

ISAS Insights

No. 151 – 14 January 2012

469A Bukit Timah Road
#07-01, Tower Block, Singapore 259770
Tel: 6516 6179 / 6516 4239
Fax: 6776 7505 / 6314 5447
Email: isassecc@nus.edu.sg
Website: www.isas.nus.edu.sg



India-Japan Ties: Part Two

Life at 60 in Japan-India Relationship

P. S. Suryanarayana¹

Abstract

The newly maturing bonhomie between India and Japan is patently designed to create a non-military level-playing field in facing a competitive China in the integral geopolitical space of the Indian and Pacific Oceans. This is evident in the spirit of the latest understanding between Japan and India on rare earths and civil nuclear cooperation. This can also be seen as a factor driving the new US-Japan-India trilateral dialogue.

Introduction: A new dynamic

By the rulebook of conventional diplomacy, it is really a surprise that high-tech Japan, an increasingly inward-looking state, is now enhancing its ties with India, a deeply-troubled player despite its continuing rise. A new dynamic is, therefore, evident behind the move by Japanese Prime Minister Yoshihiko Noda to transcend his country's post-Fukushima sensitivity and to agree to conclude a civil nuclear cooperation pact with India in due course.

Also reflecting such a dynamic is the "decision" by Noda and India's Prime Minister Manmohan Singh "that Japanese and Indian enterprises would jointly undertake industrial activities to produce and export rare earths at the earliest".² These two decisions, primarily

¹ Mr P. S. Suryanarayana is Editor (Current Affairs) at the Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore. He can be reached at isaspss@nus.edu.sg. The views expressed are those of the author and do not necessarily reflect those of the institute.

² Joint Statement issued by Prime Ministers Noda and Singh in New Delhi on 28 December 2011. The Statement, "Vision for the Enhancement of Japan-India Strategic and Global Partnership upon entering the

matters of economics, are of political-strategic significance to both India and Japan, which will in this year (2012) celebrate the 60th anniversary of the establishment of diplomatic ties between them.

Beyond the intended celebration, what really is the substance of this new dynamic? Shorn of diplomatic niceties, it is all about a growing convergence of the projected interests of not only Japan and India but also the United States (US), Tokyo's long-standing ally, in the emerging Indo-Pacific theatre. It requires no insight to identify China, in many ways an-already-risen multidimensional player, as a potential great power of the emerging Indo-Pacific geopolitical space. So, the newly maturing bonhomie between Japan and India is patently, not publicly, designed to create a non-military level-playing field in facing a competitive China in the integral geopolitical zone of the Indian and Pacific Oceans. It is the US which has recently conceived of a future scenario of power-plays in an emerging Indo-Pacific theatre, and there is no overt evidence, as yet, of moves by any major power(s) at a purely military 'containment' of China. Surely at this stage, there is no talk of a US-led Indo-Pacific military pact.

Smart Power is the Key

Smart power, different from soft power and hard military prowess, is the key ingredient of current moves by the countries which try to create a level-playing field for themselves in facing a highly competitive, if not combative, China. What is being attempted now in the international domain, in relation to China, is akin to what George Kennan, author of 'containment', was believed to have actually advocated for the US in relation to the Soviet Union in the Cold War. Nicholas Thompson outlines, in a Review Essay in *Foreign Affairs*³, that Kennan's true preference was indeed a series of political acts and not the threat of military force as the best means for 'containment' of the Soviet Union. It was a different matter, though, that the US and its allies took a strident military course in their 'containment' of the Soviet Union in the Cold War. Interestingly, Kennan, at one time a top official at the US Department of State, had advocated 'containment' in a famous article in *Foreign Affairs* in July 1947 under the pseudonym 'X'.

Viewed in such a historical and contemporary perspective, Japan and India are now seeking to create a non-military level-playing field for themselves in facing a competitive China, without its 'containment' as the avowed objective. Nowhere is this aspect of Japan-India partnership more discernible than in the spirit of their latest agreement on rare earths and, in a different domain, on civil nuclear energy cooperation. Both civil nuclear energy and rare earths are of strategic importance, primarily in economic terms.

year of the 60th anniversary of the Establishment of Diplomatic Relations', can be accessed at www.mofa.go.jp and www.mea.gov.in.

³ *Foreign Affairs*, Special Anniversary Issue, January/February 2012, pp.149 and 150.

At the latest Japan-India annual summit, held this time in New Delhi on 28 December 2011, Noda and Singh recognised “the importance of rare earths and rare metals in industries of both countries”. As follow-up, the two leaders “decided to enhance bilateral cooperation in this area by enterprises of their countries”⁴. While this agreement is purely bilateral in scope, the context cannot conceal a looming China factor. The wider international community is aware of how the sourcing of rare earths from China turned into a problematic issue for Japan in the context of their bilateral row over an unrelated matter in 2010. While the sourcing of rare earths and rare metals from India will be a plus for the Japanese economy in a strategic sector, Indian industry too will benefit from collaboration with Japan in this sensitive domain.

Arguably, Japan has made a far more India-friendly gesture with a greater bilateral salience in the civil nuclear energy sector. Noda and Singh, in their Joint Statement on 28 December 2011, welcomed the “progress made to date in negotiations between Japan and India on an Agreement for Cooperation in the Peaceful Uses of Nuclear Energy”. More importantly, the two leaders now “directed their negotiators to exert further efforts towards a conclusion of the Agreement, having due regard to each side’s relevant interests, including nuclear safety”.⁵

Timing and Themes of Civil Nuclear Cooperation

In a sense, Noda’s green signal for the continuation of talks with India on civil nuclear cooperation is not as dramatic as it would seem outwardly. At the height of doubts in July 2011 over the future of these parleys, this writer, then the Asia Pacific Correspondent of an Indian newspaper, reported that the talks were not being called off despite the Fukushima disaster of March 2011. The relevant story was that the then Japanese leader Naoto Kan propagated his personal view that Tokyo could consider bidding farewell to civil nuclear energy altogether because of the tsunami-triggered catastrophe at Fukushima.

