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EDITOR'S NOTE

East Asia watchers observed several important political, foreign policy, and security developments during September-October 2015. China's Victory Day parade on September 3, commemorating the *70th Anniversary of The Victory of the Chinese People's War of Resistance against Japanese Aggression and The World Anti-Fascist War*, captured the attention of the international community. Besides articulating the Chinese commitment to peaceful development, President Xi Jinping underscored the need for making Chinese military a modern scientific force with Chinese characteristics, capable of realising the great rejuvenation of the Chinese nation. Meanwhile, President Xi paid a state visit to the U.S. in late September where both countries decided to constructively manage their differences and strengthen cooperation to address regional and global challenges. But, heated diplomacy was witnessed in October as USS Lassen sailed within 12 nautical miles off Zhubi Reef of the Nansha Islands, demonstrating U.S. position on right of all nations to freedom of navigation in accordance with international law.

The region closely observed the enactment of new security legislation by the Japanese Diet, permitting limited collective self-defence, following intense national debate. While the Japanese defence ministry argues the case of changing security environment in the region and enabling Japan to take seamless responses to any situation, China perceives the development as a step towards remilitarisation. Besides, the enactment of the new security legislation, Japan engaged in strengthening cooperation with regional actors including, India and the U.S. through trilateral U.S.-India-Japan ministerial framework and Malabar naval drill, Australia and Vietnam. Meanwhile, South Korea engaged with both U.S. and China, aimed at enhancing stability and peace in North East Asia following the developments in North Korea. While South Korean President Park Geun-hye went to Beijing in September to attend the military parade and discuss security situation in the Korean Peninsula, she worked towards advancement of the Korea-U.S. alliance during the summit meeting in Washington in October.

This issue of the East Asia Monitor features one commentary by Dr. Satoru Nagao where he shares his perspective on Japan's new security legislation and reflects on what Japan can do for enhancing security in the Indo-Pacific region under this legislation? Dr. Nagao further explores what this new legislation implies for Japan-India security cooperation. Besides, significant developments in Japan, China, and the Korean Peninsula are captured by way of brief news items.

We look forward to comments and suggestions from our readers.

TITLI BASU

“JAPAN IS BACK” BUT SLOWLY: ASSESSING THE NEW “LEGISLATION FOR PEACE AND SECURITY”



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When Japanese Prime Minister Shinzo Abe was in the United States in 2013, he declared “Japan is back”¹. On September 2015, the Diet approved the new “Legislation for Peace and Security”. The most important change is regarding limited exercise of the right to collective self-defence. This means that Japan will fight with allies and friendly countries when they are attacked by enemy even if the enemy does not attack Japan directly. While most countries exercise this right, Japan, since long, had regulated its right to collective self-defence constitutionally. The same legislation also decided the conditions under which Japan can exercise the right of collective defence. However, owing to the strict restrictions in the provision, the implication of this legislation for security in the Indo-Pacific remained unclear. Thus, the focus of the article is to analyse what can Japan do for maintaining security in the Indo-Pacific and what are the implications for Japan-India relations?

The new legislation has planned to fit with the current changing security situation in the Indo-Pacific. Moreover, the changing U.S.-China power balance cannot be overlooked. In 1990, U.S. possessed 231 big surface combatants which were 3000t of full load displacement. But in 2015, the number has reduced to less than half-98. In contrast, during the same period, China has increased the number from 16 to 41. This changing US-China military balance has reflected in China’s attitude. If we review the security situation only since last year, China’s behavior has worsened. For example, China has set up an Air-Defence-Identification Zone (ADIZ). They have also explored oil in South China Sea which is claimed by both China and Vietnam, leading to security ships colliding with each other. Furthermore, China has also started to build at least three airports in Spratly islands. It appears that China is not shying away from using force to change the status quo.

Therefore, it is easy to re-realise the alarming speed of China’s military modernisation. Japan, India, U.S., Southeast Asian countries around South China Sea and Australia must increase their defence budget and promote cooperation. If Japan wants support from other countries in such crisis, Japan also needs to support allies and friendly countries when they face crisis. This means that Japan needs to exercise the right of collective self-defence. Therefore, the main purpose of this change is twofold; “Enhance the deterrence provided by the Japan-U.S. Alliance. Deepen trust and cooperative relations with other partners.”²

The pertinent question is what can Japan do for security in the Indo-Pacific under this legislation? Even if Japan will exercise the right to collective self-defence, there are strict restrictions to be observed. The most important restrictions are the three conditions which permit Japan to exercise the right to collective self-defence including “(1) when an armed attack against Japan occurs or when an armed attack against a foreign country that is in close relationship with Japan occurs and as a result threatens Japan’s survival and poses a clear danger to fundamentally overturn people’s right to life, liberty and pursuit of happiness, (2) when there is no other appropriate means available to repel the attack and ensure Japan’s survival and protects its people, and (3) use of force limited to the

¹ ‘Prime Minister of Japan Shinzo Abe, “Japan is Back” at Center for Strategic International Studies in US’, *Ministry of Foreign Affairs Japan*, 22 February 2013 http://www.mofa.go.jp/announce/pm/abe/us_20130222en.html (accessed on 24 October 2015)

² Government of Japan, ‘Legislation for Peace and Security’, *Ministry of Foreign Affairs Japan*, 25 September 2015 <http://www.mofa.go.jp/files/000025032.pdf> (accessed on 17 October 2015) <http://www.mofa.go.jp/files/000080671.pdf> (accessed on 17 October 2015)

minimum extent necessary.”³ In these conditions, what kind of fixed case Japan is expecting? For example, Prime Minister Shinzo Abe explained that Japan can sweep mines in the Hormuz strait if Japan's vital sea line of communications are closed. However, he also emphasised that Japan will not join combat role in war such as the Gulf War even if U.S. requests Japan's participation.

Thus, what can Japan do for security in the Indo-Pacific? Japan should do something about the area China has been expanding their influence in, for instance the South China Sea. In January 2015, the seventh fleet commander of U.S. Navy mentioned that they would welcome Japan to patrol South China Sea⁴. Will Japan patrol? Despite Japan not having enough military capabilities to patrol South China Sea regularly, there is a high possibility that Japan could be expanding presence in the Philippines and Vietnam. In fact, there has been an increase in the number of Japan's Maritime Self Defence warships and aircrafts dispatched to Vietnam and the Philippines. Thus, there is a possibility that Japan will show more presence to support Vietnam and Philippines. For example, even if China's actions against Vietnam and Philippines is imminent, Japan's armed forces can visit Vietnam and Philippines under the reasoning that Japan must safeguard Japan's vital sea line of communications. And if China's armed forces try to attack ships of friendly countries which are carrying Japanese nationals for being evacuated, Japan can use weapons to protect these ships. Despite the fact that Japan cannot join the war to support Vietnam and Philippines, Japan's presence could contribute to deter China's assertiveness.

Another important issue is what this legislation implies for Japan-India security cooperation? There is a high possibility that Japan's move will bring about a positive impact. For example, in the case of South China Sea, India has supported Vietnamese armed forces for a long time. Thus, Japan and India can collaborate in this case⁵. And the Japan-India cooperation is not only relevant for South China Sea, but also for the Indian Ocean and the South Pacific if both the countries wish to cooperate. In addition, the legislation is only a part of a longer process of changing Japan's security policies. If history may be referred to, Japan's change had started after the Cold War. In 1992, it was the first time for Japan to participate in the United Nation Peace Keeping Operation. 23 years after the PKO, Japan's armed forces are deployed not only in South East Asia but also in South Asia, the Indian Ocean, the Middle East, and Africa. There is no doubt that Japan's security policy has been under a long process of change. With India, Japan could be an important security provider to maintain military balance in the Indo-Pacific⁶. The cooperation between a pro-active Japan and a rising India will be the deciding factor for the Indo-Pacific in the near future.

However, what remains a concern is the pace of Japan's change. Because Japan wants to retain “Japan's basic posture and orientation for the past 70 years, including a peace-loving nation⁷”, Japan's change has been very slow. Japan still does not have the will to join combat role by exercising the right to collective self-defence. Those countries which are concerned about the speed of China's rapid military modernisation, must push for Japan's change more aggressively. Without the aggressive support from foreign countries, Japan will continue to hesitate to change and will not be back on track in time.

³ Ibid.

