Challenge and Uncertainty in a Volatile World
Japan–UK Responses

With essays by Catherine Ashton and Yuichi Hosoya
## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>About the UK–Japan Global Seminar</td>
<td>2</td>
</tr>
<tr>
<td>About the Fourth Seminar</td>
<td>3</td>
</tr>
<tr>
<td>Globalization and the Nation State – The UK in Perspective</td>
<td>4</td>
</tr>
<tr>
<td>Globalization and the Nation State: Can Japan and the UK Strike a Balance?</td>
<td>12</td>
</tr>
<tr>
<td>Meeting Summary</td>
<td>17</td>
</tr>
<tr>
<td>Agenda</td>
<td>24</td>
</tr>
</tbody>
</table>
The UK–Japan Global Seminar Series aims to explore how the UK and Japan can work together more effectively to address a number of critical challenges that the world is currently facing in the economic, security and social spheres, broadly defined.

Both countries are in a position to capitalize more fully on their respective comparative advantages in order to confront these common challenges. Closer cooperation will offer increased scope and opportunity to identify common strategic priorities and to devise appropriate solutions.

To this end, each year, the UK–Japan Global Seminar Series convenes an annual conference, held alternately in London and Tokyo, to discuss these shared concerns and identify practical ways to deepen UK–Japan cooperation. The project also produces a range of publications and hosts discussion groups to provide opportunities for policy experts, analysts and decision-makers from the UK and Japan to assess their respective approaches to a range of challenges.

The UK–Japan Global Seminar Series is funded by The Nippon Foundation and is held in partnership with The Nippon Foundation and the Great Britain Sasakawa Foundation.
About the Fourth Seminar

This two-day conference, held in Tokyo on 12 and 13 October 2016, explored UK and Japanese approaches to the risks and opportunities – political and economic – currently facing Asia and Europe. Topics included Brexit and the future of the EU, the impact of TTIP and TPP, China's role in Asia's regional order, and the evolution of national identity in Japan and the UK. The concluding session considered the major challenges to stability that Europe and Asia will encounter in the short- to medium-term, and outlined possibilities for further UK–Japan cooperation.

This conference was held as part of the UK–Japan Global Seminar Series. It was the fourth conference in a five-year series, held alternately each year in London and Tokyo. The project is funded by The Nippon Foundation and held in partnership with The Nippon Foundation and the Great Britain Sasakawa Foundation.
Globalization and the Nation State – The UK in Perspective

*Catherine Ashton*

Globalization has always had a mixed reception. For some the resulting developments have been positive, such as the ability to trade in the blink of an eye across world markets, connectivity through social media, and 24 hour instant access to events all over the world. For others globalization means job losses to other countries (especially emerging markets), an increase in immigration, and stagnation of wages and opportunity. While this may appear simplistic, these factors resonate in the choices that citizens make, not least in the decision to leave the European Union for the UK, and in the election of Donald Trump as the 45th US president.

As the world shrinks, nation states grapple with issues that no longer recognize borders. Corporate bodies have multinational boards and outlets requiring regulation that is smart, flexible and international. Climate change needs a global response to support the most vulnerable states and incentivize polluters to seek alternative energy pathways. Pandemics demand international responses, prepared in advance. The challenges of war and conflict that spill across borders are beamed into homes 24 hours a day.

Nation states have increased collaboration in order to handle this reality. This is both to better understand the problems each of them faces and to address the consequences. To achieve solutions that can benefit all concerned, there is a need to share information to try and iron out differences in approach to common challenges. That is not at all easy. For some the effects of, say, climate change are real and current, for others they seem less urgent. Meanwhile, the reality of refugees fleeing conflict is literally on the borders of some countries, for others they are far away. As a result, getting cohesive responses is a difficult challenge – though it is sometimes made easier by an understanding that tactical support for a solution to someone else’s problem often buys support for one's own issue when needed. In foreign policy terms none of these problems can be solved by a single country. The planet has become interconnected, for better or for worse.

This is the reality that led the European Union to rapidly grow in size to 28 countries with the largest group of eight countries joining in 2004, two further members joining in 2007, and the accession of Croatia in 2013. Interconnectivity and the promise of a peaceful and potentially economically beneficial environment are the reasons the countries of the Western Balkans see their future in the EU; and why countries like Turkey consider the possibility as an ultimate political destination (though changes in the political climate in Turkey make this increasingly unlikely from both sides' points of view).

In other parts of the world, the Arab League, African Union, ASEAN and others, are attempts to pull together economically in order to take greater advantage of trade internally and internationally. But gradually these groupings have moved beyond economics to take a joint political stance, regarding conflict prevention or resolution as a combined effort. The Arab League developed its own crisis centre in Cairo, supported by the EU. The Gulf Cooperation Council actively sought to broker a solution in Yemen. The African Union took a stance on the removal of Mohamed Morsi as president of Egypt and others have, to an extent, tried to develop a single point of view on the concerns of their members –
however disparate the views may be. ASEAN is still trying to move beyond its desire to increase economic collaboration to a broader direction encompassing a strategic regional perspective that all can embrace.

So against this backdrop of greater collaboration, the decision by the UK to leave the European Union surprised and shocked many across the world. In part this was due to the unexpected nature of the decision – most projections and opinion polls had suggested a narrow win for the position of remaining in the EU. But it also reflected the fear that the UK was moving away from its outward looking approach to foreign affairs and security and instead would ‘pull the drawbridge up’ against the rest of the world.

The assumption that the nation state is more effective by projecting its power with and through others took a hit. No longer could direct cooperation and unity be seen as the ‘obvious’ approach to political and economic turbulence. The architects of Brexit point to the UN Security Council and NATO as proof that Britain still believes in formal collaboration – and they have a point – but for most onlookers the European Union and its economic strength was fundamental to how they saw the UK.

The architects of Brexit point to the UN Security Council and NATO as proof that Britain still believes in formal collaboration – and they have a point – but for most onlookers the European Union and its economic strength was fundamental to how they saw the UK.

So, what has happened? A great deal of analysis has taken place since 23 June 2016 about who voted to leave and why. Some has focused on the lacklustre campaign of remain or the misleading statements of leave. People whose lives have not improved in the years since the last economic crisis (or before that in many cases) have lost faith in traditional politics or politicians and feel that the weight of external forces made life worse and their prospects poor. They made their voice heard in the referendum where the issues were put forward as a choice: the status quo, led by so called experts and politicians, versus ‘independence day’ led by those who made the rejection of experts and politicians from the mainstream an appealing choice. The saleability that the choice to leave meant many different things to different people was part of the appeal.

Essentially people voted leave for three reasons; first, concern about high levels of immigration from the EU, especially from Eastern European countries. Successive UK governments in their struggle to get a grip on immigration had made clear that they were helpless in the face of EU rules on free movement, thus creating an obvious narrative about taking control of this issue by leaving. This was compounded by a substantial underestimate of how many might wish to come to the UK when the large wave of Eastern European countries joined the EU.