It is true that Noda and Singh have now emphasised the need for “due regard to each side’s relevant interests, including nuclear safety”. Overall, though, nuclear safeguards, as distinct from nuclear safety, assume primacy in the negotiations between any two countries over their cooperation in the realm of peaceful uses of atomic energy. It is within the rights of countries which supply civil nuclear knowhow and/or equipment and materials to demand that the recipient countries must not divert any of these external supplies to military-related nuclear facilities anywhere. In simple terms, such an insistence by a supplier-country forms the essence of safeguards as a negotiating theme.

On civil nuclear issues, the position of India for now is unique. India can try and secure external supplies without having to give up its nuclear weapons and without having to sign the Nuclear Non-Proliferation Treaty (NPT). There is some international debate on the perceived ambiguity about, or the ban on, India being able to access civil nuclear suppliers

⁴ Noda-Singh Joint Statement on 28 December 2011. Can be accessed at www.mofa.go.jp and www.mea.gov.in.

⁵ Ibid.

for certain categories of knowhow or equipment or materials. In other words, the argument of some non-proliferation protagonists in this sub-context is that India has not secured a so-called “clean exemption” from the stringent guidelines of the Nuclear Suppliers Group.

This subtle argument does not, however, impinge on the current status of Japan-India civil nuclear energy talks. The Japanese Foreign Ministry, while summarising the Noda-Singh summit outcome, noted that they decided to “move forward” for concluding an accord in “a mutually satisfactory manner”.

A material argument of a different kind has already emerged in the three formal rounds of Japan-India talks held prior to the Fukushima disaster. Japan wanted the Indian negotiators to outline a practical version of New Delhi’s professed commitment to non-proliferation and nuclear disarmament. The pacifist line from Tokyo was that it might suspend or even stop its proposed civil nuclear cooperation with New Delhi if it were to test a nuclear weapon again. Yet, Japan is fully aware of India’s unilateral and voluntary moratorium on further nuclear-weapon tests. Tokyo is also conversant with New Delhi’s doctrine of no-first-use of nuclear weapons. Unsurprisingly, therefore, Singh has now noted that the civil nuclear discussions with Japan “are moving in the right direction”⁶.

An unspoken issue in the Japan-India dialogue is whether New Delhi’s self-proclaimed moratorium on atomic arms-testing will be compatible with the letter and spirit of NPT and the Comprehensive Test Ban Treaty (CTBT). An equally complex issue is whether Washington’s nuclear umbrellas for its allies, including Japan, are in harmony with the letter and spirit of both the NPT and the CTBT.⁷

‘Importance of India for Japan’

Given such niceties, if not also complexities, why did Japan, a serious pacifist, decide to initiate sensitive atomic energy talks with a nuclear-armed India? In a breaking-news comment on this issue on 24 June 2010, a top Japanese official Kazuo Kodama told this writer that Tokyo had begun considering various elements. Foremost among these was the “importance of India for Japan”. Also in Tokyo’s check-list at that time were the likely “impact [of prospective talks with India] on the international nuclear non-proliferation system” and “Japan’s contribution in the [global] area of civil nuclear cooperation”.

The Japan-India exchanges for a mutually acceptable formula on New Delhi’s atomic armament posture can be traced to Tokyo’s view of the parleys as means to produce an impact on the international nuclear non-proliferation system. However, Noda’s latest pledge of continuing these talks, so soon after the flip-flop during Kan’s period in office, is

⁶ www.mea.gov.in, Speeches/Statements, 28 December 2011.

⁷ For this perspective on Japan-India ties, see *India’s Place and ASEAN’s Primacy in the New East Asia*. By P. S. Suryanarayana in *ASEAN matters!* Edited By Lee Yoong Yoong. Published by Lee Kuan Yew School of Public Policy, National University of Singapore, 2011.

indicative of how Tokyo would – above all other factors – like to further explore the “importance of India for Japan”.

Two significant developments, involving Washington besides Tokyo and New Delhi, will also be particularly relevant to any such exploration of the “importance of India for Japan”. First, these three countries had started holding joint naval exercises off Okinawa, not far from the Chinese waters, even before the Japan-India civil nuclear talks began in mid-2010. Second, Noda’s latest assurance to India on civil nuclear talks followed the first-ever US-Japan-India trilateral dialogue at the official level in Washington on 19 December 2011. An Indian official has said that the issues discussed at the first-ever US-India-Japan trilateral diplomatic-level meeting covered notably counter-terrorism, maritime security, United Nations Security Council reform, and cooperation in the East Asia Summit process. The US-India-Japan trilateral dialogue is not in the higher category of US-Japan-Australia strategic dialogue and cooperation. Both Australia and Japan are US allies in the military domain. Moreover, the US does engage several countries, including notably China, in various forms of dialogue. However, the timing of the US-Japan-India dialogue is particularly significant as it took place after Washington’s articulation of the importance of an emerging Indo-Pacific zone.

Conclusion: Eye on China

Concerned over China’s capabilities which are magnified by its outreach to space and the cyberspace, the US may look upon the modestly powerful India, despite its high density of poverty, as a potential friend in the Indo-Pacific zone. This does not mean that India will readily place itself on a course of collision with China or uncritically play second-fiddle to the US. However and for now, India seems to have calculated that closer ties with the US and Japan may be useful in facing a highly competitive China on as good a level-playing field as might be possible. Such a calculation, not any old-style fixation about Pakistan, should explain the new vigour in India’s ties with Japan and its ally, the US.

.....