⁴ Tim Kelly and Nobuhiro Kubo, “U.S. would welcome Japan air patrols in South China Sea”, *Reuters*, 29 January 2015 <http://www.reuters.com/article/2015/01/29/us-japan-southchinasea-idUSKBN0L20HV20150129> (accessed on 17 October 2015)

⁵ Satoru Nagao “Japan & India Should Collaborate to Support Countries around the South China Sea”, *cogit ASIA* (Center for Strategic & International Studies, USA, 31 March 2015 <http://cogitasia.com/japan-india-should-collaborate-to-support-countries-around-the-south-china-sea/> (accessed on 17 October 2015)

⁶ Satoru Nagao, “India is Set to Play a Key Role in the Indian Ocean”, *ISPSW Publication* November 2014, Issue No.302, (The Institute for strategic, political, security and economic consultancy (ISPSW)), Germany) <http://www.isn.ethz.ch/Digital-Library/Publications/Detail/?id=185366> (accessed on 17 October 2015)

⁷ Government of Japan, “Legislation for Peace and Security”, 25 September 2015 <http://www.mofa.go.jp/files/000025032.pdf> (accessed on 17 October 2015)

TRACKING JAPAN

Japan enacts new security policy

In September, the Upper House of the Japanese Diet approved the security bill package following intense debate inside and outside the Parliament. Ministry of Defence stated that security situation surrounding Japan is rapidly changing and these laws will enable Japan to take seamless responses to any situation, strengthening Japanese security. Accordingly, Japan can help the U.S. and other countries having close relations with Japan in case of an armed attack. Abe argued that the legislation for peace and security will strengthen Japan's pledge to never wage war again. Japan needs strong arrangements enabling seamless response to any situation since the security environment has become more and more severe with North Korea possessing several ballistic missiles and nuclear weapons and threats emanating from terrorism. The new legislation permits limited collective self-defence by deploying forces to act in response to an attack against a friendly foreign nation if three conditions are met including, the attack amounts to threaten Japan's survival, no other appropriate means are available, and use of force is limited to the minimum level necessary. Besides, a permanent law enabling the military to offer logistical support to foreign armed forces in quest for collectively securing international peace has been adopted. Moreover, the new legislations permit Japan to protect U.S. weapons and other equipments and other nations' forces when they are involved in operations aimed at contributing to defence of Japan.¹

Following intense political debate between the ruling Liberal Democratic Party and opposition Japan Innovation Party, the Assembly to Energise Japan, the Party for Future Generations, and the New Renaissance Party in the House of Representatives and the House of Councillors, the bill was enacted into law. The Assembly to Energise Japan, the Party for Future Generations, and the New Renaissance Party, who submitted counter-proposals, assented to the new security policy. Abe's new policy shift drew support from the U.S., Philippines while it drew criticism from China. Abe underscored that the new legislation is not a "war bill" but its objective is to deter war and contribute to international peace and security.² Meanwhile, protests were held against the new security laws around the Diet. This development will considerably increase the scope of Self Defence Force activities in PKO.³ Chinese Ministry of National Defence read the development as a breach of pacifist constitution.⁴

Inaugural U.S.-India-Japan ministerial meeting focuses on maritime security

On September 30, New York hosted the inaugural U.S.-India-Japan ministerial meeting between Secretary of State John Kerry, Indian External Affairs Minister Sushma Swaraj and Japanese Foreign Minister Fumio Kishida on the sidelines of the 70th United Nations General Assembly session. Until now, seven U.S.-India-Japan trilateral meetings were held at the director-general level since 2011. This framework has been upgraded to the ministerial level given the importance of maritime security, stability and prosperity in the Indo-Pacific region. All three nations focused on the growing convergence of interests in the Indo-Pacific region; peaceful settlement of disputes; freedom of navigation and unhindered lawful commerce in the South China Sea; and humanitarian

¹ 'Main elements of Abe's security legislation', *The Japan Times*, September 18, 2016 <http://www.japantimes.co.jp/news/2015/09/18/national/politics-diplomacy/main-elements-abes-security-legislation/#.VuPH—b9pHR> accessed on November 20, 2015

² 'Press Conference by Prime Minister Shinzo Abe', *Prime Minister of Japan and His Cabinet*, September 25, 2015 http://japan.kantei.go.jp/97_abe/statement/201509/1213465_9928.html accessed on November 20, 2015

³ 'Press Conference by the Defense Minister Nakatani', *Ministry of Defense Japan*, September 19, 2015 <http://www.mod.go.jp/e/pressconf/2015/09/150918a.html> accessed on November 20, 2015

⁴ 'Japan's new security bills against trend of the times: defense ministry', *Xinhua*, 19 September 2015 http://news.xinhuanet.com/english/2015-09/19/c_134640071.htm accessed on November 10, 2015

assistance and regional connectivity.⁵ All three leaders restated their support for ASEAN centrality in the Asia-Pacific region and called attention to the significance of the East Asia Summit for dealing with regional political and security issues. Moreover, given the three nations' widespread disaster response capabilities, they decided to set up an experts-level group on humanitarian assistance and disaster relief to improve ability to take action jointly during disasters. Prospects of trilateral cooperation on issues like women's skill enhancement and economic empowerment were discussed.⁶

Japan-Australia foreign ministers' meeting further strengthens strategic partnership

The ninth Japan-Australia foreign ministers' meeting was held in New York on September 30, on the sidelines of United Nations General Assembly session. Japanese Foreign Minister Fumio Kishida met with his Australian counterpart, Julie Bishop and discussed Japan-Australia strategic partnership and the significance of trilateral U.S.-Japan-Australia cooperation based on shared common fundamental values and strategic interests. In addition, they discussed the Japanese and Australian efforts in disarmament and non-proliferation and continued cooperation in the Non-proliferation and Disarmament Initiative (NPDI). Furthermore, the two leaders exchanged views on the security threats originating from North Korea.⁷ Meanwhile, reports indicated that the sixth Japan-Australia two-plus-two defence talks involving the defence and foreign ministers of both countries is likely in November. The leaders are expected to discuss several issues including technological cooperation on submarines, strengthening security cooperation and reflect on regional concerns such as Chinese maritime developments. The fifth round of talks was hosted by Japan in June.⁸

Japan joins Malabar exercise as a permanent member

The 19th edition of the Malabar naval exercise, which includes extensive professional interactions during the harbour phase and operational activities during the sea phase, happened in the Bay of Bengal from October 14-19. The naval exercise is aimed at increasing naval cooperation among the Indo-Pacific navies and share best practices to boost capacities and help create better synergies for effective and speedy action to deal with challenges of disaster prevention, relief and maritime safety.⁹

Japan has joined as a permanent member in this annual naval exercise which originally started as India-US naval drill in 1992. US deployed USS Theodore Roosevelt, USS Normandy, USS Forth Worth, USS City of Corpus Christi, and P-8A maritime surveillance aircraft for the exercise. From the Indian side, Rajput-class destroyer, Shivalik-class and Brahmaputra-class frigates, INS Sindhudhwaj, and P-8I maritime surveillance aircraft took part in the drill. Meanwhile, JS Fuyuzuki, and Akizuki-class guided missile destroyer were sent by Japan.¹⁰

⁵ 'Inaugural U.S.-India-Japan Trilateral Ministerial Dialogue', *Ministry of Foreign Affairs Japan*, September 30, 2015 http://www.mofa.go.jp/s_sa/sw/page4e_000325.html accessed on November 20, 2015

⁶ 'Inaugural U.S.-India-Japan Trilateral Ministerial', Media Note, *Office of the Spokesperson, Washington, DC, U.S. Department of State*, September 29, 2015 <http://www.state.gov/r/pa/prs/ps/2015/09/247483.htm> accessed on November 20, 2015

⁷ 'Japan-Australia Foreign Ministers' Meeting', *Ministry of Foreign Affairs Japan*, October 1, 2015 http://www.mofa.go.jp/a_o/ocn/au/page4e_000329.html accessed on November 20, 2015

⁸ 'Japan, Australia planning 'two-plus-two' defense talks for late November', *Kyodo*, October 26, 2015 <http://www.japantimes.co.jp/news/2015/10/26/national/politics-diplomacy/japan-australia-planning-two-plus-two-ministers-meeting-late-november/#.VkBKW1K6a1t> accessed on November 20, 2015

⁹ 'Exercise Malabar – 15', *Press Information Bureau, Government of India, Ministry of Defence*, October 15, 2015 <http://pib.nic.in/newsite/PrintRelease.aspx?relid=128755> accessed on November 20, 2015

¹⁰ 'India, U.S. and Japan hold naval exercises under China's gaze', *The Japan Times, AP, Kyodo*, October 18, 2015 <http://www.japantimes.co.jp/news/2015/10/18/national/india-u-s-japan-hold-naval-exercises-chinas-gaze/#.VieE6G6InIV> accessed on November 25, 2015

Japan-Vietnam summit meeting held

On September 15, Prime Minister Shinzo Abe held a summit meeting with General Secretary, Central Committee of the Communist Party of Vietnam, Nguyen Phu Trong. The Joint Vision Statement stressed on Japan-Vietnam Extensive Strategic Partnership for Peace and Prosperity in Asia. Under the Partnership for Quality Infrastructure, Japan pledged to offer assistance for Vietnam's infrastructure. Japan has agreed to offer ¥100 billion loans for four projects, including the North-South expressway project, two projects associated with the Lach Huyen port infrastructure (port, road, and bridge), and the support program to respond to climate change. Moreover, both countries agreed to advance bilateral cooperation in agriculture under the Japan-Vietnam Medium-Long Term Vision on Agricultural Cooperation.¹¹ Japan also offered additional used patrol ships to strengthen Vietnamese competences vis-à-vis maritime law enforcement in the South China Sea. Both countries are concerned about Chinese reclamation activities in the South China Sea and underscored that disputes need to be resolved peacefully and not by threat or use of force. Additionally, Japan and Vietnam coast guards signed a memorandum of cooperation to improve human resource development.¹²