Second, this issue of control for some was paramount. Leave voters no longer wanted to see European Courts active in British issues or to have EU regulations determine such things as the future of their environment, food labelling and business activity. The facts behind the regulations or their origins – some from Britain – didn’t figure in the debate. The point was that they ‘weren’t made here’ and therefore couldn’t be controlled in Britain, just imposed on Britain. Not much was ever done to dispel the myths behind this; the reducing red tape argument was used as part of electioneering through several general elections.

Third, the costs associated with the European Union budget. During the campaign the leave side made a direct link between gross UK contributions to the EU budget and investment that could be made
directly to the National Health Service, an institution that British voters cherish that always needs more money. There was little discussion of the net figures, which represent the amount returned to the UK by way of investment in medical research, farming and infrastructure investment. Given a straight choice as it was described to them, between Brussels bureaucracy swallowing billions of pounds and having a better health service, many people voted for what made sense to them. The basic point about public service investment relying on strong economic performance resonated only to a point – many believed our economic performance would not be damaged or possibly enhanced in the medium term if not initially.

These three concerns led many – especially in England and Wales – to decide that a leap into the unknown was safer in the longer run for them and their families. Their choice was to break with a past that had not delivered for them and look to a future that might. This same choice played into the decision to put Donald Trump into the White House, rather than Hillary Clinton.

Furthermore, in a nod to the similarity of the voters, those who took Brexit to victory like those who voted to make Trump president tended to be older, less well-off people who did not go to university. Lots of other people voted for Brexit and Trump including many on high incomes or from different groups – nonetheless this group of disaffected people who have seen their living standards and life chances diminish were key to success in both cases. In a more confident world they might well have voted to stay, but they perceived a better future in a country that was more robust in its dealings with the outside world. The reality may look very different, depending now on what decisions are made by the new administrations led by Theresa May and Donald Trump.

The bigger question that occupies the new May government is what kind of Brexit should Britain have, and how to deliver on the promises that led to the decision in the first place. The government is under significant pressure to put together a strategy and a stage-by-stage plan that gets Britain safely to the exit door without jeopardizing the economy, losing Scotland or Gibraltar, or causing a return to the bad old days in Northern Ireland. Prime Minister May and her team must deliver for the 52 per cent who voted leave, without fully alienating the 48 per cent who voted remain. The implications for the economy are not yet clear and will remain uncertain for some time yet – talk of companies leaving the UK in significant numbers to establish their headquarters in continental Europe has not materialized into fact yet. But the need to reassure Nissan that its future lay in the UK by means that are not yet clear is one specific indication of the anxiety of industry and government alike.

**Is Britain becoming more isolationist?**

Undoubtedly some of those who voted for Brexit want Britain to step back from a role in the wider world. In most countries there are those who hold similar views. They believe that the interconnected problems we face today can best be solved by breaking the connections between states and dealing only with problems as they arrive on their borders – largely by closing them. This may seem wholly unrealistic and not in the broader interests of the population, politically or economically, but these views exist and have their place in the overall decisions that are made. For example, many take the view that too much is spent on international development, preferring to see that money spent domestically, in line with a belief that ‘our’ people’s needs should always come first.

Charities that, in the past, focused on countries in Africa and Asia have in some cases added a focus to those in need in the UK. While not a direct response to those wary of overseas aid, it is a recognition that domestic needs must be met too. In addition, the new development secretary has indicated
changing priorities to fit more with future UK needs, linking aid to trade and questioning how money has been spent in the past. It remains to be seen to what extent the government considers aid spending as part of its outward messaging and whether it remains faithful to its 0.7 per cent of gross national income commitment, enshrined in law by David Cameron.

But in broader terms Brexit didn’t fundamentally question the UK’s participation in the wider world, either alone or as part of a group of nations. NATO membership did not figure in discussions. UN Security Council membership was not mentioned nor was the collaboration with France on defence. Indeed in many debates the distinction was made between collaboration with European partners and allies and membership of the EU as a bureaucratic bloc. Nonetheless, this is a fundamental shift in the way the UK will work in the world and for many onlookers this is a detrimental step both for the country and the alliance it is leaving. Some form of reset will be necessary and ahead lies a long and challenging negotiation to determine how the UK will relate to the bloc it once championed.

The government and politicians who sought an end to membership of the EU but not to move to a more isolationist trend will need to demonstrate their strategy and commitment for ongoing participation in foreign affairs, development and trade.

From the outset the May government has made a great deal of the opportunities it sees in new trade agreements in the world – Australia, New Zealand and India have most recently been cited, with possibilities for China. Perhaps the failure to make much of the already substantial links with Japan contributed to Prime Minister Abe giving a detailed paper on the consequences of Brexit in a very open way to the then new Prime Minister May – widely considered an unusual move for Japan. These messages have been very deliberate, designed to show Britain is ‘open for business’ and determined to remain international in its outlook. They have been generally well received in a number of countries with some positively indicating the opportunity they now perceive to do bilateral trade deals with the UK. For others there is some scepticism about how quickly these trade deals can be done, and the need to ensure the UK has its relations with the WTO clarified first.

The biggest trade relationship challenge will of course be with the EU itself and the remaining 27 members and then the trade deals that exist between the EU and third countries – around 50. Some will be less important to the economic well-being of the UK but if the government can quickly conclude agreements that keep those intact for the time being, they will. However, when those trade deals begin to unravel is when the challenges really begin. Britain has done well out of some trade agreements not because non-EU countries have any special interest in the UK, but because the UK benefits from the deals they do with the EU as a whole. This patchwork of opportunities forms the basis of trade agreements with the prospect of half a billion people as potential customers. A figure of 60 million is less appealing and for some countries there are simply not enough good reasons to do a deal, or for the UK insufficient benefit to opening markets further. Still, there is no doubt that with the creation of a Secretary of State for International Trade with a department to back them up, May has signalled trade to be a big part of her approach to the rest of the world and to Britain’s economic future.

NATO membership remains a strong part of the UK’s defence and security strategy and it is already hitting the desired spending target of 2 per cent of national GDP. There is no reason to believe that this will change. Concerns about Russia have put NATO back in the spotlight especially for the Baltic states. The effect of the Trump presidency on NATO is of course for the future, and the role of the US in European defence will no doubt be the subject of great debate. However, it is likely that European nations will look to a stronger coordinated approach from the EU, through the European Defence
Agency (EDA) and the work of the defence ministers in collaboration with each other. The UK over the years has blocked all increases to the EDA budget and took a strong stance against any idea of a fixed headquarters for the military missions undertaken by the EU, preferring each mission to be hosted and run from an individual member state and for that headquarters to close at the end of each mission. The UK has always reasoned that this took away from the role and resources of NATO, which it prioritized. It may be that in a scenario when the US changes its policy supporting Europe, and without the UK to block such moves, these stronger ties will come into effect. However, they are unlikely to be achieved in ways that NATO would see as other than complementary to its work.

Previously, NATO has generally welcomed work to improve research and development on improvised explosive devices (IEDs) or mid-air refuelling and helicopter training – all done through the EDA with UK officials as part of the team.

Britain will also continue to work closely with its European partners on security. The level of collaboration on counterterrorism and security issues, including cybersecurity should continue unabated. Reassurances have already been given by politicians that these services will carry on their work together. How far the disentangling of agreements will need to happen and to what extent they can simply be left in place is for experts and lawyers to determine. But there is no suggestion that a move towards less is foreseen – rather there is likely to be a push for greater sharing in the future.

