

**BETWEEN THE OLD AND THE NEW:
CAN JAPAN HELP LEAD THE WAY TO A NEW LIBERAL ORDER?**

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We raise the “Old” and the “New” both as a reflection of Japan’s foreign policy decisions and actions under Prime Minister Abe and as a way to understand the reshaping of the liberal international order (liberal order) in the context of the turbulence generated in particular by Donald Trump’s America First approach to global governance.

In this examination we describe the recent Japanese foreign policy actions under Prime Minister Abe in the context of international policy actions that frame various multilateral efforts. This multilateralism we describe here as “effective multilateralism.”¹ Such multilateralism involves the policy actions of several countries but includes the Japanese government. We try to show how this effective multilateralism has, or has not, been constructed most particularly among U.S. allies struggling with the strains to the liberal order arising from President Trump.

We start with trenchant insight from the *Financial Time*’s Gideon Rachman: “The way in which Japan moved to save the TPP, after Mr. Trump withdrew the US from it in 2017, demonstrated that medium-sized powers like Japan have a clear interest in preserving international rules—at a time when both the US and China are challenging the multilateral order. Post-Brexit Britain will share that interest and should work with other midsized G20 powers that share its global outlook, including Australia, Canada and South Korea.”²

The above Rachman quote is an excellent starting point for this inquiry. Context, as always, is critical. First there is the “shaking of the global order”³ with Donald Trump’s nationalist policies. The turbulence of rising nationalism and accompanying unilateral initiatives by Trump, especially in trade and investment policy, continues to shake the liberal order. Trump has distained multilateral efforts and insisted on greater monetary contributions to maintain allied security. He has ramped up tariffs with China, and he and his officials have urged economic decoupling from China, heightening China-U.S. tensions overall. And China’s nationalist rhetoric and threatening actions under Xi Jinping have not improved the international environment. The impact of the COVID-19 pandemic on the global economy, with the dramatic collapse of trade in the aftermath of national lockdowns, along with U.S.-China accusations of failings in meeting the pandemic, have only raised tensions and further undermined the liberal order. But amid these rising tensions and lack of collective efforts, there have been initiatives by a variety of states to counter these rising bilateral tensions. This is what we intend to look at in this note—especially the role that Japan under Prime Minister Abe has played. These collective efforts, though less than could be hoped for in such internationally troubled times, have included initiatives at trade tables and the G20 Leaders’ Summit, what one of my colleagues recently described as the “apex of global summitry,”⁴ but also in a number of other international and regional fora that could, and in some instances did initiate collective efforts that reinforced the liberal order in these very difficult times.

Effective Multilateralism

So, what we look for in the face of Trump's America First policies are instances of effective multilateralism. Additionally, we ask: has Japan, or can Japan, play a role in this effective multilateralism? A number of us have pursued the idea that some of the members of the G20, if not the entire G20, can be a source of effective multilateralism. When I say "a number of us," let me be more precise. Colleagues interested in the role of the G20 Leaders' Summit have for some time been concerned with the success of the G20 and the G7 in the face particularly of the skepticism shown by President Trump to these leader-led summits, and for that matter apparently all multilateral institutions. A number of us again, here the principals of what has come to be called the Vision20 or V20⁵—Colin Bradford, non-resident senior fellow, Brookings Institution, Yves Tiberghien, professor of political science, University of British Columbia, and I—have urged better G20 leadership in our Visioning the Future project, and more recently have advocated for a reshaping of what we have called "China and the West" relations⁶ that the G20, and other fora, can promote. As we urged in our 2019 annual Blue Report⁷:

The open question remains, however: what is appropriate and effective multilateral behavior? We assess that 'effective multilateralism' today resides in those fora and coalitions that are prepared to move forward on policy and act on a collective action basis whether they include all, or not. Formal or informal institutions are not the limiting concern. While effective multilateralism operates at the state level, there is a far wider set of actors including foundations and other private and public corporations. These actors engage sub-state actors such as cities, regions, and provinces. Collectively, this variety of communities increases the number of actors and enables these actors press for more collective and effective action.⁸

Needless to say, this view is not universally accepted. In fact, many of our international relations colleagues, especially but not only from the United States, believe that without U.S. leadership, or possibly more broadly major power actions, collective effort is unattainable. Multilateralism is not for the faint of heart and practically requires, according to many of our colleagues, the active involvement of the United States, alone or in combination with other leading states.

