Viewpoint* 48, no. 1 (2007): 112-27.

UN Comtrade, "Philippines | Imports and Exports | World | ALL COMMODITIES | Value (US\$) and Value Growth, YoY (%) | 2008 – 2019", Trend Economy, original publication April 5<sup>th</sup>, 2021, <https://trendeconomy.com/data/h2/Philippines/TOTAL>

Valente, Catherine, Calayag, Keith, "Duterte, Japan head agree to tackle security in disputed sea", *The Manila Times*, original publication May 21<sup>st</sup>, 2021, <https://www.manilatimes.net/2021/05/21/news/national/duterte-japan-head-agree-to-tackle-security-in-disputed-sea/1800030>

VnExpress, "American and Japanese warships make port call in Vietnam", *Vietnam Express International*, original publication May 21<sup>st</sup>, 2017, <https://e.vnexpress.net/news/news/american-and-japanese-warships-make-port-call-in-vietnam-3587954.html>

Vogel, Ezra F. *Deng Xiaoping and the Transformation of China*. Cambridge, Mass.: Belknap Press of Harvard University Press, 2011

Wallace, Corey. "Leaving (north-east) Asia? Japan's Southern Strategy." *International Affairs* (London) 94, no. 4 (2018): 883-904.

Ward, Alex, "Biden's Meting with "the Quad," a new alliance to counter China explained", *VOX*, original publication March 12<sup>th</sup>, 2021,

<https://www.vox.com/22325328/biden-quad-japan-australia-india-vaccine-rare-earth>

Watts, Alex, “Vietnam accuses China of sabotage”, The Sydney Morning Herald, original publication June 2<sup>nd</sup>, 2011, <https://www.smh.com.au/world/vietnam-accuses-china-of-sabotage-20110601-1fgec.html>

“What is Free and Open-Indo Pacific?” digital presentation, *Ministry of Foreign Affairs of Japan*, Original publication August 7<sup>th</sup>, 2020. Accessed October 28<sup>th</sup>, 2020. <https://www.mofa.go.jp/files/100056243.pdf>

Widianto, Stanley, Takenaka, Kiyoshi, “Indonesia, Japan seek stronger security, economic ties in China’s Shadow”, Reuters, original publication October 20<sup>th</sup>, 2020, <https://www.reuters.com/article/japan-southeastasia-indonesia-idUSKBN2751GE>

WITS, “TRADE SUMMARY FOR PHILIPPINES 2013”, World Integrated Trade Solution, accessed June 13<sup>th</sup>, [https://wits.worldbank.org/CountryProfile/en/Country/PHL/Year/2013/Summaryt\\_ext](https://wits.worldbank.org/CountryProfile/en/Country/PHL/Year/2013/Summaryt_ext)

WITS, “TRADE SUMMARY FOR PHILIPPINES 2016”, World Integrated Trade Solution, accessed June 13<sup>th</sup>, [https://wits.worldbank.org/CountryProfile/en/Country/PHL/Year/2016/Summaryt\\_ext](https://wits.worldbank.org/CountryProfile/en/Country/PHL/Year/2016/Summaryt_ext)

Woods, Colleen. Freedom Incorporated. The United States in the World. Ithaca: Cornell University Press, 2020.

World Bank, “The World Bank In Indonesia: overview”, The World Bank Group, accessed March 23<sup>rd</sup>, 2021, <https://www.worldbank.org/en/country/indonesia/overview>

Wozniak, Jakub, "Japan and Vietnam Reach Agreement on Arms Exports to Vietnam", Overt Defense, original publication October 20<sup>th</sup>, 2020, <https://www.overtdefense.com/2020/10/20/japan-and-vietnam-reach-agreement-on-arms-exports-to-vietnam/>

Xinhua, "Indonesian president hopes Jakarta-Bandung HSR will operate by end of 2022", Xinhua News Agency, original publication May 18<sup>th</sup>, 2021, [http://www.xinhuanet.com/english/2021-05/18/c\\_139954225.htm](http://www.xinhuanet.com/english/2021-05/18/c_139954225.htm).

Yano, Toru. "THE "FUKUDA DOCTRINE" AND ITS IMPLICATIONS FOR SOUTHEAST ASIA." In *Southeast Asian Affairs* 1978, 60-64. Singapore: ISEAS–Yusof Ishak Institute Singapore, 2018.

Yizhi, Wang. "Foundation for Sino-Japanese Economic & Trade Relations: Mutual Benefit & Regional Cooperation." *Japan Spotlight : Economy, Culture & History* 29, no. 2 (2010): 24.

Yoshikawa, Yukie. 2006. "Okinotorishima: Just the Tip of the Iceberg." *Harvard Asia Quarterly* 9, no. 4: 51-61

Yuniar, Resty Woro, "Why is China being left out of Indonesia's US\$20 billion wealth fund?", *South China Morning Post*, original publication February 8<sup>th</sup>, 2021, <https://www.scmp.com/week-asia/economics/article/3120687/why-china-being-left-out-indonesias-us20-billion-wealth-fund>

Zhou, Laura, "Japan weighs in on South China Sea dispute, adding to pressure on Beijing", *South China Morning Post*, original publication January 21<sup>st</sup>, 2021, <https://www.scmp.com/news/china/diplomacy/article/3118717/japan-weighs-south-china-sea-dispute-adding-pressure-beijing>

Zirulnick, Ariel, “Philippines feels the economic cost of standing up to China”, The Christian Science Monitor, original publication May 15<sup>th</sup>, 2012, <https://www.csmonitor.com/World/Security-Watch/terrorism-security/2012/0515/Philippines-feels-the-economic-cost-of-standing-up-to-China>