If the US goes in different directions to UK policy that may mean the UK will lose an important partnership alongside the loss of its role as one of two members who can speak for the EU 28 member states. That role will fall solely to France and has the potential to boost its role among permanent members.

The UK has always highly valued its place in the UN Security Council and will resist any attempts to change the status it enjoys as a permanent member. It is the focal point of much of its activity with the US and where it challenges Russia politically. The EU has been the place it has challenged Russia economically up until now. From now it will need to form either an alliance with the EU or create ad hoc coalitions to continue this. The Trump presidency may take a different view on some of the issues that the UK and US have worked on over recent years but the UK will want to continue to be seen as an important part of the fabric of the UN Security Council. If the US goes in different directions to UK policy that may mean the UK will lose an important partnership alongside the loss of its role as one of two members who can speak for the EU 28 member states. That responsibility will fall solely to France and has the potential to boost its role among permanent members. With China and Russia working together on many issues the question will be the degree to which the UK can stand alone and is willing to be closer to France and Europe. At this stage, this is speculation about US policies that are unknown. Suffice to say there is no suggestion at present of the UK wanting to play a lesser role in the UN Security Council.

**UK engagement in East Asia?**

The UK is likely to want to strengthen its economic links in East Asia. First it has strong economic ties with Japan that have worked in the UK’s favour over many years. The decision by Abe to raise questions about the future of Japanese industry in the UK was important, as are the assurances given to Nissan. Japan sees the UK not just as a bilateral partner but a gateway to the EU, any threat to this status is a threat to the Japanese economy. May and her government will want to continue to reassure
Japan. At the same time the work done by the previous prime minister and especially Chancellor Osborne to develop closer economic links with China has not gone unnoticed in Japan and the region. It is not yet clear whether a deliberate policy of pursuing Chinese investment will continue at the level of the previous government, but bilateral links with China will be high on the economic list of things to do. However, the usefulness to China of strong links with the UK was in part because the UK would push the EU to strengthen its ties with China. With the UK out of the EU they may look elsewhere to develop deeper relations, and will watch carefully to see if a downturn in the British economy makes their investment and trade links less important.

Britain has benefited from the EU trade agreement with South Korea and finding ways to continue to secure those benefits is crucial. So a small ‘pivot’ in the direction of East Asia by the UK is inevitable. How this plays out in the political arena is, of course, of enormous importance too. While Japan and others have concerns about Chinese actions in the South and East China seas, and while a number of territorial disputes continue, the UK will need to decide how it will engage in the region’s political issues. The role that the UK plays in the Security Council and in its wider willingness to be a voice of constraint against Chinese ambitions matters to other countries of the region and beyond. A Trump presidency may change US policy on issues affecting the region and the UK may make strategic decisions about whether it wants to tuck in behind those changes as part of its ‘special relationship’ with the US, or whether it decides to continue with present policy. Whatever happens, important elements of future collaborations on foreign policy will be played out here. If US policy remains the same they will continue to push for European support for US policies – including that of the UK.

One element of East Asia policy remains a certainty – the continued pressure on North Korea. The UK will not change policy there, and neither can we anticipate a change from the US. Trump has suggested that China should play a stronger role in reining in its neighbour – it remains to be seen if that is practical or possible. But it is not likely that overall the Security Council will shift direction here and UK policy will remain constant. Finally, the current UK foreign secretary has yet to spell out his views on a broader agenda in East Asia and may now wait to see what happens in the US before he does so. However, it is clear that economic links will remain important for the future.

**The isolationist trend – fact or fiction?**

Those concerned that Brexit means a trend towards isolationism will be watching the early days of a Trump presidency closely. Amidst the fears of a more inward looking, less tolerant society in both countries is a worry that this trend means nation states will no longer work together to solve the many complex problems the world faces. Without collaboration there is little prospect of major problems being solved at all – be they the plight of refugees, climate change, war or famine.

It is difficult to know when individual examples become a trend but certainly there is a growing set of issues that need to be addressed by domestic governments. For those who feel left behind or whose lives have not improved there is a requirement to consider positive government action – whether on housing, infrastructure, minimum wage levels, job creation and improved public services. If those people are going to feel more confident in their own futures, these issues are paramount. Without that confidence they are less likely to support engagement elsewhere and will see it as wasting resources that should be spent on helping them.

EU members understand that being part of the bloc brings responsibilities and requirements as well as benefits. Or put differently, they understand that tangible benefits are not the only feature of
their membership. There are expectations on how they behave, how they operate economically to prevent unfair competition, how they treat their citizens and their media and how they respond to great challenges such as a sudden influx of refugees. All of this puts strain on relationships in the EU that creates a tension between the sovereignty of national governments and the collective approach to issues. Domestic politicians are only too aware that their continuation in office is dependent on the decisions made by their own voters, who may not embrace open trade or may be less willing to take in refugees and who see the acquiescence to such moves as weakness in their own leaders, unable to stand up for domestic interests in the EU.

Reconciling the political reality that in a shrinking world 'everything is local' with the need for international solutions requiring collective action is extremely difficult – as many leaders are discovering. And the results of the UK's EU referendum and win for Trump will make national politicians more uneasy at their ability to read the public mood.

But frustration with organized coalitions does not mean a move away from collaboration. Britain has left one particular grouping for a set of reasons that do not preclude its participation in other groupings now or in the future. And as challenges grow the need for more flexible coalitions to form is becoming more important. It is not unusual now to find that countries working together on one issue are at loggerheads on another. The most obvious example of this is Russia. During the Iran negotiations Russia was a fully participating nation, spending many hours, days and weeks in constructive discussion with its partners from the P5 and with the EU. Simultaneously all the countries round that table, except China, were implementing sanctions on Russia for its takeover of Crimea and its actions in Ukraine. Yet the negotiations were concluded without one issue spilling over into another in any destructive manner. Groups of nations coming together to tackle a crisis – so called ‘friends of’ or ‘contact group’ – have become more usual. How successful they are in the longer run remains to be seen.

Shifting collaborations and coalitions are less able to carry out the long term, deeper work that organizations can tackle. The United Nations or the EU may be slower to act, and need to create consensus before they can move, but they are both long-term actors with deep, multi-faceted engagement. This is important for a whole variety of reasons, not least that too often short-term groupings tackle the symptom or overt problem without dealing with the underlying causes or long-term effects. So the difficulty for the EU to have lost a big partner in the UK is going to be felt in its operations around the world, both short and long term. For the UK, its capacity to work alongside others need not be affected but it will need to work harder not to duplicate efforts or waste resources. The outcome of the Brexit negotiations should provide ample opportunity for new protocols to be developed that can address how the UK will be engaged.