Middle Powers and the G20

Multilateralism is a difficult institution to grasp in the international system. While it can involve major powers, multilateralism does seem to raise the attention of states other than just the major powers. Indeed, multilateralism is entwined frequently with a focus on economically lesser states, and these states are often described as "middle powers." But that designation raises as many questions as it answers, especially with today's large emerging market powers, such as India, Brazil, and of course China, and other emerging powers such as Korea, Turkey, and Mexico, let alone traditionally referred to middle powers such as Canada and Australia. As a

result, the labels are quickly tortured to accommodate a variety of powers that are seen as significant and often included within the G20, but that defy consistently clear definition and ranking in international relations.

My G20 colleague, Andrew Cooper, in his focus on the middle powers and, inferentially, multilateralism, pointed backward to Robert Keohane: “Indeed the point that Robert Keohane made in the late 1960s remains valid in the context of the G20 today: ‘[A] middle-power is a state whose leaders consider that it cannot act alone effectively, but may be able to have systemic impact in a small group or through an international institution.’”⁹ So, multilateralism and the ranking of states creates confusion. Nevertheless, the impact of a “small group” will do, especially when then combined with the designation recently proposed by the current French Foreign Minister, Jean-Yves Le Drian. In his initiative with the German Foreign Minister, Heiko Maas, the phrase to launch a new Alliance for Multilateralism refers to participants as “goodwill powers.” That may, in the end, possibly be the best we can do.¹⁰

Japan’s Heightened Presence Under Abe Shinzo

Sheila Smith, long a Japan watcher at CFR, has pointed to the rather unique leadership of Abe:

Where Abe seems to have made the biggest impact, however, is in foreign policy. From early on, Abe came out strong on foreign policy. While meeting with US President Barack Obama in February 2013, Abe committed Japan to participation in the Trans-Pacific Partnership and went on to become its strongest regional proponent. Long after the United States elected a new president who would abandon the idea, Abe went on to conclude the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP or TPP-11).¹¹

Another view from a Japan expert largely agrees with Smith. As Akiyama Nobumasa of Hitotsubashi University suggests, also in the *FarEastForum*:

Under the Abe administration, Japan has sought to simultaneously act as a guardian of the liberal international order and as a loyal ally of the United States. Particularly in the face of US President Donald Trump’s growing inclination towards an ‘America First’ policy agenda, it seems that Abe has managed this task very well, while the result is so far mixed.¹²

The problem, as identified in the above reference, of course, is the “mixed results.” The Abe government has been attempting to achieve various, and it would seem rather contradictory, objectives. And the difficulties generated by such contradictory efforts are all too evident.

The Trump administration, as we’ve described it, is generally dismissive of multilateral action in favour of bilateral, or on occasion unilateral, action. Abe has been very alert to play to the good

side of Donald Trump—no easy feat. While most have suggested that Japan has failed to be rewarded adequately, in fact his government’s ability to secure a bilateral trade arrangement that let Japan off the hook—for now—is a singular, though rather narrow, achievement. And, unfortunately, it may prove to be just a short-term advantage, as tariffs on automobiles still loom as a major bilateral trade issue to be dealt with this year, 2020, in the next phase of discussions. The trade tensions between China and the United States should ring familiar to Japan. The managed trade efforts today echo those of the 1980s, with Japan the U.S. target. But Abe shrank from a strong multilateral effort to move the United States from resurrecting managed trade in the G20 leaders’ discussions. There was little to suggest that the Japanese prime minister tried to nudge Trump back, for instance, to a World Trade Organization (WTO)-focused trade system. Indeed, the WTO remains in crisis and effectively frozen.

And Japan sought to “square the circle” in the G20 leaders’ discussions on climate change with the rather faint-hearted effort to provide a collective statement on climate change. This is hardly surprising given Trump’s allergy to effective collective effort and Trump’s determination to withdraw from the Paris Agreement on climate change. It would appear never to have been a realistic prospect. And the efforts by Abe and his officials were only aborted with the threat by France’s Macron and others, apparently, that they would refuse to sign the Leaders’ Declaration if there was not a continuing statement of support—at least by the G19—for the Paris Agreement. As a result, Japan permitted paragraphs 35 and 36 into the final Leaders’ Declaration, where the G19 and the United States could separately express their commitments, or lack thereof to the Paris Agreement.

Multilateral efforts do continue, nevertheless. Germany and France took the lead recently, as noted earlier, in initiating the Alliance for Multilateralism. This initiative was revealed during the General Assembly opening week in New York. While Germany and France took the lead, other countries joined. Some 40 countries launched this first gathering, including Japan. But this Alliance will only work if there is concrete action. As part of this first effort, the Alliance did identify the immediate focus:

... they have identified six initial, priority initiatives: strengthening international humanitarian law; advancing trust and security in cyberspace; defending freedom of the press and combating misinformation; redefining climate change as a security threat; advancing women’s rights; and regulating lethal autonomous weapons systems.¹³

But for this multilateral initiative to mean anything, and to reveal it as part of the New leadership style, Japan must encourage a collective agenda. To date we are left without any commitments. And while the Alliance met subsequent to the G20 Leaders’ Summit, Japan took no action before relinquishing the G20 hosting role on December 1, 2019. An opportunity forgone, it would seem.

