

PÉTER BÁLINT SZABÓ

**JAPAN'S POSTURE
IN A POTENTIAL TAIWAN CONFLICT**

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Abstract: This paper explores Japan's position in relation to Taiwan including Japanese policy options in different potential conflict scenarios around the island. Japan has a substantial stake in the conflict, given its economic ties to China and Taiwan, energy security, and its military alliance with the United States. In recent years, Japan's deterrence capabilities were greatly enhanced by the reinterpretation of its constitution in 2014, as well as the development of its military capabilities. Regardless of its pacifist heritage, its geographic proximity and diplomatic as well as security relations make Japan an innate part of any conflict over the fate of Taiwan. The main conclusion is that these factors, as well as its vital economic and strategic interests make the Japanese position not radically different from other countries reacting to similar crises.

Keywords: Japan, Taiwan, China, United States, economic and strategic interests

Összefoglalás: Az elemzés fő célja Japán Tajvannal való kapcsolatának, valamint egy lehetséges jövőbeli konfliktus esetén adható Japán válaszreakcióknak a bemutatása. Japánt mind gazdasági, kereskedelmi és energiabiztonsági szempontból nagyon súlyosan érintené egy esetleges konfliktus, amelynek kontextusában valahogy egyensúlyoznia kell a legnagyobb kereskedelmi partnere – Kína – és a legfontosabb katonai szövetségese – USA – között. Pacifista öröksége ellenére, az alkotmány újraértelmezésének és fokozatos haderőfejlesztésének nyomán Japán elrettentő és katonai cselekvőképessége jelentősen megnőtt. Földrajzi közelsége, diplomáciai és biztonságpolitikai kapcsolatai egy esetleges tajvani konfliktus megkerülhetetlen szereplőjévé teszik. A fő konklúzió, hogy ezek a tényezők, valamint az ország alapvető gazdasági és stratégiai érdekei miatt Japán lehetőségei nem különböznek jelentősen más országok hasonló krízisekre adható reakcióitól.

Kulcsszavak: Japán, Tajvan, Kína, USA, gazdasági és stratégiai érdek

Introduction and Framework for Analysis

On the 20th National Congress of the Chinese Communist Party in October 2022, Xi Jinping broke with recent norms and secured a third term as leader of China. The speeches delivered by President Xi, as well as the [congress report](#) indicates a doubling-down on current economic and foreign policy agendas. Xi also vowed, that China shall never renounce the right of using force to “reunify” with Taiwan, “taking all measures necessary” to achieve national rejuvenation. The announced personnel changes also reflected the centralization of power around Xi. All six other members of the Politburo Standing Committee are considered to be Xi loyalists, and [the military was no exception](#).



Other than the obvious preference for loyalty, this new setup suggests that the main priority of the People's Liberation Army (PLA) is to become not just combat but also Taiwan-ready.

Following the recent visit of U.S. House of Representatives Speaker Pelosi to Taiwan, the PLA held – for the first time – joint operations and live fire drills as a grand show of power, a military exercise simulating a [complex operation to take the island](#). While most of the analysis of the potential conflict focused on the military balance between China and the United States, this paper argues that the role of Japan in this conflict also warrants closer attention.

Despite decades of economic stagnation, Japan is still the world's third largest economy in terms of nominal GDP, playing an increasingly active part in the strategic landscape of East Asia, and maintaining a [formidable military](#). After U.S. President Trump pulled out of the planned Trans-Pacific Partnership (TPP) free-trade area, the Japanese Government took a [leading role](#) in reviving the agreement as CPTPP, finally ratified by the remaining members in 2018. The main vision of American grand strategy in the East, the Free and Open Indo-Pacific (FOIP) concept also originates from former Japanese Prime Minister [Abe Shinzo](#).

The research paper seeks to explore Japan's policy options at different levels of the escalation ladder in a conflict over Taiwan. The Japanese position is unique, because of the combination of three factors: the economic relationship with China as Japan's biggest trading partner, the security alliance with the United States, and the institutional limitations of the Japanese military. This paper argues that in this case, despite said constraints and pacifist heritage, Japan's position is not fundamentally different from other countries reacting to armed conflicts.

Whether the decades-long standoff around Taiwan will ever become a full-fledged war or not, nobody knows, and this paper certainly does not wish to make guesses regarding its likelihood. The level of risk, however, and the potential impact of such a conflict makes this, nevertheless, a pressing issue. The Russian invasion of Ukraine really drove this point home, with Japanese Prime Minister Fumio Kishida warning: ["Ukraine today could be East Asia tomorrow."](#)

Ukraine is of course not Taiwan, there are numerous [differences](#) between the two situations, however if one were to characterize the conflict as a nuclear-armed state – that also happens to be a permanent member of the UN Security Council – attacking its smaller, democratic neighbor, that it claims influence over based on various historic, cultural, and ethnic grounds, some parallels could certainly be found.