Prime Minister Abe tours Central Asia

Between October 23 and 28, Prime Minister Abe visited Turkmenistan, Tajikistan, Uzbekistan, Kyrgyzstan, and Kazakhstan.¹³ On October 23, Japan-Turkmenistan summit meeting was held in Ashgabat where both countries decided to cooperate on infrastructure development, natural gas plant projects totaling ¥2.2 trillion and improving human resources for cutting-edge industries using Japanese-style engineering education.¹⁴ During the Japan-Uzbekistan bilateral summit in Tashkent, Prime Minister Shinzo Abe committed ¥12.7 billion ODA to Uzbekistan. The objective is to advance and stabilise power-generation services and improve medical equipment at hospitals. Out of the ¥12.7 billion, ¥12 billion will be loans and ¥700 million will be grant aid. Besides, both countries agreed to accelerate the process of introducing innovative industrial technologies of Japan to Uzbekistan. Meanwhile Uzbekistan extended support for Japanese initiatives to reform the UNSC.¹⁵ On October 24, Japan-Tajikistan summit meeting was held between Prime Minister Shinzo Abe and President Emomali Rahmon in Dushanbe. Both leaders agreed to reinforce border control to avert the inflow of narcotics and weapons from Afghanistan and stop money laundering. Moreover, Japan agreed to rehabilitate water supply systems in Pyanj and make available more drinking water and prevent diseases caused by contaminated water.¹⁶ Prime Minister Abe also visited Kyrgyzstan on October 26 where he pledged ¥13 billion in aid aimed at repairing a major road

¹¹ 'Summit Meeting of Prime Minister Abe and the General Secretary, Central Committee of the Communist Party of Viet Nam', *Ministry of Foreign Affairs Japan*, September 15, 2015 http://www.mofa.go.jp/s_sa/sea1/vn/page3e_000375.html accessed on November 25, 2015

¹² Masaaki Kameda, 'Abe pledges more ships to Vietnam's top leader to offset China', *The Japan Times*, September 16, 2015 <http://www.japantimes.co.jp/news/2015/09/16/national/politics-diplomacy/abe-pledges-ships-vietnams-top-leader-offset-china/#.Vg0n3IK6a1t> accessed on November 25, 2015

¹³ 'Prime Minister Abe Visits Mongolia and the five Central Asian countries, (October 22-28, 2015)', *Ministry of Foreign Affairs Japan*, November 2, 2015 http://www.mofa.go.jp/region/page3e_000397.html accessed on November 25, 2015

¹⁴ 'Japan to assist natural gas processing projects in Turkmenistan', *Kyodo*, October 23, 2015 <http://asia.nikkei.com/Politics-Economy/International-Relations/Japan-to-assist-natural-gas-processing-projects-in-Turkmenistan> accessed on November 25, 2015

¹⁵ 'Abe pledges ¥12 billion to Uzbekistan', *Kyodo*, October 25, 2015 <http://www.japantimes.co.jp/news/2015/10/25/national/politics-diplomacy/abe-meets-tajik-president-to-discuss-infrastructure-aid/#.VkBKWFK6a1t> accessed on November 25, 2015

¹⁶ 'Japan offers aid to Tajikistan for farm, infrastructure development', *Nikkei Asian Review*, October 24, 2015 <http://asia.nikkei.com/Politics-Economy/International-Relations/Japan-offers-aid-to-Tajikistan-for-farm-infrastructure-development> accessed on November 25, 2015

and procuring equipment at Manas international airport serving Bishkek.¹⁷ In Kazakhstan, Prime Minister Abe extended support to build nuclear power plants. On his way to Turkmenistan, Japan-Mongolia summit meeting was held in Ulan Bator between Prime Minister Shinzo Abe and Mongolian Prime Minister Chimed Saikhanbileg on October 24. Both leaders agreed to strengthen economic cooperation based on the FTA signed in February 2015 and deepen strategic dialogue. Besides, both Japan and Mongolia decided to cooperate on improving the infrastructure in Mongolia, together with the Tavan Tolgoi coal mine.¹⁸

Prime Minister Abe at the United Nations

At the United Nations Sustainable Development Summit on September 27, Prime Minister Shinzo Abe said that cooperative efforts on sustainable development led to the adoption of 2030 Agenda with five important characteristics, namely people, planet, prosperity, peace, and partnership which will help eradicate poverty. He emphasised the need to conquer the North-South dichotomy. Besides, it was stressed that Japan will undertake initiatives to achieve quality, inclusive, sustainable and resilient growth by promoting quality infrastructure investment. Japan also focussed on empowerment of people in health, education, and disaster risk reduction.¹⁹

Meanwhile, G4 leaders including Prime Minister Shinzo Abe, Brazilian President Dilma Rousseff, German Chancellor Angela Merkel and Indian Prime Minister Narendra Modi agreed to strengthen efforts to realise UNSC reforms at the earliest and argued that a more 'representative, legitimate and effective' Security Council is required to deal with the international challenges. Prime Minister Abe said that the UNSC reforms has not seen much progress since 2005 summit and needs reforms that are effective in 21st century. Japan as the top contributor to the UN argues the case for a permanent seat.²⁰

On September 29, Prime Minister Shinzo Abe attended the 70th session of UNGA and urged all nations to face the challenges of 21st century, together drawing from their individual capabilities. He underscored that Japan is set to increase its assistance for Syrian and Iraqi refugees. Japan is scheduled to offer US\$ 2.5 million in humanitarian assistance for neighbouring states of the EU that are dealing with refugees and migrants, including the Republic of Serbia and the Former Yugoslav Republic of Macedonia. Prime Minister Abe further focused on the rule of law and the principles of equality and the importance of building human capacity. Japan International Cooperation Agency (JICA) since 2004 played a critical role in training of 20,000 personnel of national police force in Congo. He also stressed on Japan's role as the Proactive Contributor to Peace based on the principle of international cooperation. In his address, he stressed that Japan hopes to be a permanent member of the Security Council since it is a peace-loving nation for 70 years since the end of World War II.²¹

¹⁷ 'Abe pledges ¥13 billion in infrastructure aid to Kyrgyzstan', *Kyodo*, October 26, 2015 <http://www.japantimes.co.jp/news/2015/10/26/national/politics-diplomacy/abe-pledges-%C2%A513-billion-infrastructure-aid-kyrgyzstan/#.VuQQTOb9pHR> accessed on November 25, 2015

¹⁸ 'Japan, Mongolia affirm closer economic ties via free trade pact', *Kyodo*, October 22, 2015 <http://www.japantimes.co.jp/news/2015/10/22/national/politics-diplomacy/japan-mongolia-affirm-closer-economic-ties-via-free-trade-pact/#.VkBKnFK6a1t> accessed on November 25, 2015

¹⁹ 'Statement by Prime Minister Shinzo Abe at the United Nations Sustainable Development Summit 2015', *Prime Minister of Japan and His Cabinet*, September 27, 2015 http://japan.kantei.go.jp/97_abe/statement/201509/1212969_9928.html accessed on November 25, 2015

²⁰ 'G-4 chiefs push tangible reform in U.N. Security Council', *Jiji, Kyodo, Reuters*, September 27, 2015 <http://www.japantimes.co.jp/news/2015/09/27/national/politics-diplomacy/g-4-chiefs-push-tangible-reform-u-n-security-council/#.VhUETIK6a1t> accessed on November 29, 2015

²¹ 'Address by Prime Minister Shinzo Abe at the Seventieth Session of the General Assembly of the United Nations September 29, 2015 New York', *Ministry of Foreign Affairs Japan*, September 30, 2015 http://www.mofa.go.jp/fp/unp_a/page4e_000321.html accessed on November 25, 2015

Developments in Japan-Russia relations

On September 20, a three-day Japan-Russia foreign ministers talk started in Moscow. Japanese Foreign Minister Fumio Kishida and his Russian counterpart Sergey Lavrov discussed Northern Territories/Southern Kuril territorial dispute, peace treaty and economic cooperation including in urban environment, medical care, and agriculture. Furthermore, Kishida's visit is expected to lay the foundation of President Vladimir Putin's visit to Japan at the earliest.²² Both leaders also shared views on the progress of the working-level and inter authority cooperation in fisheries, science and technology, and people-to-people exchanges. Some important international issues like Ukraine, Syria, North Korea and regional affairs also featured in their meeting.²³ Meanwhile, in a sub-cabinet-level meeting on October 8 in Moscow, Japan and Russia failed to make any progress vis-à-vis signing a peace treaty to officially end the war and address the territorial issue off Hokkaido. Authorities reportedly stated that both sides engaged in territorial and peace treaty negotiations from legal and historical perspectives. This is the first sub-cabinet-level meeting since 2014. Earlier in September in New York, during a meeting between Prime Minister Shinzo Abe and President Putin, both sides decided to achieve progress on the peace treaty negotiation.²⁴