There is a final point that needs to be made about international engagement and isolationist tendencies. Many people have grown weary of ongoing crises that do not seem to have solutions, such as conflicts in Afghanistan, Iraq, Syria, Libya and Ukraine. Policies pursued have not as yet offered long-term solutions nor ended the suffering of people. In some cases opinion is divided as to the success or usefulness of pursuing a particular course of action. And as international relations, especially between Russia and the US, have worsened many are ready to look at different approaches or responses. For some, disengagement feels like a positive policy rather than ‘more of the same’. In this paper there isn’t space to go into all the reasons why disengagement is rarely the answer, but the questions that it throws up are important in the context of whether we are moving to a time of greater isolationism. It is not an unpopular notion to talk about ‘getting out’ of conflicts or ‘leaving them to it’. Arguing to focus on domestic questions is for obvious reasons very popular.
So while Brexit itself is not an indication of Britain moving away from engagement in the world, the reasons people voted for it, if not addressed, could lead to a more populist, inward-looking approach that would resonate far beyond the UK. Problems left unresolved do not remain neatly behind borders. They have consequences – and that applies to domestic issues too. Although the UK may not be heading for isolation in a real sense, there is no question that unless the underlying reasons for Brexit are dealt with, it will be harder in the future to get the required political support for intervention and engagement overseas.
Globalization and the Nation State: Can Japan and the UK Strike a Balance?
Yuichi Hosoya

Introduction

Fifty years ago, Stanley Hoffmann, professor of international politics at Harvard University, pondered whether the nation state in Western Europe remained ‘obstinate’ or had become ‘obsolete’. He added that, ‘if there was one part of the world in which men of goodwill thought that the nation-state could be superseded, it was Western Europe.’

Presenting his own conclusion, Hoffmann wrote that ‘the nation-state is still here, and the new Jerusalem has been postponed because the nations in Western Europe have not been able to stop time and to fragment space.’ To put it simply, European integration did not, and will not for the foreseeable future, remove nation states from Europe’s regional order.

Half a century later, 2016 has presented many examples of the continued ‘obstinacy’ of the nation state in the Western world. The refugee crisis has enhanced border controls, even within the Schengen area of the European Union where the free movement of people is institutionalized. Although the UK is outside the Schengen area, the issue of immigration and control of borders has driven the UK towards Brexit.

At the same time, globalization has affected the politics, economy, society and culture of the nation state. Andrew Linklater, a professor of international politics at Aberystwyth University, has written that, ‘There is no reason to think that sovereign states are about to be replaced by new forms of political community; but globalization and fragmentation have posed new challenges for nation-states.’ The question is whether nation states can appropriately and effectively respond to the challenges as well as opportunities that globalization has presented.

The rise of nationalism and populism in a globalized age

Neither the UK nor Japan have been immune to the challenges of globalization and both have responded in their own ways. As their internationally successful brands and products – such as Dyson, Rolls-Royce, Burberry, Toyota, PlayStation and Pokemon – show, the UK and Japan are successful models of globalized nation states. Both countries have cosmopolitan cultures, exemplified by the cities of London and Tokyo.

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Nonetheless, the mixture of nationalism and populism resulting from globalization has had an impact on both British and Japanese politics. Politicians who strongly advocate international cooperation and trade liberalization have come under severe political attack. On the other hand, some politicians, such as Boris Johnson during the Brexit campaign, have gained support by criticizing foreign countries and international institutions.

In Japan, nationalistic political agendas, such as the Northern Territories dispute and that of North Korean abductees, are often exploited as a tool for attacking National Diet members who take a softer stance. For example, when Renho Murata, who is currently the leader of the main opposition Democratic Party, revealed that she had not formally renounced her Taiwanese citizenship, she was subjected to a severe attack on her dual nationality.5

Perhaps counterintuitively in a globalized world, it is clear nation states are regaining power and liberal democracies are seeing stronger nationalist sentiments. The Economist noted that:

> For the first time since the second world war, the great and rising powers are simultaneously in thrall to various sorts of chauvinism. Like Mr Trump, leaders of countries such as Russia, China and Turkey embrace a pessimistic view that foreign affairs are often a zero-sum game in which global interests compete with national ones.6

This trend can be observed in the EU as well. As Timothy Garton Ash wrote in the Guardian:

> What we are seeing in 2015 is Europe’s reverse 1989 … Remember that the physical demolition of the iron curtain started with the cutting of the barbed wire fence between Hungary and Austria. Now it is Hungary that has led the way in building new fences, and its prime minister, Viktor Orban, in stoking prejudice. Europe must keep out Muslim migrants, Orban said earlier this autumn, ‘to keep Europe Christian’.7

The UK and Japan have both experienced the challenges of a rise in nationalism. In the UK, there is evidence of a link between English nationalism and Euroscepticism, which influenced the result of the EU referendum and set the country en route for Brexit.8 The rise of English nationalism is a dangerous factor that could very well cause the demise of the ‘United Kingdom as a union of four nations’ as both Scotland and Northern Ireland could begin to rethink their identity as a part of the UK if it were no longer a member of the EU.9

Meanwhile, according to Garton Ash, ‘the shock of Brexit to a continent already staggering under many crises could spell the beginning of the end of the European Union’.10

Japan’s national identity transformed

In East Asia, several new developments such as democratization and the re-emergence of historical issues have ignited national identity tensions. Gilbert Rozman, a professor emeritus at Princeton

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University and leading expert on East Asia, has written that in the region ‘clashing national identities linked to problems in bilateral relations played the primary role in delaying regionalism.’

The American alliance system has contributed to providing peace and stability in the Asia-Pacific region for several decades. However, after the end of the Cold War, the absence of the Soviet military threat transformed regional political dynamics. Just as the rise of nationalism has hampered the European integration process, it has also been a major obstacle to regional integration in East Asia. Rozman called this the ‘East Asian National Identity Syndrome’, and argued that this has been ‘a principal factor behind intense regional distrust along with difficulties in relations with the United States’.

Japan’s main source of uncertainty in the future is not whether it should join a Sino-centric regional integration of East Asia. Such an integration seems quite unlikely in a local climate of clashing national identities. While Japan has been seeking to develop regional economic cooperation in East Asia, it prefers security cooperation among like-minded democracies such as the US, Australia and India. In fact, the rise of China has posed a great challenge to Japan as a nation state, as Japan’s territorial integrity becomes more uncertain as China asserts its claims over disputed islands in the East China Sea. The rapid expansion of China’s military strength is the main source of instability in East Asia, as the regional balance of power has become more fluid than ever.

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In East Asia, the existence of external threats has fuelled both nationalism and an arms race in several countries during the last couple of decades, in stark contrast with developments in the EU. Since the end of the Cold War, North Korean nuclear programs have been a source of insecurity among Japanese people. In addition, China’s increasingly assertive claims over contested territories have engendered uncertainty among neighbouring countries. Japan’s government has developed its security policy to fit into these new security challenges.

Japan’s 2013 National Security Strategy (NSS) is the first official document that clearly presents a vision of Japan’s national identity in the context of international security. The NSS describes three concepts as key features of Japan’s current national identity as: a proactive contributor to peace; a major player in the international community; and a maritime state.

Clearly, the security environment that surrounds Japan has been shaping the contours of the country’s national identity since the end of the Cold War. This new national identity differs from the previous incarnation, which was based on the principles of economic development and restraint in security activities in line with Japan’s post-war pacifist tradition. The change is widely backed by public opinion, as illustrated in a recent poll: 93 per cent of respondents supported Japan’s participation in UN peace keeping operations, and only 1.8 per cent opposed.

