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Japan-Philippine Relations: New Dynamics in Strategic Partnership

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Synopsis

Japan and the Philippines have reinvigorated their security cooperation with new joint initiatives. The vibrancy of their partnership is influenced by the perception of a common security threat from China and domestic political and economic concerns.

Commentary

JAPAN AND the Philippines have recently taken joint initiatives in security cooperation that reinvigorate their strategic partnership. Seven decades after Japan's invasion of the archipelago, Tokyo announced a donation of 10 brand-new patrol ships to the Philippine Coast Guard - an unprecedented initiative reflecting a renewed vibrancy in Japan-Philippines bilateral ties.

Also, Japanese and Filipino diplomats and maritime officials met in Manila on 22 February 2013 to discuss maritime cooperation in the South China Sea, maritime security and safety, anti-piracy measures, fisheries and marine scientific research. The patrol vessels, each costing one billion yen (USD 11 million) vividly indicate how the former wartime enemies have become allies.

China as an existential threat

The reinvigoration of their bilateral relations in recent years is driven by two key factors: their common perception on China as an existential threat; and domestic political and economic considerations by the Philippine government. With the return of Prime Minister Shinzo Abe to power, Japan is making its own 'pivot' to Southeast Asia and the Philippines can play a vital role in Japan's nascent realignment. Meanwhile, the Philippines is bolstering partnerships with its regional allies, including Japan, to strengthen its defence capabilities.

The joint initiatives to revitalise their security cooperation are in response to Beijing's assertiveness in the East and South China seas. China is challenging Japanese sovereignty over Senkaku/Diaoyu and has now the *de facto* control over the Philippine-claimed Scarborough Shoal.

During talks in Manila last January, the foreign ministers of Japan and the Philippines expressed "mutual concern" over China's increasing assertiveness in staking its territorial claims. The Philippine government would staunchly back a rearmed Japan shorn of its pacifist constitution as a significant balancing factor in the Asia-

Pacific. President Benigno Aquino stated that a stronger Japan can challenge the “threatening” presence of China in the region.

The transfer of new patrol boats, expected to be delivered within 18 months, can be perceived as a shot in the arm for the Philippines. Even though it will not unduly tilt the naval balance in the South China Sea it will nonetheless boost the Philippines’ maritime domain awareness and advance Japan’s strategic overtures in Southeast Asia.

The Philippines Coast Guard can help Japan by monitoring China’s maritime activities in the South China Sea. For Japan, the South China Sea is a test case of how China would behave in the Senkaku/Diaoyu dispute. Moreover, Japan sees that by increasing the number of available vessels that the Philippines can use in securing its territorial claims, the attention and resources of Chinese maritime agencies will be potentially divided between the East and South China seas.

Enhancing the capability of ill-equipped Philippine maritime agencies will also enable them to contribute to the protection of freedom of navigation in the South China Sea, including the unhindered flow of Japanese maritime traffic.

Manila’s political and economic interests

The burgeoning Japan-Philippines partnership should also be assessed within the broader context of the Philippines’ effort to internationalise the South China Sea disputes. The Philippines has consistently sought wider support from its allies in dealing with China’s assertiveness. Manila has also brought territorial disputes with Beijing to an Arbitration Tribunal under the United Nations Convention on the Law of the Sea.

While the strategic impact of the ‘China factor’ is crucial, the political and economic considerations of the Aquino administration likewise shape the current contours of the Philippines-Japan strategic ties. As Japan ably exercises its ‘soft-power’ in an effort to raise its profile in the Asia-Pacific, the Philippines benefits from Japan’s soft power diplomacy.

Being the world’s third largest economy, Japan is highly considered by the Aquino administration as a major driver of the Philippines’ economic growth. Although China is ASEAN’s biggest trading partner, Japan is the Philippines’ number one trade partner with total trade exceeding US\$13 billion last year. Japan also remains the Philippines’ top export market and primary source of approved investments, comprising around 35% of the total foreign direct investments (US\$1.5 billion) in 2012.

Unlike his predecessor Gloria Macapagal-Arroyo, President Aquino has appeared to be less receptive to Beijing’s dangled commercial incentives. Elected on an anti-corruption platform, President Aquino cancelled certain Chinese-funded projects which were marred by irregularities. While Manila is currently repaying a concessional Chinese loan for a now-scuttled railway project, Tokyo is generously extending official development assistance (ODA) to support President Aquino’s big-ticket infrastructure projects.

Japanese Foreign Minister Fumio Kishida recently announced that his government will provide loans for the MRT extension and airport construction projects of the Aquino administration. Japanese loans had the highest share (36.7%) of total ODA commitments from January to September 2012, with a total amount of US\$3.24 billion.

Japan’s soft power in Mindanao

Assistance for Mindanao is one of the three main pillars of Japan’s ODA for the Philippines. As President Aquino views a final peace agreement with Muslim rebels as his key legacy, Japan significantly contributes to the Mindanao peace process through development projects. The Japan-Bangsamoro Initiatives for Reconstruction and Development has already implemented socio-economic infrastructure projects amounting to US\$136 million. Japan is also a member of both the International Monitoring Team and the International Contact Group as an observer in the peace talks.

Indeed, the convergence of threat perception determines the depth of security cooperation between Tokyo and Manila. But domestic political and economic concerns have also influenced Manila’s receptivity to Tokyo’s soft power diplomacy and strategic overtures. More important to Manila is that the bilateral engagement has gone beyond platitudes and rhetoric as it receives enormous investments and ODA from Tokyo.

Nevertheless while the Philippines-Japan strategic partnership is strengthening, both countries will not easily find equanimity as China will hardly be intimidated by their reinvigorated alliance.

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