Japan strengthens cooperation with Sri Lanka and Bangladesh

On October 6, Japan-Sri Lanka summit meeting was held in Tokyo and a Joint Declaration on Comprehensive Partnership was issued. Besides, the signing ceremony for ¥45 billion loan for Phase 2 of Bandaranaike International Airport Development Project was held. Both Sri Lankan Prime Minister Wickremesinghe and his Japanese counterpart Abe expressed hope to strengthen the comprehensive relation through trade and investment. They also agreed to discuss several other issues including the National Development Plan of Sri Lanka, and National Reconciliation and Peace building. Moreover, maritime issues such as acceptance of Maritime Self Defence Forces in ports and human resource development were discussed.²⁵

Japan-Bangladesh summit meeting was held on September 28 where Prime Minister Shinzo Abe met with Prime Minister Sheikh Hasina and underscored the 'unshakable' bilateral cooperation. Japan decided to cooperate with Bangladesh on the 2030 Agenda and stressed on the 36th Yen Loan Package (133.3 billion yen) as component of the ¥600 billion assistance assured based on the Bay of Bengal Industrial Growth Belt initiative and additionally promote trade and investment between Japan and Bangladesh. Bangladesh appreciated cooperation with Japan in the Matarbari Ultra Super Critical Coal-Fired Power Project and conveyed that it would like to develop special economic zones (SEZs) and attract investments from Japan.²⁶

Abe unveils the second phase of Abenomics

On September 24, Prime Minister Shinzo Abe outlined the second phase of Abenomics with three new objectives including economic growth promotion, child-rearing assistance and social security measures especially nursing

²² 'Kishida in Moscow for talks on territorial dispute', *Kyodo, Jiji*, September 21, 2015 <http://www.japantimes.co.jp/news/2015/09/21/national/politics-diplomacy/kishida-in-moscow-for-talks-on-territorial-dispute/#.Vg0kB1K6a1t> accessed on November 22, 2015

²³ 'Foreign Minister Fumio Kishida Visits Russia', *Ministry of Foreign Affairs Japan*, September 23, 2015 http://www.mofa.go.jp/erp/rss/northern/page4e_000323.html accessed on November 25, 2015

²⁴ 'Moscow talks over isle row, peace treaty go nowhere', *Jiji*, October 9, 2015 <http://www.japantimes.co.jp/news/2015/10/09/national/politics-diplomacy/moscow-talks-isle-row-make-no-headway-sides-stand-ground/#.ViCIAG6InIV> accessed on November 24, 2015

²⁵ 'Japan-Sri Lanka Summit Meeting', *Ministry of Foreign Affairs Japan*, October 6, 2015 http://www.mofa.go.jp/s_sa/sw/lk/page4e_000333.html accessed on November 25, 2015

²⁶ 'Japan-Bangladesh Summit Meeting', *Ministry of Foreign Affairs Japan*, September 29, 2015 http://www.mofa.go.jp/s_sa/sw/bd/page4e_000326.html accessed on November 25, 2015

facilities for the aged. He said the target is 20 percent boost in GDP to ¥600 trillion. Abe stressed that his government intends to incorporate the costs for increasing the number of nursing homes in the 2016 budget. One of his objectives is to get 150,000 citizens presently on the waiting lists of Level 3 care to zero by next decade. Government data reflects that between October 2011 and September 2012, 100,000 people resigned from their employment to take care of elderly family members.²⁷ Meanwhile, Abe aims to increase the fertility rate to 1.8 from the present 1.4 by providing support for single-parent families, free preschool education, and assistance for infertility treatments. The target is to make sure that population remains above 100 million for the next 50 years.

Japan welcomes TPP agreement

On October 5, Trans-Pacific Partnership (TPP) agreement in principle was reached at the ministerial meeting in the U.S. Japan has welcomed the development and emphasised that since July 2013, Japan had numerous negotiations with the other participating states to identify the best path that will serve the national interests. Japanese Foreign Minister Kishida stated that this will be the foundation for setting a broader Asia-Pacific free trade area and boost other economic partnership negotiations that Japan is following.²⁸ Japan is determined to continue cooperating with other partners to facilitate the signing of TPP Agreement at the earliest.

Developments in China-Japan relations

September 11 marked the third anniversary of the nationalisation of Senkaku Islands. Japanese Foreign Minister Fumio Kishida reiterated that Senkaku Islands are an inherent part of Japanese territory and are under the valid control of Japan, and that no territorial issue or issue of sovereignty exists. Furthermore, Kishida said that Chinese intrusions into territorial waters need firm response.²⁹ Meanwhile, Ministry of Defence reportedly suggested that from July to September, Japanese Air Self-Defense force scrambled Chinese fighter jets 117 times (compared to 103 times during the same period in 2014) to stop likely incursions.³⁰

In a separate development, while Prime Minister Shinzo Abe did not visit the Yasukuni shrine in person, he offered a masakaki tree on October 17. In the following day Sanae Takaichi, the Internal Affairs and Communications Minister and Mitsuhide Iwaki, Justice Minister paid a visit to the shrine. China and South Korea expressed strong protest arguing that these visits by Japanese cabinet members to the Yasukuni shrine triggers regional sentiments and escalate regional tensions.³¹

Developments in Japan-U.S. relations

The second Japan-U.S. energy strategic dialogue was held in Tokyo on September 17 where both countries discussed the current energy circumstances including energy security and the prospects of Japan-U.S. energy

²⁷ Reiji Yoshida and Mizuho Aoki, 'Abe aims arrows at new targets with three fresh goals for 'Abenomics,' 20% rise in GDP', *The Japan Times*, September 24, 2015 <http://www.japantimes.co.jp/news/2015/09/24/national/politics-diplomacy/abe-outlines-new-goals-abenomics-20-rise-gdp/#.VhY5yIK6a1t> accessed on November 25, 2015

²⁸ 'Agreement in Principle on the Trans-Pacific Partnership (TPP) negotiations (Statement by Foreign Minister Kishida)', *Ministry of Foreign Affairs Japan*, October 6, 2015 http://www.mofa.go.jp/press/release/press4e_000877.html accessed on November 25, 2015

²⁹ 'Press Conference by Foreign Minister Fumio Kishida', *Ministry of Foreign Affairs Japan*, September 11, 2015 http://www.mofa.go.jp/press/kaiken/kaiken4e_000194.html accessed on November 25, 2015

³⁰ 'ASDF scrambles against China planes at record number', *Reuters*, October 19, 2015 <http://www.japantimes.co.jp/news/2015/10/19/national/politics-diplomacy/asdf-scramble-china-planes-record-number/#.VieDKG6InIV> accessed on November 25, 2015

³¹ 'China, South Korea slap Cabinet members' Yasukuni visits', *Kyodo*, October 18, 2015 <http://www.japantimes.co.jp/news/2015/10/18/national/politics-diplomacy/china-south-korea-slap-cabinet-members-yasukuni-visits/> accessed on November 25, 2015

cooperation. Meanwhile, in October, the guided-missile destroyer USS Benfold has been deployed at Yokosuka in Kanagawa Prefecture. It will join U.S. 7th Fleet's Forward Deployed Naval Forces. It is among the most advanced ballistic missile defense warships. The objective is to deter North Korea. U.S. Navy spokesperson argued that this is in accordance with the rebalance toward Asia strategy.³²

TRACKING CHINA

President Xi Jinping visits the U.S.

On September 24-25, President Xi Jinping paid a state visit to the U.S. where both countries decided to constructively manage their differences and strengthen cooperation to address regional and global challenges. At the joint press conference, President Obama reiterated the U.S. position on East and South China Seas and underscored the right of all nations to freedom of navigation and overflight and to unimpeded commerce. Furthermore, he reiterated that the U.S. will keep on sailing, flying and operating anywhere that international law allows.³³

A Memorandum of Understanding (MOU) on U.S.-China Development Cooperation and the Establishment of an Exchange and Communication Mechanism between the United States Agency for International Development and the Ministry of Commerce of the People's Republic of China was signed. Drawing from the 2014 MOUs on Confidence Building Measures (CBMs), U.S. and China completed new annexes on air-to-air safety and crisis communications. Additionally, the two Presidents reiterated their shared confidence that the U.S. and China have a significant role to play in addressing climate change and discussed the importance of implementing domestic climate policies, increasing bilateral cooperation, and to endorse sustainable development and the shift to green, low-carbon, and climate-resilient economies.³⁴ The leaders agreed to intensify efforts toward a bilateral investment treaty that will allow a level playing field for American businesses.