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However, at the same time, deterioration in the security environment in East Asia has sparked nationalistic popular sentiment in Japan. The process of globalization has also created similar nationalistic sentiments in other democratic societies that have had profound consequences, Brexit in the UK being the clearest example.

**Conclusion**

The UK and Japan are nation states experiencing major transformations in a globalized world. For the UK, the crisis is particularly acute as it is tasked with maintaining internal unity while strengthening its influence in the post-referendum world.

Since the end of the Cold War, Japan has re-examined its own national identity in a changing security environment. In response to these new challenges, Japan has tentatively presented a more proactive security policy. Instead of solely defining itself as the second largest economy in the world, Japan has developed a new national identity by contributing to efforts to maintain international peace and stability.

Although both the UK and Japan are often regarded as open nation states, it is usually difficult for populations to adapt to globalization, and nationalistic sentiments have increased in both countries as a result. However, the process of globalization affects the two liberal democracies in different ways as historical experiences, geopolitical positions and security environments differ considerably. In order to prosper it is necessary for the two powers to not remain wedded to traditional policy positions and instead adapt to the new reality of the international environment. As globalization and national unity are the cornerstones of effective foreign policy, the UK and Japan need to strike the right balance between the two, particularly as nationalism is on the rise.

The government under Prime Minister Abe has shown its pragmatism in the creation of Japan’s national identity. An example of this was seen in August 2015, when Abe, the country’s most right-wing leader in living memory, continued to uphold the broad national consensus on the actions of Japan in the Second World War, which was first acknowledged by the most left-wing prime minister in recent history, Tomiichi Murayama.

In contrast, the result of the national referendum on membership of the EU seriously compromises the unity of the UK. The ruling Conservative Party appears to be an increasingly ‘English’ political party, with only one Scottish seat in Parliament. Meanwhile, Scotland overwhelmingly voted to remain in the EU in the referendum, a consequence of which has seen the Scottish National Party, the ruling party of the Scottish Parliament, threaten a second independence referendum. It goes without saying that the result of the EU referendum necessitates the redefinition of the UK’s national identity.

As two countries with a great deal invested in globalization the world will eagerly watch how the UK and Japan overcome these difficulties and handle the rise of nationalism. Globalization brings challenges as well as opportunities. The two powers cannot ignore globalization or nationalism, and the two governments should look to increase collaboration to control the pace of globalization while securing their respective national interests.
About the authors

Baroness Catherine Ashton became a life peer in 1999. She was parliamentary under-secretary of state in the Department for Education and Skills in 2001, and subsequently in the Department for Constitutional Affairs and the Ministry of Justice. She became a privy councillor in May 2006, and was appointed leader of the House of Lords and lord president of the Queen’s Privy Council in June 2007. She served as European commissioner for trade (2008–09), and, in 2010, was appointed the European Union’s first high representative for foreign affairs and security policy. She led the EU negotiations between Serbia and Kosovo and was the UNSC’s chief negotiator for the Iran talks for four years.

Yuichi Hosoya is professor of international politics at Keio University, Tokyo. He is also senior researcher at the Institute for International Policy Studies (IIPS), and senior fellow at The Tokyo Foundation (TKFD). Professor Hosoya was a member of the Advisory Board at Japan’s National Security Council (NSC) (2014–2016). He was a member of Prime Minister’s Advisory Panel for Reconstruction of the Legal Basis for Security (2013–14), and a member of the Prime Minister’s Advisory Panel for National Security and Defense Capabilities (2013), where he assisted to draft the document of Japan’s first National Security Strategy. Professor Hosoya studied international politics at the universities of Rikkyo (BA), Birmingham (MIS), and Keio (PhD). He was a visiting professor and Japan Chair (2009–2010) at Sciences Po in Paris (Institut d’Études Politiques) and a visiting fellow (Fulbright fellow, 2008–2009) at Princeton University. His research interests include post-war international history, British diplomatic history, Japanese foreign and security policy, and contemporary East Asian international security. His comments have appeared in the New York Times, Washington Post, Financial Times, USA Today, Die Welt and Le Monde among others.
Meeting Summary
"Challenge and Uncertainty in a Volatile World: Japan–UK Responses"

Foreign policy responses: Navigating a time of dramatic challenge

Catherine Ashton began by outlining her take on foreign policy drawing on her own experience; she first touched upon the difficulty of the international community to respond to the ‘unexpected’. Although there are many ways in which this can be achieved, they often do not work quickly enough, and do not fulfil the needs of those in desperate need and in drastic circumstances. Ashton mentioned that there is a need to redefine and rethink comprehensive approaches to tackle these unexpected circumstances and problems. It is not enough to simply understand what challenges these issues create; more important is to understand the root of how these events were first created.

Therefore, solutions cannot be found in a few weeks, months, or even years. We need to look at more long-term solutions. There is a need for the international community to rethink its approach and for countries to reconnect with one another. Democracy may be one solution, but it is not a panacea. It is what leads up to and goes beyond democratic events that really matters. Many challenges need quick solutions but, at the same time, they also need to be effective in the long-term.

Next, Ashton emphasized the importance of working together, observing that there is no issue that does not require collaboration. That said, collaboration does not always appeal to the public as it may not provide noticeable positive change to the everyday lives of individuals. But from a wider perspective, in an interwoven world, collaboration is the key to realizing a better life for everyone. This gap in perception between the public and the policy communities needs to be tackled.

Giving her own experience dealing with Kosovo and Serbia as an example, Ashton highlighted the importance of the EU as a global player. She also underscored the importance of external countries to the Iranian nuclear deal, in which Russia and China contributed significantly, while countries outside of the P-5 were also extremely important in shaping the outcome.

Finally, Ashton asserted that the division between soft and hard power is not particularly helpful and that we should instead think of a spectrum of engagement and isolation, understanding that economic factors are often the driving force behind political matters. She commented that, while we cannot predict the future, we have to be prepared for it by being flexible, smart, clever, collaborative, and long term in our thinking.

During the Q&A, Ashton discussed the question of Britain’s long-term strategy after Brexit, highlighting that British interests have been multiplied through the EU. Following Brexit, Britain will have to invest greatly in diplomacy, both in Europe and throughout the world. On the issue of the revision of Article 9 and the Japanese Constitution, Ashton outlined her support for the move by Prime Minister Abe saying that the core issue here was whether this would enable Japan to support international initiatives to resolve global problems and, clearly to her mind, this is what Prime Minister Abe is seeking to do.
Brexit: Implications for Europe and the EU

The Chair, Catherine Ashton, opened the session stating that although we now understand a lot more about the reasons behind Brexit, we need to better understand the consequences of the event; whether Britain is going for a hard or soft Brexit; whether it represents a split in Britain’s relationship with Europe; and whether Britain will have to re-evaluate its relationship with the rest of the world. She questioned what the consequences would be for not only Japan–UK and Japan–EU relations, but also for relations with other countries further afield, such as South Korea and China.

