

**FY2015 Ministry of Foreign Affairs Foreign/Security Affairs Research Project Grant
(for Extended General Projects)**

**Major developments in the US and China and US-China Relations Amidst Turmoil in the
International Order (US-China Project)**

1. Project background

The rise of emerging countries, above all the precipitous rise of China, is a key driving force behind changes in international relations on a global scope. This does not mean, however, that China is taking over the reins of “hegemony” from the US and building a new international order centered on China and other emerging countries, i.e., that a clear-cut “power transition” is underway.

There is no doubt that, following the US-triggered global financial crisis (the 2008 Lehman Shock), an increasingly confident Chinese government and people became more assertive in expanding their country’s influence within the international community. For a while, it appeared that the US, bound by the double constraints of fiscal difficulties and a somewhat more “introverted” public, was being drained of the energy to continue “intervening” in the international community as a hegemonic power. However, the past few years have seen China struggling to turn away from its approach to extensive economic growth, while the US at the same time has been enjoying relatively steady economic and fiscal recovery. Consequently, although the international order has certainly felt tremors from the rise of emerging countries, there has been no unidirectional change from the existing US-centered order to a new order centered on China and other emerging countries. Put another way, the international order is presently in a period of “turmoil,” and its power structure for the moment at least is more in “flux” than in “transition.”

What characterizes this present “turmoil” in the international order, and what direction could it take in future? What impact would this have on the international environment surrounding Japan?

Two of the most significant variables determining this future course are undoubtedly the actions taken by the US and China. Although the US has allowed China to approach it in terms of economic clout, it remains a superpower with military might, soft power, and overall national strength surpassing those of other countries. Nevertheless, China has rapidly stepped up its presence within the international community over a short period, and in recent years it has topped the list of emerging countries behaving in ways that challenge the existing international order. The US is Japan’s most important ally, one with which Japan has built very close security and economic ties over the long term, while China is a real threat to Japan’s security in the East China Sea at the same time as it is Japan’s largest trading partner and a neighbor with which Japan should urgently seek a stable relationship for the sake of regional peace and prosperity. It is not too much to say that the evolution of US and Chinese

foreign policy, driven by their respective domestic circumstances, will have major implications for the international environment surrounding Japan and for the international community as a whole.

Because the foreign policies of the US and China involve the entire international community, sufficient attention should also be accorded to the many areas in which they overlap. A third variable, then, is the nature of the relationships between the US and China. US-China relations in recent years have far transcended the scope of simple bilateral relations, transforming qualitatively in a way that draws in Japan and other important countries. In this sense, too, the course of US-China relations will have a major impact on inter-state relations within the international community as a whole.

If the sum of the changes in the international community caused by these three key variables are to form the strategic environment in which Japan is to realize its medium- to long-term national interests and actively fulfill its role in ensuring peace and stability in the Asia-Pacific region and the international community, our attention must be focused first on examining the trends in the US and China as well as the course of changing US-China relations stemming from these trends (and the impact of this on the international community as a whole).

2. Project aims

The aims of this project will be to analyze trends in the US and China since the Lehman Shock and the changes in their bilateral interaction from the perspectives noted above, and determine the stabilizing and destabilizing effects these will have on the regional order in the Asia-Pacific and on the international order as a whole (including global governance). We will then use these findings to make short-term and medium-term recommendations on the strategic positions Japan should adopt to realize its national interests over the medium to long term and more actively contribute to peace and stability in the region and the international community. At the same time, we will occasionally publicize our research findings inside and outside Japan through various media and actively share these findings with intellectuals from other countries in Track II diplomatic venues in order to enhance the Japanese public's understanding of the foreign policy issues confronting Japan and to promote the development of a shared perspective with other countries so that the international cooperation necessary to achieve Japan's diplomatic objectives can be obtained. Furthermore, we hope to fundamentally bolster the capabilities of JIIA and of other Japanese research institutions to collect and analyze information and to formulate and disseminate policy recommendations by affording numerous opportunities to promising young researchers to participate in the aforementioned process.

3. Project structure

The research for this project will primarily be carried out through the following three sub-projects, the results of which will be integrated to achieve the above purposes.

Major Developments in the US and China and US-China Relations Amidst Turmoil in the International Order
(US-China Project)
(URL)

Sub-project I: Domestic factors influencing US foreign policy
(US Study Group)
(URL)

Sub-project II: China's Domestic Situation and Foreign Policy
(China Study Group)
(URL)

Sub-project III. US-China Relations and International Relations Involving the US and China
(US-China Relations Study Group)
(URL)