Moreover, with regard to cyber security, both countries concurred that appropriate response should be given to requests for information and decided to cooperate, in accordance with their own national regulations and international obligation, with requests to examine cybercrimes, gather electronic proof, and diminish malicious cyber activity originating from their territory. They further agreed that they will not conduct or deliberately support cyber-enabled stealing of intellectual property, trade secrets or other business data, with the aim of gaining competitive advantage over each other. There will be high-level joint dialogue mechanism on combating cybercrime. Besides, to promote people-to-people contact, 2016 U.S.-China Tourism Year and a One Million Strong initiative, aimed to have one million American students studying Mandarin by 2020, was initiated.³⁵

China commemorates 70th anniversary of the War

On 3 September, China commemorated the *70th Anniversary of The Victory of the Chinese People's War of Resistance Against Japanese Aggression and The World Anti-Fascist War*. Several heads of state, including Russian President

³² 'U.S. deploys advanced missile defense ship to Japan', *The Japan Times*, October 19, 2015 <http://www.japantimes.co.jp/news/2015/10/19/national/u-s-deploys-advanced-missile-defense-ship-japan/#.VieDwW6InIV> accessed on November 25, 2015

³³ 'Remarks by President Obama and President Xi of the People's Republic of China in Joint Press Conference', *The White House, Office of the Press Secretary*, September 25, 2015 <https://www.whitehouse.gov/the-press-office/2015/09/25/remarks-president-obama-and-president-xi-peoples-republic-china-joint> accessed on November 25, 2015

³⁴ 'U.S.-China Joint Presidential Statement on Climate Change', *The White House, Office of the Press Secretary*, September 25, 2015 <https://www.whitehouse.gov/the-press-office/2015/09/25/us-china-joint-presidential-statement-climate-change> accessed on November 25, 2015

³⁵ 'FACT SHEET: President Xi Jinping's State Visit to the United States', *The White House, Office of the Press Secretary*, September 25, 2015 <https://www.whitehouse.gov/the-press-office/2015/09/25/fact-sheet-president-xi-jinpings-state-visit-united-states> accessed on November 25, 2015

Vladimir Putin and South Korean President Park Geun-hye, attended China's V-Day celebrations. President Xi Jinping in his speech underscored that the War "crushed the plot of the Japanese militarists to colonise and enslave China and put an end to China's national humiliation of suffering successive defeats at the hands of foreign aggressors in modern times".³⁶ He further argued that for the sake of peace, China will stay devoted to peaceful development and will never seek hegemony or expansion. One of the highlights of President Xi's speech is his revelation that China will cut the number of its troops by 300,000. China has reduced its troops' number a few times since 1980s. China reduced the numbers from 1 million to 0.5 million to 0.2 million. Currently, China has 2.3 million military personnel. In keeping with the decisions made in 3rd Plenary Session of the 18th Communist Party of China (CPC) Central Committee, and intense deliberation in Central Military Commission, President Xi decided to reduce the number of troops by 300,000. Now the Chinese military will "adjust and optimise its scale and structure, make its troops more capable and its structure more scientific, and construct a modern military force system with Chinese characteristics, so as to realise the CPC's goal of building a strong military in the new situation, and provide strong guarantee for achieving China's two 100-year goals and the Chinese dream of realising the great rejuvenation of the Chinese nation".³⁷

Nanjing Massacre documents inscribed on Memory of World Register

On October 9, UNESCO announced that documents of the Nanjing Massacre are officially inscribed on the Memory of the World Register.³⁸ But the files related to comfort women has been excluded from the programme. There are three parts of the Nanjing Massacre documents including the first part concerning the 1937-1938 period of the massacre, the second part concerning the post-war investigation and trials of war criminals documented by the Chinese National Government's Military Tribunal from 1945-1947, and the third part concerning the files documented by the judicial authorities of the People's Republic of China between 1952-1956. Chinese foreign ministry reportedly argued that Japan has made attempts to hinder Chinese application.³⁹ Meanwhile, Japan has registered strong protest at UNESCO's decision and drew international attention when it conveyed the possibility of suspending Japanese funding to UNESCO.⁴⁰

Developments in the South China Sea

On October 27, the USS Lassen sailed within 12 nautical miles off Zhubi Reef of the Nansha Islands. Ministry of Foreign Affairs of PRC registered discontentment and firm opposition over the development and urged the U.S. to "immediately correct its wrongdoing."⁴¹ Chinese authorities monitored, trailed and cautioned the U.S.

³⁶ 'Address at the Commemoration of The 70th Anniversary of The Victory of the Chinese People's War of Resistance Against Japanese Aggression and The World Anti-Fascist War, Xi Jinping', *Xinhua*, 3 September 2015 http://news.xinhuanet.com/english/2015-09/03/c_134583870.htm accessed on November 25, 2015

³⁷ 'Defense Ministry holds press conference on V-Day parade, cut of troops' number', *China Military Online*, -September 3, 2015 http://eng.mod.gov.cn/DefenseNews/2015-09/03/content_4617101.htm accessed on November 25, 2015

³⁸ 'Foreign Ministry Spokesperson Hua Chunying's Remarks on Documents of Nanjing Massacre Inscribed on Memory of World Register', *Ministry of Foreign Affairs of the People's Republic of China*, October 10, 2015 http://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2535_665405/t1304858.shtml accessed on November 25, 2015

³⁹ 'China Headlines: UNESCO listing of Nanjing massacre shows global consensus', *Xinhua*, October 10, 2015 http://news.xinhuanet.com/english/2015-10/10/c_134699822.htm accessed on November 25, 2015

⁴⁰ 'Press Conference by the Chief Cabinet Secretary (Excerpt), Opening Statement by Chief Cabinet Secretary Suga', *Prime Minister of Japan and His Cabinet*, October 13, 2015 http://japan.kantei.go.jp/tyoukanpress/201510/13_a.html accessed on November 25, 2015

⁴¹ 'China lodges protest with U.S. on warship patrol in South China Sea', *Xinhua*, October 27 http://news.xinhuanet.com/english/2015-10/27/c_134754630.htm accessed on November 25, 2015

vessel. The ministry further underscored that the U.S. should “honor its commitment of not taking sides on disputes over territorial sovereignty so as to avoid any further damage to China-U.S. relations and regional peace and stability”.⁴² China argued that such incidents “threaten China’s sovereignty and security interests, endanger the safety of personnel and facilities in the reef, and harm regional peace and stability”.⁴³ While the U.S. has been accused of militarising the disputed South China Sea region by sending military vessels, U.S. maintained that sailing a vessel through international waters does not amount to a provocative act in any way.⁴⁴

Meanwhile, on October 29, China argued that the award rendered by the Arbitral Tribunal established at the request of Philippines on jurisdiction and admissibility of the South China Sea arbitration is invalid and has no binding effect on China. The court decided that the case was appropriately constituted under the UNCLOS and that China’s denial to participate does not prevent the court’s authority. Now that the question of jurisdiction is resolved, the case will move to judge the merits of Philippines’ claim in the South China Sea. Chinese foreign ministry stressed that China “will not accept any solution imposed on it or any unilateral resort to a third-party dispute settlement” and that it is “a political provocation under the cloak of law”.⁴⁵

In early October, China held a ceremony to mark the commencement of operations of two lighthouses on Huayang Reef and Chigua Reef of the Nansha Islands. The foreign ministry confirmed that in accordance with Chinese Maritime Traffic Safety Law, China has issued a navigation notice regarding the functioning of Huayang and Chigua Lighthouses. Furthermore, China stressed that it “will continue to build other civil facilities for the public interest on the stationed islands and reefs of the Nansha Islands so as to provide littoral countries and all passing vessels with better services”⁴⁶ in the future.

China-U.S.-Australia military exercise held near Darwin

The survival phase of China-U.S.-Australia trilateral military exercise named KOWARI 15 happened in August-September near Darwin. In 2015, this is the second time the trilateral exercise has taken place. 30 military personnel including some marines participated in the exercise to hone their survival techniques. These personnel initially obtained training at the North West Mobile Force (Norforce) and then stationed in an inland camp situated in the Daly River region. This trilateral military exercise started in 2014 and the participants argued that each of these nations “already cooperate at a number of levels through trade, regional humanitarian projects and joint naval exercises, and this is another way to learn from each other and build friendships forged through adversity”.⁴⁷

⁴² ‘Foreign Ministry Spokesperson Lu Kang’s Regular Press Conference’, *Ministry of Foreign Affairs of the People’s Republic of China*, October 27, 2015 http://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1309625.shtml accessed on November 25, 2015

⁴³ ‘China lodges protest with U.S. on warship patrol in South China Sea’, *Xinhua*, October 27 http://news.xinhuanet.com/english/2015-10/27/c_134754630.htm accessed on November 25, 2015

⁴⁴ John Kirby, ‘Spokesperson, Daily Press Briefing, Washington, DC’, *U.S. Department of State*, October 28, 2015 <http://www.state.gov/r/pa/prs/dpb/2015/10/248936.htm#CHINA> accessed on November 25, 2015

⁴⁵ ‘Statement of the Ministry of Foreign Affairs of the People’s Republic of China on the Award on Jurisdiction and Admissibility of the South China Sea Arbitration by the Arbitral Tribunal Established at the Request of the Republic of the Philippines’, *Ministry of Foreign Affairs of the People’s Republic of China*, October 30, 2015 http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1310474.shtml accessed on November 25, 2015

⁴⁶ ‘Foreign Ministry Spokesperson Hua Chunying’s Remarks on Start of Operation of Huayang and Chigua Lighthouses’, *Ministry of Foreign Affairs of the People’s Republic of China*, October 10, 2015 http://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2535_665405/t1304809.shtml accessed on November 25, 2015

⁴⁷ Yao Jianing, ‘Australia, China, U.S. joint military drill ends with enhanced survival skills, friendship for soldiers’, *Xinhua*, September 11, 2015 http://eng.mod.gov.cn/DefenseNews/2015-09/11/content_4619038.htm accessed on November 25, 2015