Anatole Kaletsky opened up the discussion by making five points. First, hard Brexit was inevitable because of the nature of British and European politics. Second, that a hard Brexit could lead to the breakup of the entire EU as it legitimizes politicians in other countries who also advocate leaving the EU. Brexit has put into the political mainstream a possibility that had previously been seen as inconceivable and regarded as a fringe idea of the extreme right and left. The EU has to do everything it can to slowdown this trend, even if there are significant economic costs to bear. Third, there will be continued economic implications for the EU’s financial and manufacturing sectors, as well as Japanese companies. Even if London continues to be a major financial centre it will not be dominant due to its position outside of the EU. Fourth, there is cause for optimism because the damage caused by Brexit to the British economy over the next two to three years will change British minds about the decision to leave. Many British thought Brexit would mean more money for social services and when this does not materialize their minds will change. Fifth, the prime minister’s ability to maintain internal stability and remain in office is questionable and Britain might find itself in a situation similar to Japan with at least twelve different prime ministers in twelve years.

Kate Gibbons commented from a business perspective and, although she broadly agreed with Kaletsky’s view, maintained that it is difficult to define a hard Brexit. While the government is likely to say that there must be no freedom of movement, Britain is a long way from options such as a customs union and free trade agreements. She questioned whether Britain would adopt the Turkish or Swiss model. Gibbons emphasized the need to be cautious about the transition and commented that the details of achieving this need to be resolved before looking at longer term issues, such as contributions to the budget. She expressed her concern that the UK media is not focused enough on the difficulties that Britain will face as a consequence of Brexit. She compared the situation to a dance on the cliff-edge and explained that while the EU has to sound tough, it cannot push the UK too far. Once the Brexit process starts it will be irreversible.

As an economist, Takatoshi Ito provided a slightly different perspective. He stressed that the problem of Brexit is not one of democracy per se, but of direct democracy, where problems and options were ill defined and emotions carried a lot of weight. Contrary to Kaletsky’s prediction regarding London as a financial centre, Ito asserted that London might not lose its dominant status unless limits are placed on the movement of people and unless European countries actively seek to exclude London. Ito stated that the fallout of the vote for Brexit had so far been limited as British exporters were benefiting from the declining strength of the pound. On Japan–Europe relations more broadly, Ito commented that Japan wants the EU and Britain to become more aware of the geopolitical tensions in northeast Asia, not only in the South China Sea, and to be sensitive to these problems.

During the Q&A, Kaletsky stated it would require a change of only 10 per cent to create a majority against Brexit and the key question was whether public opinion would shift in sufficient numbers. Gibbons added that the British people are disassociated from the potential negative consequences of Brexit and that once they have made the connection, might change their minds. She expressed
concern about how the vote reflected the social divide present within the UK and declared that what the country needed was social cohesion as is apparent in Japan. However, Kaletsky acknowledged that any possibility of Brexit not happening was largely wishful thinking and would require a substantial extension in timescales. On the possibility of the UK rejoining the EU following a Brexit, he added that, while the possibility is there, it would take a generation for it to happen.

On the question of whether it would be a good idea to transpose a regional integration model to Asia, when it has caused considerable dissatisfaction elsewhere, Ito pointed out that there would be economic benefits from greater integration in Asia, however, the region does not have the social cohesion or the political basis to push for this. On the question of the different options available to Japan in the future, Ito stated the most likely scenario would be for it to continue working with the US and the UK.

The United States and trade liberalization in Europe and Asia: Economic and political consequences

Session two dealt with trade liberalization in Europe and Asia and opened with the chair, Glen S. Fukushima, posing five questions for the panel to consider: To what extent is trade liberalization (TPP and TTIP) strengthening the US relationship with key partners in Europe and Asia? What are the potential and economic benefits of TPP and TTIP in their respective regions? What can we do to relieve opposition towards these arrangements and to make them more acceptable? What are the alternative options for the US to be engaged in Asia? What is the impact of Brexit on TPP and TTIP?

Matthew P. Goodman shared his views on TPP pointing out first and foremost that, from a US perspective, it must be ratified, as it has economic benefits, strategic importance relating to the US rebalancing strategy, and for ‘strategic economic’ reasons. To do so, however, requires investments at home, as a stable domestic political economy will be necessary to engage in a path towards internationalization. Goodman also pointed out that there are many areas in which the UK, the US and Japan can work together, especially regarding the rule of order, in fields such as the internet, services, environmental goods, and infrastructure in Asia, as all three countries share common values and interests.

Yasuchika Hasegawa focused his presentation on trade issues between Japan, the US and the UK, commenting that Japan has remained positive to the idea of free trade and stressed the importance of the TPP. He noted that because so much effort has already been put into making TPP a success, there is unlikely to be an alternative to this agreement at the moment. He also mentioned that the US and China may become key factors in determining the future direction of TPP. From a Japanese perspective, Hasegawa commented that Brexit will have a massive impact on the Japanese economy as the Japanese automobile industry relies heavily on the European market.

Robin Niblett emphasized that both TPP and TTIP are about expanding the standards and norms of the West, and represent an attempt to cement western approaches within international society. Many uncertainties and much distrust have been borne out of these attempts, and respective governments are currently dealing with domestic opposition by trying to emphasize the benefits to be gained from these agreements.

The panellists argued that the credibility of the US matters dramatically when it comes to Asia. There is still a drive in Asia for a strong US-led initiative, particularly given the rise of China in both the
security and economic arenas. If TPP does not go through, it may give China the space to dominate trade dynamics in Asia, which Japan and the US would not welcome. Although the UK does not have access to the Japanese market on the same scale as the US and China, the Japanese and British markets are heavily linked. The impact of Brexit cannot therefore be undermined, and the UK’s decision to join the China-led Asian Infrastructure Investment Bank (AIIB) has generated mixed feelings in Japan.

In response to a question on the role of international frameworks, the panellists agreed that while there are many agreements and frameworks to promote free trade, such as EPAs, TPP, TTIP, the G7, and G20, they all have positive and negative sides. The real question is how to find common ground for cooperation and progress. They agreed that it is not simply a matter of who will join these frameworks, but how to best utilize them; thus, it is important to come up with more effective mechanisms and areas for cooperation, such as in digital services and infrastructure.

Challenges to Asia’s regional order

The Chair, Rupert Wingfield-Hayes opened the session by asking the panel how the rise of China is affecting the East Asian regional order. Shin Kawashima questioned whether China is a contributor or challenger to the regional order. He stated that China has two settings, a global and regional setting. In the former, China is willing to accept the international order, for example, through its role within the UN and through cooperation and compromise with the US and Europe. However, regarding the latter, China’s role is different and is often less willing to compromise.

Kerry Lynn S. Nankivell’s comments focused on the maritime domain, which has created divisions between China and the US, and even between allies such as the Philippines and the US. She commented that the structure of the regional order is not only defined by the rise of China, despite this being the more visible manifestation, and cautioned about falling into the trap of discussing a bipolar world in the context of East Asia. Nankivell pointed out that, first and foremost, maritime activity in East Asia is commercial and based on the stability and security of the maritime sea lanes. However, there is also a military component, not only naval but also based on operational capability and international cooperative activities in areas such as space and cyber. She also reflected on the increasing use of multilateralism across East Asia and the role of Japan not only as an active participant but also an important architect of the regional order.