Finally, a group of 19 countries at the WTO, including Australia, Brazil, Canada, China, the EU, Mexico, and others, launched an interim appellate arbitration agreement pursuant to the WTO's article 25 to provide for these countries a way around the refusal of the United States to refresh appointments to the WTO Appellate Body. But Japan has failed to join with these others to avoid the shutdown of dispute resolution. Rather, in January, it had Seko, Japan's Minister of Economy, Trade and Industry, join a trilateral statement with the EU and the United States to agree to a statement to strengthen the existing WTO rules on subsidies and later to have the Japanese Foreign Minister Motegi and U.S. Trade Representative Lighthizer reaffirm the need for WTO reforms.¹⁴

There are both positive and negative signals from Japan in East Asia. There has been a certain warming in relations with China. Indeed, China's president Xi Jinping was scheduled to visit Japan this past May and Japan had announced that a so-called fifth political document would be announced with the visit of the Chinese president.¹⁵ The Abe government hoped that their work and efforts would reinforce China's commitment to the international rule of law and restrain any military actions. There was also some hope that agreements might take into account environmental commitments and North Korea's nuclear program. All of this, of course, had to be postponed as a result of the global pandemic. We are left wondering what the state of relations may be, and therefore what may be agreed to in the future.

The New could be reinforced, as well, by re-energizing an old multilateral instrument, the Trilateral Summit. A meeting of the leaders from China, Korea, and Japan could represent a strong multilateral initiative. But to do this I suspect Japan and Korea must overcome deepening tensions in their relationship. The conflicts of the past keep sidelining collaborative efforts. Korea's Supreme Court's ruling in late 2018 that Japanese companies must compensate victims of forced labour, despite the existing 1965 Treaty on Basic Relations between Japan and the Republic of Korea, has led to a series of tit-for-tat actions that have undermined collective security actions and poisoned, at least for now, relations between these two allies.

Old and New continue to collide in East Asia, as has been the case in global governance. The potential for greater multilateral action in East Asia is there, but memories of the brutal war and the impact on national and nationalist politics keep holding all, including Japan, back.

Conclusion

Japan has played a far higher profile and role than we have seen in the past. The leadership the Abe government showed on taking up the mantle of the TPP and forging an agreement without the United States was a singular moment in recent Japanese foreign policy. But it appears difficult, if not impossible, to both placate Trump and advance collective effort, as the hosting of the G20 showed in the end. And more importantly, Abe was not seen as tackling the America First perspectives of this U.S. administration and pressing for greater collective action. That is a loss for global governance.

There are real possibilities for advancing multilateralism, and indeed effective multilateralism, in the Asia Pacific. But to do this, Japan and others must abandon the Old for the New. And the Old remains a drag for Japan and others. But without the transition, without greater Japanese effective multilateralism, there is little likelihood that such multilateralism will take hold in the Asia Pacific and of course more broadly in the liberal order.

Notes

¹ “Effective Multilateralism” is but one recently proposed form of multilateralism. Colleagues Homi Kharas, Brookings; Dennis Snower, Global Solutions Initiative; and Sebastian Strauss, Brookings, have urged, recently, “sustainable multilateralism” and have called for a Working Group to “lay the groundwork for an inclusive dialogue in the G20, recommend[ing] the establishment of a Working Group on the Future of Multilateralism to develop a set of principles that can help lay the foundations of a new pact on multilateralism with an eye toward accepting institutional diversity, while ensuring the provision of global public goods and managing the global commons.” The current dilemma in crafting multilateralism is that current multilateral efforts need to address the real likelihood that the former leading state, the United States, is unlikely to participate in collective efforts. Other leading states may also fail to support collective efforts. Homi Kharas, Dennis Snower, and Sebastian Strauss, “The future of multilateralism,” *Global Solutions* (2020), <https://www.global-solutions-initiative.org/press-news/the-future-of-multilateralism/>.

² Gideon Rachman, “Boris Johnson’s Chance To Forge a New Role for Britain,” *Financial Times* (December 13, 2019), <https://www.ft.com/content/db8d1e24-1d9b-11ea-97df-cc63de1d73f4?emailId=5df4aa8f019ef7000497a47b&segmentId=2f40f9e8-c8d5-af4c-ecdd-78ad0b93926b>.