India-China joint exercise on counter-terrorism

On October 12, the fifth India-China joint exercise, named Hand-in-Hand 2015, took place in Kunming Military Academy. The focus was on joint handling of counter terrorism and humanitarian assistance and disaster relief. A weapon and equipment display was arranged to acquaint each other with the weapon systems at sub unit level. The Chinese officials exhibited combat shooting and obstacle negotiation skills within the Military Academy premises. This joint military exercise aimed to play an important role in strengthening mutual cooperation, build a closer developmental partnership, increase the scope of military interface, exchange good practices in counter terrorism operations, improve shared understanding and trust and encourage friendly connection between the militaries.⁴⁸

China hosts the sixth Xiangshan forum

In October, China hosted the sixth Xiangshan forum, a platform for security dialogue. The theme was *Security and Cooperation in the Asia-Pacific Region: Reality and Vision*. The Vice Foreign Minister Liu Zhenmin pointed out that 2015 marks the 70th anniversary of the victory of the world anti-fascist war and the founding of the UN. He argued that China supports a new type of international relations characterised by win-win cooperation. Furthermore, he stressed that together with other regional countries, China will push “partnership and integrative development, enhance rule-making and promote the building of regional security architecture thus jointly safeguard peace and stability in the Asia-Pacific”.⁴⁹ Given that the 5th Xiangshan forum was promoted from a track two to track one and a half forum, this meeting witnessed greater participation with defence and military delegations from 49 countries, delegations from five international organisations, and experts and scholars from 45 countries. The Forum aims to serve as a platform for regional nations to boost mutual trust and decrease suspicions through dialogues and strengthen familiarity through mil-to-mil diplomacy.⁵⁰

President Xi at the UN

On September 28, President Xi Jinping attended the general debate of 70th session of the UN General Assembly and argued the case of establishing new type of international relations with win-win cooperation as core. He underscored the values of peace, development, fairness, justice, democracy and freedom. In his speech, he urged to build partnership where countries treat each other as equals with mutual consultations and understanding, stressed the significance of multilateralism over unilateralism, and articulated the importance of dialogue. He called for discarding the “cold war mentality of all forms” and “foster a new vision of common, comprehensive, cooperative and sustainable security, and give full play to the central role of the UN and its Security Council in ceasing conflicts and keeping peace”. President Xi declared that China is establishing a ten-year US\$1 billion China-UN peace and development fund to help UN's agenda and uphold the cause of multilateral cooperation. China intends to join the new UN peacekeeping capability readiness system, lead the setting up of a permanent peacekeeping police squad and establish a strong reserve peacekeeping force. Furthermore, Xi also said that China will give US\$100 million of free military assistance in the next five years to the African Union to aid the institution of African Standby Force and the African Capacity for Immediate Response to Crisis.⁵¹

⁴⁸ 'Joint Military Exercise 'Hand in Hand'- 2015 Commences', *Press Information Bureau, Government of India, Ministry of Defence*, October 12, 2015 <http://pib.nic.in/newsite/PrintRelease.aspx?relid=128642> accessed on November 25, 2015

⁴⁹ 'Vice Foreign Minister Liu Zhenmin Delivers Speech at the Banquet of Sixth Xiangshan Forum', *Ministry of Foreign Affairs of the People's Republic of China*, October 17, 2015 http://www.fmprc.gov.cn/mfa_eng/wjbxw/t1307438.shtml accessed on November 25, 2015

⁵⁰ 'Sixth Xiangshan Forum concludes in Beijing', *China Military Online*, October 19, 2015 http://english.chinamil.com.cn/news-channels/china-military-news/2015-10/19/content_6730176.htm accessed on November 25, 2015

⁵¹ 'Xi Jinping Attends General Debate of 70th Session of the UN General Assembly and Delivers Important Speech, Underlying to Inherit and Advocate Purposes and Principles of the UN Charter, Establish New Type of International Relations with Win-Win Cooperation as Core and Build Community of Shared Mankind Destiny', *Ministry of Foreign Affairs of the People's Republic of China*, September 29, 2015 http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1304144.shtml accessed on November 25, 2015

China-Japan-Korea trilateral cyber dialogue held in Seoul

On October 16, China-Japan-Korea trilateral cyber dialogue was held in Seoul where the three nations discussed the current setting in the cyber arena along with the strategies and policies of respective countries on cyber security issues. All three countries exchanged opinions on cyber-related initiatives such as the United Nations Group of Governmental Experts (UNGGE), CBMs and capacity building with ASEAN Regional Forum (ARF). They further developed understanding on each other's strategies and agreed that it is imperative to continue this trilateral dialogue for future cooperation and exchange views on the subject of cyber affairs through diplomatic channels.⁵²

Developments in Chinese economy

National Bureau of Statistics (NBS) stated in October that Chinese economy in the third quarter registered a 6.9 percent growth year-on-year. Reports suggested that in the first three quarters of the year, GDP hit \$US7.68 trillion, up 6.9 percent year-on-year. Ever since the second quarter of 2009, this has been the first time the quarterly growth rate had fallen under 7 percent. International factors in the midst of world economic recovery is believed to have influenced China. Exports growth fell 7.9 percent to 17.87 trillion yuan year-on-year. Throughout the first nine months, fixed-asset investment scaled 10.3 percent, industrial output grew 6.2 percent, property investment grew 2.6 percent, and retail sales of consumer goods rose 10.5 percent year-on-year.⁵³ Reports in the Chinese media argued that it is rather early to be pessimistic about Chinese economy, since "new sectors and new engines are playing more important roles in economic growth" and that Chinese "economy is strongly sustained by the country's industrialisation and urbanisation drives, as well as a better consumption structure".⁵⁴ President Xi Jinping argued that "economic development is adjusting to the new normal and experiencing growing pains, shifting from old drivers of growth to new ones. Yet the fundamentals of a steadily growing economy have remained unchanged."⁵⁵

TRACKING THE KOREAN PENINSULA

South Korea-U.S. summit meeting

On October 16, U.S. President Obama and his South Korean counterpart Park Geun-hye held a summit meeting in Washington where both sides discussed the possibility of additional sanctions on North Korea in the backdrop of Pyongyang's increasing nuclear and missile threats, advancement of the Korea-U.S. alliance, stability and prosperity in North East Asia and non-traditional security challenges including cyberspace, environment, energy and global health. Two joint statements were issued namely, *The United States-Republic of Korea Alliance: Shared Values, New Frontiers* and *United States-Republic of Korea Joint Statement on North Korea*. It is important to note that there was no mention regarding the deployment of THAAD missile system to counter North Korean ballistic

⁵² 'The Trilateral Cyber Dialogue', *Ministry of Foreign Affairs Japan*, October 16, 2015 http://www.mofa.go.jp/press/release/press4e_000892.html accessed on November 25, 2015

⁵³ 'China's GDP growth slows in Q3', *Xinhua*, October 19, 2015 http://news.xinhuanet.com/english/2015-10/19/c_134727754.htm accessed on November 25, 2015

⁵⁴ 'News Analysis: China finds new engines as economy slows down', *Xinhua*, October 20, 2015 http://news.xinhuanet.com/english/2015-10/20/c_134732475.htm accessed on November 20, 2015

⁵⁵ Jason Subler, 'Exclusive Q&A with Chinese President Xi Jinping', *REUTERS*, October 17, 2015 <http://www.reuters.com/article/us-china-britain-xi-q-a-idUSKCN0SC03920151018> accessed on November 25, 2015

missiles.⁵⁶ This is the fourth Korea-U.S. summit since President Park's inauguration.⁵⁷ Both countries agreed to unlock new frontiers in their alliance by cooperating on space, health security and new energy industries and signed a Memorandum of Understanding (MOU) including 24 items, including the development of medical devices, cooperation on smart energy grids, research into new energy sources, and environmental satellites.⁵⁸ President Obama reaffirmed that "the commitment of the United States to the defence and security of the Republic of Korea will never waver. Our alliance remains a linchpin of peace and security — not just on the Korean Peninsula, but across the region. And so South Korea plays a central role in America's rebalance to the Asia Pacific". President Park reiterated the synergy between President Obama's rebalancing policy in the Asia Pacific and South Korea's Northeast Asia Peace and Cooperation Initiative, or NAPCI. President Obama underscored that the bilateral relationship is stronger than it's ever been, that the alliance is on firmer footing than it's ever been across the spectrum of issues including military, economic, people-to-people, scientific, development and global issues.⁵⁹

South Korea-Australia foreign and defence ministers 2+2 meeting hosted in Sydney

The second South Korea and Australia "2+2" foreign and defence ministers meeting was hosted in Sydney on September 11. Korean Foreign Ministers Yun Byung-se and Defence Ministers Han Min-koo met with their Australian counterparts Julie Bishop and Kevin Andrews and discussed ways to strengthen Korea-Australia partnership based on shared values and interests. The new Defence and Security Cooperation Blueprint, based on the Vision Statement for a Secure, Peaceful and Prosperous Future embraced by President Park and Prime Minister Abbott in April 2014, documented ways for sustained cooperation in defence cooperation, counter-proliferation, transnational law enforcement, cyber security, border security, crisis management and maritime safety. Improved defence cooperation comprising of better opportunities to join in military exercises, cooperation in humanitarian assistance and disaster relief operations, and the significance of military-to-military relations were underscored. Both nations echoed their objective to continue to endorse maritime security in conformity with the United Nations Convention on the Law of the Sea and further relevant international norms and stressed on the importance of maintaining freedom of navigation and overflight.⁶⁰ Additionally, the two sides discussed the security situation in the Korean Peninsula, epidemics, illegal arms trafficking and natural disasters.⁶¹