Yu Tiejun touched upon the long-term continuity of President Xi Jinping’s foreign policy, and how China has been seeking a more enabling environment in its neighbourhood diplomacy. He asserted that China is cooperating regionally, giving the example that, as a result of North Korea’s nuclear tests, leaders of both countries have yet to meet this year. In contrast to other panellists, Yu associated the rising tension and disputes between China and its neighbours with the actions of other countries. He commented that there were misconceptions between Japan, China and the US and that conspiracies about China have contributed to the escalation of tensions.

Nankivell commented that the Cold War structure was no less dangerous but relatively simple compared to the current security situation in Asia. Now, not only is there a military domain but also commercial interests, which increases the risks. The US is very aware of the security dilemma but has not yet found a way to avoid it. According to her, the operational way out of this dilemma for the US is rule-based engagement with China, whether talking about TPP or security issues.
In response to a question on Japan–China relations, Yu commented that there are many things that both countries can do to improve ties, and that they both benefit from bilateral trade. He questioned why both countries should let territorial disputes define their bilateral relations today when these types of dispute have already existed for hundreds of years. On the question of whether China would share sovereignty of the Senkaku/Diaoyu Islands, Yu outlined his belief that it would, but that Japan would be unlikely to agree.

**National identity, political change and the vitality of the nation state**

Chaired by Yoshiji Nogami, session four tackled the issue of national identity, political changes and the vitality of the nation state. James Murphy drew upon his experience as a Scottish politician to analyse these issues, focusing on three points: globalization, British politics and British public opinion. He noted that the rise of both the far left and far right result from the rejection of globalization. He asserted that politics in Britain, the US and Japan is drifting, and that facts do not really matter; rather it is what people believe in that can create a strong environment for policies to go forward. However, referring to the Brexit referendum, he noted that he had not yet given up faith in the British public and hoped that they will save the situation by making the right decision in the end.

Carol Gluck spoke from a historian’s perspective on Japanese nationalism. Emphasizing that populism and nationalism are not the same thing, she noted that nationalism is in fact the key to understanding Japan. Gluck provided two categories of nationalism with regard to Japan: geostrategic nationalism (or ‘Japan is back’ nationalism), which deals with status and stature on the global stage; and patriotic nationalism, which can also be referred to as ‘hate’ nationalism, as witnessed, for example, in the hate speeches involving the younger generation who, alarmingly, do not know the factual truth about their own history. She then reminded the floor that the notion of the nation state is going nowhere, and that globalization will remain a trend for the foreseeable future, despite transitions in the world order.

Tomohiko Taniguchi explained that, although Prime Minister Abe positioned his previous government in the category of oceanic nationalist, his thinking has evolved to become more oceanic internationalist. Whether Japan is categorized as continental or oceanic is dependent upon whether it considers itself closer with China or the US. He commented that Prime Minister Abe is clearly trying to pull the US towards Asia and make it engage more closely with Japan and the Pacific nations, together with Australia and India. Japan has been a frontrunner in embracing globalization and, in doing so, has tried to anchor itself with other democratic countries.

Ken Endo addressed the floor by stating that the biggest socioeconomic factor igniting nationalism is globalization, through the uncertainty and disparity that it creates. As a result, many have turned to nationalism for psychological security. He called Japan a ‘cautiously globalized’ country, with no serious migration issues and no sharply divided political landscape. In contrast to Taniguchi, Endo explained that the reason why we have not seen massive anti-globalization sentiments in Japan, in comparison with the US and Europe, is because Japan is not fully globalized. This is demonstrated by the amount of international trade and the movement of people in and out of Japan, which is small compared to Europe, for example.

During discussion among the panellists, all agreed that the frustrations seen by populations around the world are caused by different root problems. Therefore it becomes extremely important to examine the causes of discontent. The panellists emphasized that populations are never asked to give their consent to globalization: globalization is something that happens anyway.
Regarding the nationalistic element of so-called ‘Japan is back’ nationalism, Taniguchi provided two explanations: the first is a desire to assert Japan’s status in the world (also categorized as ‘geostrategic normal state nationalism’) and the second is to motivate and give hope to the younger generation of Japan, who often have diminished expectations of the future. While Gluck outlined that there has been an alarming increase in the incidence of hate discourses seen among the younger Japanese generation, often in response to anti-Japan attitudes in South Korea and China, Endo explained that, in comparison with the past, individuals on all sides are also experiencing increasing moments where they can actually talk to one another in a more straightforward way. On the question of whether there are different types of nationalism operating between Japan, China and South Korea, Gluck emphasized that there is more than just one type of nationalism operating both between and within all three countries, which is the core of the issue.

**Anticipating regional and global challenges: Forecasting in a volatile world**

The chair, David Warren, opened the session by asking the panel what the likely regional and global challenges would be, with a particular reference to the UK and Japan, over the next five years. Gideon Rachman highlighted that the biggest crisis may lie with the US; the world increasingly looks towards it to solve problems, during a period in which its appetite for foreign diplomacy appears to be waning. This is manifested in its failure to lead in Syria and inaction in Ukraine, which have fuelled doubts over American credibility; a perspective that has been further stoked by China. Although President Obama’s pivot to Asia was an attempt to be strongest in East Asia, paradoxically, the decision of the US to move its focus away from the Middle East has fed doubts in East Asia over US security guarantees. Rachman specified that with the US economic decline and the weakening of its allies in Europe and Japan on the world stage, the big question for the next five years is whether the US can continue to lead, even with a more hawkish policy under a new administration.

Takashi Shiraishi highlighted the change in the distribution of wealth and power in Asia, instigated by the rise of China. He noted that, compared to East Asia, Europe is not experiencing much change to its balance of power, despite Russian aggression. Examining figures from 1995–2015, Shiraishi explained that high levels of growth and economic prosperity in Europe and the US had increased the standard of living in these countries in the decade from 1995, creating inflated expectations that have not been met since 2005, when economies began to decline. This, he said, partly explained the dissatisfaction of the people. In contrast, Japan has not faced such instability because its economy plateaued in the decade from 1995 and, as a result, did not engender inflated expectations among its population. Shiraishi further explained that, in Asia, while all countries did well economically, it is unlikely that they will be able to sustain the same levels of economic growth for the coming five to 10 years, especially China. Shiraishi predicted that while the economic slowdown in Europe gave rise to a very inward looking, sometimes racist, nationalism, if people’s expectations are not met in Asia, their anger might give rise to a more outward nationalism, signs of which can already be seen from the increasing assertiveness of China and other countries in the region.