³ The name is taken from a podcast series, “Shaking the Global Order: Foreign policy in the Age of Trump,” hosted at the e-journal *Global Summitry*. All the podcasts in the series can be found here: <https://podcasts.apple.com/ca/podcast/global-summitry-podcasts/id1219673650> and at the Global Summitry Project website <http://globalsummitryproject.com.s197331.gridserver.com/>.

⁴ In examinations going back 20 years, Cooper has made various “apex” references to the G20 Leaders’ Summit. In fact, in his research there are references to “apex” before there even was a G20. As he and his colleague John English describe the then future G20 Leaders’ Summit: “Beyond vitality at the apex of power there is the need for an L20 to provide some degree of coordination—through allocation of responsibilities and even oversight over the issues that have moved onto its radar.” Andrew Cooper and John English, “Introduction: Reforming the International System from the Top—a Leaders’ 20 Summit,” in *Reforming from the Top: A Leaders’ 20 Summit*, eds. John English, Ramesh Thakur, and Andrew Cooper (Tokyo, New York, Paris: United Nations University Press, 2005): 1–24.

⁵ The G20 has a number of engagement groups that circle about the Leaders’ Summit. These civil society groups include, among others, business groups, the B20, labour organizations, L20, think tanks from the G20 countries, the T20, and others. Those just mentioned, and others, are formal engagement groups with the G20 hosts determining the co-ordinating members for the annual leaders’ summit. Obviously, the V20 is not formally recognized. Then again, there are other non-official engagement groups as well, such as the F20. As it describes itself on the F20 website: “The F20 platform consists of more than 60 foundations and philanthropic organizations from different parts of the world, calling for joint, transnational action towards sustainable development, along positive transformation examples to provide pathways towards solutions of today’s most pressing challenges – climate change and a just transition towards sustainable development, based on renewable energy.” <https://wwwFOUNDATIONS-20.org/>.

⁶ The China-West Dialogue effort, with experts, policy-makers, and former officials, has sought to address the rising U.S.-China tensions and to find ways to bring greater global co-operation in increasingly difficult geopolitical and geoeconomic environments. The current research can be found at the Global Summitry Project website: <http://globalsummitryproject.com.s197331.gridserver.com/chinawestdialogue/background-research/>.

⁷ Our Vision20 annual reports have been designated as Blue Reports in line with our first report made to the leadership in China at the time of the Hangzhou G20 Summit.

⁸ Yves Tiberghien, Alan Alexandroff, and Colin Bradford. *Effective Multilateralism: 2019 VISION20-Brookings Blue Report* (April 2019), https://14c9fea5-3892-4633-ad46-2c6aa4f930ea.filesusr.com/ugd/1bfab0_1141546a09a74a5085b7b2ae2cf9cde0.pdf.

⁹ Andrew Cooper and Jongryn Mo, “Middle Power Leadership and the Evolution of the G20,” *Global Summitry* (May 2013): 5.

¹⁰ For an examination of this new Alliance for Multilateralism, see Stewart Patrick, “The Alliance for Multilateralism Makes Sense. Can It Make Good?” *WPR* (December 16, 2019), <https://www.worldpoliticsreview.com/articles/28414/the-alliance-for-multilateralism-makes-sense-can-it-make-good>.

¹¹ Sheila Smith, “Shinzo Abe: A Legacy of His Own,” *EastAsiaForum* (November 24, 2019), https://www.eastasiaforum.org/2019/11/24/shinzo-abe-a-legacy-of-his-own/?utm_source=spotlightjapan&utm_medium=email&utm_campaign=SpotlightonJapan2020Jan08&utm_term=SpotlightJapan.

¹² Nobumasa Akiyama, “Harvesting the Fruits of Abe’s Diplomacy,” *FarEastForum* (January 2, 2020), <https://www.eastasiaforum.org/2020/01/02/harvesting-the-fruits-of-abes-diplomacy/>.

¹³ Stewart Patrick, “The Alliance for Multilateralism Makes Sense. Can It Make Good?” *WPR*. December 16, 2019. <https://www.worldpoliticsreview.com/articles/28414/the-alliance-for-multilateralism-makes-sense-can-it-make-good>

¹⁴ Joint Statement by the United States, European Union, and Japan at MC11, *Current Thoughts on Trade*, <https://currentthoughtsontrade.com/2020/01/14/wto-reform-joint-statement-of-january-14-2020-of-japan-the-u-s-and-the-eu/1/8>.

¹⁵ “Japan-China Political Document To Be Unveiled During Xi’s State Visit,” *Japan Times* (January 9, 2020), https://www.japantimes.co.jp/news/2020/01/10/national/politics-diplomacy/japan-china-craft-new-political-document-xi-jinpings-state-visit/#.XhtzllP0k_U.