North Korea celebrates the 70th Workers Party anniversary

On October 10, North Korea celebrated the 70th Workers Party anniversary by staging a military parade at Kim Il-sung Square in Pyongyang. On the occasion, Supreme leader Kim Jong-un underscored that North Korea is

⁵⁶ '2015 United States-Republic of Korea Joint Statement on North Korea', *The White House*, October 16, 2015 <https://www.whitehouse.gov/the-press-office/2015/10/16/united-states-republic-korea-joint-statement-north-korea> accessed on November 25, 2015

⁵⁷ 'Park, Obama to discuss more N.K. sanctions, but not THAAD: envoy', *The Korea Herald*, October 8, 2015, <http://www.koreaherald.com/view.php?ud=20151008000999> accessed on November 25, 2015

⁵⁸ 'Korea, US open new frontier with stronger alliance', *Korea.net*, October 19, 2015 <http://www.korea.net/Government/CurrentAffairs/ForeignAffairs/view?affairId=470&subId=492&articleId=130532> accessed on November 25, 2015

⁵⁹ 'Remarks by President Obama and President Park of the Republic of Korea in Joint Press Conference', *The White House, Office of the Press Secretary*, October 16, 2015 <https://www.whitehouse.gov/the-press-office/2015/10/16/remarks-president-obama-and-president-park-republic-korea-joint-press> accessed on November 25, 2015

⁶⁰ 'Joint Statement, Minister for Defence – Australia-Republic of Korea Foreign and Defence Ministers 2+2 Meeting', *Department of Defence Minister*, September 11, 2015 <http://www.minister.defence.gov.au/2015/09/11/minister-for-defence-australia-republic-of-korea-foreign-and-defence-ministers-22-meeting/> accessed on November 25, 2015

⁶¹ 'S. Korea, Australia seek to strengthen security ties', *Yonhap News Agency*, September 9 2015 <http://english.yonhapnews.co.kr/national/2015/09/09/0301000000AEN20150909004600315.html> accessed on November 25, 2015

ready to deal with any war threats posed by the U.S. and further blamed the U.S. for imposing sanctions affecting the economic development of the nation.⁶² In the parade, North Korea displayed ICBM KN-08 and rockets with miniaturized, diversified nuke warhead. China was represented in the parade by Liu Yunshan from Chinese Communist Party. Earlier, South Korean Defense Ministry on September 10 reportedly indicated that long-range missile might be launched by North Korea in early October to mark the anniversary of the founding of the Workers' Party⁶³ but later it became clear that North Korea solely focused on a grand military parade which showcased new types of weapon such as multiple rocket launchers, unmanned aerial vehicles and slender vessels, called VSV. Several aircrafts, artillery equipment and missiles were transported to the Mirim Airport in Pyongyang for the parade.⁶⁴

President Park at the UN

South Korean President Park Geun-hye visited New York from September 25-28 to attend the United Nations Sustainable Development Summit and the 70th UN General Assembly session. On September 25, South Korean President Park Geun-hye had a meeting with UN Secretary-General Ban Ki-moon in New York where they reportedly discussed several issues including climate change, sustainable development and nuclear non-proliferation. President Park stressed that in case Pyongyang engages in provocation that violates UNSC resolutions, tensions in the region will escalate and affect peace and stability. President Park attempted to garner support from UN for denuclearisation of the Peninsula.⁶⁵ President Park delivered a speech on September 26 at the plenary meeting of the Sustainable Development Summit. The 2030 Agenda for Sustainable Development has been adopted, which will succeed the Millennium Development Goals (MDGs) and serve as guiding principle for international development cooperation over the next 15 years starting in 2016.⁶⁶

Besides, President Park attended a forum on Saemaul Undong, and a high-level meeting of the Global Education First Initiative. During her keynote address at the 70th session of the General Assembly on September 28, President Park Geun-hye emphasised that North Korea should opt for reforms instead of provocations including its nuclear weapons development program. Solving North's nuclear weapons issue is the utmost priority for the international community to support the integrity of non-proliferation regime. She further argued the case of a peacefully unified Korea, which will be a successful nuclear weapons free democracy safeguarding human rights, aimed at contributing to North East Asia peace and prosperity.⁶⁷ On September 29, South Korean Foreign Minister Yun Byung-se met U.S. Secretary of State John Kerry and Japanese Foreign Minister Fumio Kishida on the sidelines of the 70th session of the UN General Assembly. The leaders discussed security situation in the Korean Peninsula and potential provocation from North Korea.⁶⁸

⁶² 'N.K. leader voices readiness to fight war with U.S.', *Yonhap News Agency*, October 10 <http://english.yonhapnews.co.kr/northkorea/2015/10/09/0401000000AEN20151009006653315.html> accessed on November 25, 2015

⁶³ '(LEAD) NK may launch long-range missile around its anniversary: Seoul', *Yonhap News Agency*, September 10 2015 <http://english.yonhapnews.co.kr/national/2015/09/10/0301000000AEN20150910002351315.html> accessed on November 25, 2015

⁶⁴ 'N. Korea set for military parade for party anniversary, instead of missile launch', *Yonhap News Agency*, October 2, 2015 <http://www.koreaherald.com/view.php?ud=20151002000556> accessed on November 25, 2015

⁶⁵ 'Park meets with U.N. chief', *Yonhap News Agency*, September 26, 2015 <http://www.koreaherald.com/view.php?ud=20150926000018> accessed on November 25, 2015

⁶⁶ 'President Park's visit to New York for UN summit in 2015, The President to attend UN Sustainable Development Summit and 70th UN General Assembly', *Office of the President*, September 16, 2015 <http://www.korea.net/Government/Current-Affairs/ForeignAffairs/view?affairId=485&subId=515&articleId=3133> accessed on November 25, 2015

⁶⁷ 'President Park's visit to New York for UN summit in 2015, President urges North to choose openness, cooperation', *Korea.net*, September 30, 2015 <http://www.korea.net/Government/CurrentAffairs/ForeignAffairs/view?affairId=485&subId=514&articleId=130149> accessed on November 25, 2015

⁶⁸ 'ROK, the US and Japan to Hold a Trilateral Foreign Ministers' Meeting', *Ministry of Foreign Affairs ROK*, September 22, 2015 http://www.mofa.go.kr/ENG/press/pressreleases/index.jsp?menu=m_10_20 accessed on November 25, 2015

Meanwhile, on September 27, North Korean Foreign Minister Ri Su-yong said at the U.N. summit that economic sanctions and hostile U.S. policies affects development objectives of the Kim Jong-un regime. Ri, in his statement, said the U.S. tirelessly attempts to 'suffocate' its progress by chronic hostility and antagonistic policy aimed at removing the socialist system of North Korea.⁶⁹

Korea-U.S. integrated defence dialogue hosted in Seoul

On September 23-24, the eighth Korea-U.S. integrated defence dialogue was hosted in Seoul between the U.S. Department of Defence and South Korean Ministry of National Defence. During the dialogue, both nations committed to maintain close coordination with regard to potential North Korean provocations and repeated their demand on Pyongyang to give up its nuclear programme in a complete, verifiable, and irreversible way. Both sides measured the progress concerning concluding the jointly developed strategic alliance 2015 replacement plan. Furthermore, they exchanged views on regional and global security issues, including opposing weapons of mass destruction and proliferation, and space and cyber security. They also deliberated on forming a combined alliance database to support defence operations.⁷⁰ Additionally, discussion on penalty in case North Korea launches a long-range missile, transfer of the U.S. operational control of South Korean forces and the allies' defence plan against North Korean nuclear and missile weapons were discussed.⁷¹

Earlier, the U.S.-South Korea joint anti-biological drill called the Able Response 15 started on September 7. The defence ministry stated that the objective of the joint drill is to increase the collective response against possible biological attacks. Beside the defence departments, the drill also included the local Health Ministry.⁷²

Korea-Japan-China cyber policy consultation was held in Seoul

On October 15, the second Korea-Japan-China cyber policy consultation was held in Seoul. Japanese Ambassador in charge of cyber policy, Makita Shimokawa and Chinese Coordinator for cyber affairs, Wu Haitao met with their South Korean counterpart Choi Sung-joo and discussed cyber strategies and policies, international norms and CBMs in cyberspace and possible areas of trilateral cooperation. All three countries agreed to cooperate on the cyber threats against critical infrastructures⁷³ and explored prospective areas of trilateral cooperation while countering cyber threats. Each nation recognised that the cooperation among law-enforcement agencies have increased through the institution of cybercrime directors workshop. The third trilateral cyber policy consultation will be in Japan.⁷⁴

North Korea-China annual trade fair held in Dandong

On October 15, a four-day North Korea-China annual trade fair began in Dandong in Liaoning province where several Chinese and North Korean corporations participated. In addition, several Hong Kong, Vietnamese,