In a [report](#) by the IISS (International Institute for Strategic Studies), four Taiwanese scenarios are discussed separately, while a CSIS (Center for Strategic and International Studies) analysis uses a [different framework](#) with six scenarios. For the sake of conciseness, this paper shall only discuss Japan's position using a [three](#) scenario framework:

Scenario 1: A Chinese attack against Penghu Islands, an archipelago in the Taiwan Straits, administered by Taiwan. There are a few smaller islands closer to the Chinese mainland, but their seizure will not be discussed here. This has been called the ["Crimea of Asia"](#) scenario.

Scenario 2: Some form of a blockade against the main island of Taiwan and neighboring territorial waters.

Scenario 3: All-out war over Taiwan through an attempted Chinese invasion of the main island.



The Japanese-Taiwanese Connection

Japan gained control of Taiwan and the Penghu Islands in 1895 after defeating the Qing Empire in the [First Sino-Japanese War](#). The war was the first major military success of the modernizing Japan of the Meiji era, and Taiwan remained part of the Japanese Empire until its capitulation at the end of the Second World War in 1945. The combination of the relatively progressive and benign Japanese colonial policy and the rampant authoritarianism of the early Kuomintang (KMT) rule set the foundation for a more [positive memory](#) of Japan in the minds of Taiwanese people compared to other countries in the region.

After the détente in U.S.-China relations following President Nixon's Beijing visit of 1972, the United States switched its official recognition of Taiwan as "China" to the People's Republic. Japan followed suit, normalizing diplomatic relations with Beijing in the [Japan-China Joint Communiqué](#) and no longer recognizing the Republic of China. Ever since then, Japan only maintains unofficial ties with the island, which ties are, however, extensive. Until the 1980's most of the diplomatic contact between the two countries was facilitated by the two ruling parties, the Liberal Democratic Party (LDP) and the KMT.

In addition to the three-way economic integration of China, Taiwan and Japan, as well as the historical ties, the intensification of regional disputes – one could mention the East and South China Seas, or the 1996 Taiwan Crisis – and the [changing balance of power](#) between Tokyo and Beijing, all [contributed](#) to the complexity and acuteness of the Taiwan question for Japan.

Given that Taiwan is by far Japan's friendliest partner in its neighborhood, and Taiwan needs all the support it can get against pressure from Beijing, the two are natural allies in most political, military, and economic matters. This does not mean, that there is no friction between the two. An example of such could be, that it is not just China, but also Taiwan – as the Republic of China – that [legally claim](#) the Senkaku Islands, a disputed territory administered by Japan.

Now, China is Japan's biggest trading partner in terms of not just [exports](#) but also [imports](#). The United States, on the other hand, is the only country that Japan has an official [military alliance](#) with. Therefore, what Japan would and would not do – or what it can and cannot do, legally speaking – to defend Taiwan is not straightforward. Even though the [assertion](#) of then Deputy Prime Minister Taro Aso, that a major crisis in Taiwan is an "existential threat to Japan and therefore the U.S. and Japan must defend Taiwan together" is not quite official government policy, the relevant documents do suggest that Japan takes the situation very seriously. For example, in the latest, [2022](#) version of Japan's annual defense white paper, a new section was added, which was not present in the [2021](#) version. It is titled: "Recent international affairs over Taiwan", and in it, Japan strongly criticizes the increased Chinese pressure on the island, and calls Taiwan an "incredibly vital partner and an important friend". Two things are highlighted here, the shared values such as freedom and democracy, and the importance of the sea lanes around Taiwan for Japanese security.

The sea lanes in question are the East and South China Seas, as well as the Bashi Channel (the waterway dividing Taiwan and the Philippines). The southernmost area of the East China Sea of course is the location of the contentious Senkaku



Islands, while the South China Sea provides the setting for number of competing [maritime claims](#) from multiple Southeast Asian countries as well as China. While China has lost the corresponding case against the Philippines at The Hague in 2016, it refuses to adhere to the ruling, and its militarization of various reefs and man-made islands continue to increase tensions in the region.

One of the key reasons why this part of the world is so crucial for Japan is energy security. Japan is a resource-poor country, and it must resort to imports to satisfy a large chunk of its energy needs. The [vast majority](#) of those imports are flowing through these waterways. According to the U.S. Department of Energy, around 90% of Japan's oil, and roughly a third of its LNG (Liquified Natural Gas) is being shipped through the South China Sea. Looking at coal, Japan – and especially its [industry](#) – also must import, mostly from countries such as Australia with close to 60%, and Indonesia with over 15%. Furthermore, with Japan [banning](#) coal imports from Russia as part of the international sanctions regime in response to the invasion of Ukraine, these numbers might increase even further.

To make matters worse, nuclear power – which used to play a significant role in Japan's energy mix – [disappeared](#) almost completely following the shutdown of nuclear infrastructure in the wake of the 2011 Fukushima disaster. While amidst the energy crisis the Japanese government already announced the [return](#) of nuclear power (plans include restarting old reactors as well as building new ones), getting everything back up to speed is going to take some time.