Stephen Krasner claimed that contemporary challenges are much more difficult to understand as the dynamics are often domestic, rather than international. Referring to the rise of China as one of the biggest challenges facing the US, he asserted that it was unclear which of the four possible trajectories China will follow; whether it will continue to grow richer while remaining autocratic, grow richer and become a democracy, stall, or disintegrate. Looking more broadly, Krasner referred to the
phenomenon of transnational terrorism as a true ‘black swan’ and very consequential for the US. He highlighted that both of these issues made planning for the future much more difficult. On the subject of the US presidential elections, he warned that Donald Trump is a wakeup call both domestically and internationally. Highlighting some of the domestic problems in the US over the past 40 years, such as the income gap, education, health care and social security, Krasner asserted that it will be important to look more closely at these issues in order to understand why Trump was able to garner support from a large portion of the American electorate.

In response to the question of whether Japan and the UK have a role to play in global and regional issues, Rachman stated there was scope for both countries with their shared values and interests to find common ground for cooperation. However, there are also underlying tensions because of the UK’s unwillingness to play a security role in the East Asian region, as well as its pursuit of economic ties with China and its decision to join the AIIB. Shiraishi commented that Europeans are more focused on taking advantage of the rise of China and gaining maximum economic benefit from it. However, maritime Asia, including Japan, Southeast Asia, Taiwan and Australia also offer economic opportunities for Europe and the UK, which could be realized by concluding free trade agreements with these countries or by the UK joining the TPP.

On the question of possible policies that may be implemented by Japan and the US with regard to the rise of China, Krasner maintained that if China stalls, a hard line policy could follow to ensure China does not stumble into a conflict with any of its neighbours or the US. However, if China continues to grow, an appropriate policy would be one of accommodation, although the US is unlikely to move in that direction because there are too many uncertainties with regard to the future of China. Rachman expressed the view that one of the reasons Americans have been slow to adjust to the rise of China as a threat to US positions in Asia and the world is because of previous false alarms, such as when Japan was thought to be rising. While China’s rise is different and predictions of China’s collapse have so far proven false, it is important to bear in mind the significance of the country’s aging population and the potential impact of this, particularly as this factor conversely affected Japan’s growth.

Shiraishi stated that TPP is one of the best ways to keep the US engaged in Asia but, as this will most likely be delayed by two years or more, there will have to be alternative approaches. First, both the US and Japan can engage ASEAN countries, economically and in terms of security. Second, there is a need to re-think the security agreement between the US and Japan, particularly in terms of unsustainable aspects of the agreement such as the bases in Okinawa.
Agenda

Challenge and Uncertainty in a Volatile World: Japan–UK Responses

Day One: Wednesday 12 October 2016

09.45–10.15  Registration

10.15–11.00  Opening remarks
Yohei Sasakawa, Chairman, The Nippon Foundation
Robin Niblett CMG, Director, Chatham House
David Ellis, Minister, British Embassy Tokyo

11.00–11.45  Keynote speech | Foreign Policy Responses: Navigating a Time of Dramatic Challenge
Speaker: Catherine Ashton, High Representative of the European Union for Foreign Affairs and Security Policy (2009–14); Vice President, European Commission (2010–14)
Chair: Akiko Yamanaka, Special Ambassador for the World Tsunami Awareness Day, Ministry of Foreign Affairs, Japan

11.45–12.45  Lunch

12.45–14.15  Session One | Brexit: Implications for Europe and the EU
How will Brexit affect the UK, Europe and the EU? Is the EU still a viable and functioning institution? Are there lessons to be learned for regional integration in Asia? What are the key risks and opportunities arising from closer economic ties between China and EU member states?
Speakers: Takatoshi Ito, Professor, School of International and Public Affairs, Columbia University; Associate Director of Research, Center on Japanese Economy and Business, Columbia Business School
Anatole Kaletsky, Chief Economist and Co-Chair, Gavekal Dragonomics
Kate Gibbons, Finance and Capital Markets Partner, Clifford Chance
Chair: Catherine Ashton, High Representative of the European Union for Foreign Affairs and Security Policy (2009–14); Vice President, European Commission (2010–14)

14.15–14.35  Coffee break
14.35–16.05  **Session Two | The United States and Trade Liberalization in Europe and Asia: Economic and Political Consequences**
To what extent is trade liberalization (TPP and TTIP) strengthening US relationships with key partners in Europe and Asia? What are the political and economic benefits of TPP and TTIP in their respective regions?

*Speakers:*  
Matthew P. Goodman, William E. Simon Chair in Political Economy and Senior Adviser for Asian Economics, Center for Strategic and International Studies  
Yasuchika Hasegawa, Chairman, Takeda Pharmaceutical Company Limited  
Robin Niblett CMG, Director, Chatham House

*Chair:* Glen S. Fukushima, Senior Fellow, Center for American Progress

16.05–16.25  **Coffee break**

16.25–18.00  **Session Three | Challenges to Asia’s Regional Order**
How is the rise of China affecting the structure of the international order in the East Asian region? What are the risks of conflict in the East or South China seas and what mechanisms might be used to reduce these risks?

*Speakers:* Shin Kawashima, Professor of International Relations, University of Tokyo  
Kerry Lynn S. Nankivell, Professor, Daniel K. Inouye Asia-Pacific Center for Security Studies  
Yu Tiejun, Associate Professor, School of International Studies, Peking University

*Chair:* Rupert Wingfield-Hayes, Tokyo Correspondent, BBC

18.00–18.45  **Drinks reception**

**Day Two: Thursday 13 October 2016**

09.30–10.00  **Registration**

10.00–10.30  **Welcoming remarks and recap day one**  
John Nilsson-Wright, Head, Asia Programme, Chatham House

10.30–12.00  **Session Four | National Identity, Political Change and the Vitality of the Nation State**
How are political populism and identity politics undermining or enhancing the nation state in both Europe and Asia, with specific reference to the UK and Japan? What are the forces pushing this trend forwards and how are they contributing to regional tensions?
Challenge and Uncertainty in a Volatile World: Japan–UK Responses

**Speakers:** Carol Gluck, George Sansom Professor of History, Department of History, Columbia University

Tomohiko Taniguchi, Special Adviser to the Cabinet of Prime Minister Shinzo Abe; Professor, Graduate School of System Design and Management, Keio University

James Murphy, Leader of the Scottish Labour Party (2014–15)

Ken Endo, Professor of International Politics, Department of Politics, School of Law, Hokkaido University

**Chair:** Ambassador Yoshiji Nogami, President and Director-General, Japan Institute of International Affairs; Japanese Ambassador to the UK (2004–08)

**12:00–13:00** Lunch

**13.00–14.30** Concluding Session | Anticipating Regional and Global Challenges: Forecasting in a Volatile World

Looking forward over the next five years, what are the likely priority challenges to stability both globally and regionally (with particular reference to Europe and East Asia)? How best, and in what areas, might the UK and Japan work cooperatively to address some or all of these challenges?

**Speakers:** Takashi Shiraishi, President, National Graduate Institute for Policy Studies; President, Institute of Developing Economies – JETRO

Gideon Rachman, Chief Foreign Affairs Columnist, Financial Times

Stephen D. Krasner, Graham H. Stuart Professor of International Relations; Senior Fellow, Hoover Institution; Senior Fellow, Freeman Spogli Institute for International Studies, Stanford University

**Chair:** Sir David Warren, Associate Fellow, Asia Programme, Chatham House

**14.30–14.45** Closing Remarks

Robin Niblett CMG, Director, Chatham House