⁶⁹ 'N. Korea claims sanctions hinder development goals', *Yonhap News Agency*, September 29, 2015 <http://www.koreaherald.com/view.php?ud=20150928000122> accessed on November 25, 2015

⁷⁰ '8th Korea-U.S. Integrated Defense Dialogue', *U.S. Department of Defense*, September 24, 2015 http://www.defense.gov/Portals/1/Documents/pubs/Press_Statement_8th_KIDD_Sep24_OSD_FINAL.pdf accessed on November 25, 2015

⁷¹ 'S. Korea, U.S. start defense talks amid looming N. Korean missile launch', *Yonhap News Agency*, September 23, 2015 <http://www.koreaherald.com/view.php?ud=20150923000389> accessed on November 25, 2015

⁷² 'S. Korea, U.S. launch joint 3-day drill against bio threats', *Yonhap News Agency*, September 7, 2015 <http://www.koreaherald.com/view.php?ud=20150907000688> accessed on November 25, 2015

⁷³ 'The 2nd Korea-Japan-China Cyber Policy Consultation', *Ministry of Foreign Affairs ROK*, October 15, 2015 http://www.mofa.go.kr/ENG/press/pressreleases/index.jsp?menu=m_10_20 accessed on November 25, 2015

⁷⁴ 'The 2nd Korea-Japan-China Cyber Policy Consultation', *Ministry of Foreign Affairs ROK*, October 15, 2015 <https://www.mofa.go.kr/webmodule/htsboard/template/read/engreadboard.jsp?typeID=12&boardid=302&seqno=315774> accessed on November 25, 2015

Mongolian and Thai companies took part in the Expo. Besides, China and North Korea plans to launch a border trade zone in Dandong.⁷⁵ The objective reportedly was to revive borders and achieving shared prosperity for both nations. Dandong Mayor, Shi Jian reportedly argued that there is a need to develop border trade to convert Dandong into a hub of international trade in the North East and strengthen cooperation with Choson. Besides, reports indicated that the annual China-North Korean trade, culture, and tourism fair also took place which was attended by one hundred North Korean trading companies.⁷⁶ New tourism projects between the two countries featured on the agenda.

South Korea deepens cooperation with China on climate change issue

On October 9, South Korea and China held their third bilateral dialogue on climate change in Beijing. Both countries discussed several important issues such as new climate regime, the prospects of the December 2015 Paris conference, greenhouse gas emissions trading schemes, energy and technologies for battling climate change and their individual Intended Nationally Determined Contributions (INDCs) submitted to the UNFCCC. This exchange provided an opportunity to South Korea to collect thorough information on China's nationwide greenhouse gas emissions trading scheme, the introduction of which in 2017 was reaffirmed in the U.S.-China Joint Presidential Statement on Climate Change issued in September.⁷⁷

South Korea-Japan defence ministerial meeting hosted in Seoul

On October 19, South Korean and Japanese defence ministers met in Seoul and discussed on restarting the negotiation on sharing military intelligence. This comes ahead of the China-Japan-South Korea trilateral summit scheduled in Seoul on November 1. Both Han Min Koo and Gen Nakatani decided to restart discussion on methods to prevent North Korean provocation, address mutual concerns and strengthen bilateral defence cooperation. Gen Nakatani has also briefed his South Korean counterpart on Japan's new security laws.⁷⁸ Gen Nakatani visited South Korea from October 20-22. Besides the meeting where regional situation, defense policies of both countries, and Japan-ROK cooperation and exchange were discussed, he also visited Panmunjom, and the Seoul International Aerospace & Defense Exhibition 2015.⁷⁹

South Korean defense ministry confirmed that it intends to send a naval vessel, KDX-II-class destroyer Dae Jo-yeong, to the international fleet review by the Japanese Maritime Self-Defense Force (MSDF) for the first time since 2002. Moreover, the ship will also participate in a joint MSDF search and rescue exercise aimed at joint-response to maritime mishaps.⁸⁰

⁷⁵ 'N. Korea, China to kick off annual trade fair on Oct. 15', *The Korea Herald*, October 2, 2015 <http://www.koreaherald.com/view.php?ud=20151002000560> accessed on November 25, 2015

⁷⁶ Seong Yeon-cheol, 'N. Korea and China "reviving their borders" in Dandong?', *The Hankyoreh*, October 16, 2015 http://english.hani.co.kr/arti/english_edition/e_northkorea/713179.html accessed on November 25, 2015

⁷⁷ 'ROK and China to Hold their 3rd Bilateral Dialogue on Climate Change', *Ministry of Foreign Affairs ROK*, October 8, 2015 http://www.mofa.go.kr/ENG/press/pressreleases/index.jsp?menu=m_10_20 accessed on November 25, 2015

⁷⁸ 'Seoul, Tokyo likely to boost defense exchanges', *The Korea Times*, October 19, 2015 http://www.koreatimes.co.kr/www/news/nation/2015/11/205_188990.html accessed on November 25, 2015

⁷⁹ 'Japan Defense Focus No 71', *Ministry of Defense Japan*, December 2015 <http://www.mod.go.jp/e/jdf/no71/leaders.html> accessed on November 25, 2015

⁸⁰ 'South Korea to join fleet review in Japan for first time since 2002', *Kyodo*, September 7, 2015 <http://www.japantimes.co.jp/news/2015/09/07/national/politics-diplomacy/south-korea-join-fleet-review-japan-first-time-since-2002/#.Ve6CfVK6a1t> accessed on November 25, 2015

Developments in inter-Korea relations

On October 20, family reunions were facilitated at Mount Geumgang in North Korea for the first time since February 2014. South Korean families who parted ways following the Korean War met their North Korean relatives. This development happened following the inter-Korea agreement reached on August 25 where both Koreas decided to accelerate the momentum of resuming family reunions.⁸¹ On September 15, both Koreas shared a list of 450 applicants from which a final list of 100 was streamlined.⁸²

In a separate development, on September 6, Marzuki Darusman, the UN special rapporteur on North Korea's human rights situation reached Seoul to evaluate the influence of latest developments in inter-Korean relations. During his five day visit, he met with bureaucrats, and civil society and gathered data to comprehend the depth of the issue.⁸³

South Korea and China strengthens bilateral cooperation

South Korean President Park Geun-hye went to Beijing to attend the September 3rd military parade. Earlier on September 2, President Park Geun-hye held meeting with her Chinese counterpart Xi Jinping at the Great Hall of the People. Both leaders reportedly discussed security situation in the Korean Peninsula and noted the significance of inter-Korean consultations, unification issue, and recommencement of dialogue through the Six-Party Talks. Moreover, both nations decided to cooperate and exchange views for hosting the PyeongChang Winter Olympics in 2018 and the Beijing Winter Olympics in 2022. Both Presidents focused on the importance of Korea-China-Japan trilateral cooperation framework for regional peace and stability. Furthermore, the leaders talk over the intersection between the Seoul's Eurasia Initiative and the Beijing's One Belt, One Road initiative and discussed the potentials for connecting them during implementation.⁸⁴

⁸¹ 'Separated Korean War families begin reunions at Mt. Geumgang', *The Korea Times*, October 20, 2015 *The Korea Times*, October 19 http://www.koreatimes.co.kr/www/news/nation/2016/01/485_189024.html accessed on November 25, 2015

⁸² 'Koreas agree to hold family reunions in late Oct', *The Korea Herald*, September 8, 2015 <http://www.koreaherald.com/view.php?ud=20150908000577> accessed on November 25, 2015

⁸³ 'U.N. rapporteur on N.K. human rights arrives in Seoul', *Yonhap News Agency*, September 6, 2015 <http://english.yonhapnews.co.kr/national/2015/09/06/0301000000AEN20150906000900315.html> accessed on November 25, 2015

⁸⁴ 'President holds summit with Chinese President Xi Jinping', *Office of the President*, September 2, 2015 <http://www.korea.net/Government/Briefing-Room/Press-Releases/view?articleId=3126&pageIndex=1&gov> accessed on November 25, 2015

ACTIVITIES OF THE CENTRE (SEPTEMBER-OCTOBER 2015)

- A three-member Tokyo Foundation delegation led by the President of Tokyo Foundation, Masahiro Akiyama visited IDSA on 2 September 2015. Important issues including India's maritime strategy, regional security issues, Japan's current security outlook and India-Japan relations were debated.
- On September 11, a six member delegation from Sichuan University and Sichuan Academy of Social Sciences visited IDSA for half day interaction on India-China relations. Recent developments in the India-China bilateral relations and developments in Afghanistan, South China Sea and China Pakistan Economic Corridor were discussed.
- IDSA and Embassy of the Republic of Korea hosted a half day seminar on India-Korea Relations on September 16. Issues like North Korean domestic scenario, developments on the Korean reunification, India's relations with North and South Korea, North Korean nuclear issues and emerging Asian security architecture were discussed during this seminar.
- Dr. Yasuyuki Ishida, Research Fellow at JIIA gave a briefing on PM Abe's statement and the 70th anniversary of WWII on September 21.
- Prof. Katsuyuki Yakushiji of Toyo University in Japan visited IDSA for an interaction on North East Asia, defence economy, and naval/maritime issues on September 28.

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