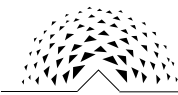
On top of the energy issues, the role these sea lanes play in Japanese trade in general is similarly vital. Japan is amongst the world's [top exporters](#), and the ability to transport these goods safely and efficiently is absolutely key. For [maritime trade](#), some 42% of Japanese volume passes through the South China Sea, while in terms of total trade, the number is still as high as 19% or around USD 240 Billion in 2016.

In terms of Japanese trade, the primacy of China has already been discussed. However, Taiwan is also a major trading partner of Japan in its own right, being [third](#) in exports, and [fourth](#) in imports. There is one industry however, where Taiwan is head and shoulders above the rest of the world: semiconductors. There are not many industries in the world where so much of the market is concentrated in the hands of a single country. Taiwan is responsible for [63%](#) of the global semiconductor market. In addition, [54%](#) belongs to a single company: TSMC (Taiwan Semiconductor Manufacturing Company).

Given the fact, that these semiconductors are integral for so much of modern industry, any kind of disruption to these supply chains would be catastrophic. The importance and symbiotic nature of the relationship is also shown by the fact, that Japan is the [number one supplier](#) of semiconductor equipment for Taiwan, while Japan is currently the [fourth largest buyer](#) of the finished products themselves.

The JSDF and the United States

Japan [hosts](#) the largest number of U.S. military personnel deployed overseas with over 50.000 troops, as well as the largest number of American military bases of any country and of course the U.S. is also the only country, that Japan has an official



[military alliance](#) with. The history of the current incarnation of the Japanese military (the Japanese Self-Defense Forces or JSDF) began during Japan's occupation after the Second World War.

The American administration originally intended to prevent Japan from being able to wage war ever again, but the communist victory in the Chinese Civil War (1949) as well as the breakout of the Korean War (1950) kickstarted a slow but gradual rearmament of Japan. The [Constitution of Japan](#) – came into effect in 1947 and not being amended since – forever renounced “war as a sovereign right of the nation” and stated that the country shall never maintain a military again, [however](#) a National Police Reserve was created in 1950, later becoming the Self-Defense Force in 1954. This process went hand-in-hand with the [normalization](#) of Japan's status as a member of the international community – and a U.S. ally – with the Treaty of San Francisco (1951-52), UN membership (1956) and the security alliance with the United States ([1960](#)).

Pacifist or not, Japan has a potent military force, ranked by some as high as [fifth strongest](#) globally. Unsurprising, given that Japan became one of the world's largest economies, and also because Japan inhabits a rather precarious [security environment](#) that includes China, North Korea, and Russia. With regards to all three of them, the trend lines of their relationship with Japan are solidly downward.

Chinese maritime activities were already mentioned, the North Korean nuclear program and missile tests are a chronic security challenge for the region, and the relationship with Russia – already strained because of the status of the [Southern Kuril Islands](#) – broke down completely following the invasion of Ukraine. While proportionally the Japanese military spending is still modest with a [value](#) of around 1% of GDP, the Kishida administration is [committed](#) to deliver a rearmament program unheard of since World War II, potentially even reaching the NATO benchmark of 2%.

This does not mean of course, that a JSDF is fully able to operate just like any other military the Constitution still poses significant restrictions. There remain a number of issues, for instance that Japan is officially still [labeling](#) its aircraft carriers “helicopter destroyers”, or the potential development of ballistic missile capabilities – a taboo that might just be broken in the [not too distant future](#). Traditionally, both weapons fell outside of what “minimal” self-defense capabilities would entail. It also must be mentioned, that while anti-nuclear feelings run deep in Japanese [politics](#), the country possesses the [capacity](#) to get the bomb very quickly if so chooses.

Irrespective of Taiwan, the biggest change in terms of what Japan can and cannot do in a conflict was provided by legal reform. Probably the single most important legacy of the late Abe Shinzo is the 2014 [reinterpretation](#) of the Japanese Constitution. While the document itself remains unchanged since its inception, this new interpretation allows Japan to exercise collective self-defense, and come to the aid of allied countries in a time of need – countries such as the United States.

There is much debate on whether America [should](#) help Taiwan if China does indeed were to attack. Since the [One China Policy](#) – which the United States nominally adheres to – stipulates that China is the one China, the U.S. does not have an official relationship with Taiwan. What it does have, is the Taiwan Relationship Act of 1979, which requires the United States to help Taiwan develop its defensive capabilities, and for America to always have the capacity to respond if someone were to threaten the status quo and thus the peace and stability of the region. The way in which the U.S. would act remains to be seen, given the chosen policy of [strategic ambiguity](#), leaving all options on the table.



Policy Options for Japan

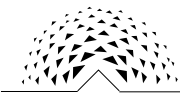
Given these factors, making predictions, or giving recommendations to either party or scenario in a Taiwan conflict becomes exceedingly difficult. Taiwan's legal status, the constitutional limitations of the Japanese military, the U.S. policy of strategic ambiguity are all complicating factors – which in the latter case is by design. Furthermore, to quote Helmuth von Moltke: “[No plan survives first contact with the enemy.](#)” – which is to say, that conflicts are messy and one should always be humble about the predicting power of any analysis.

It is important to stress, that to the best of our knowledge, a war over Taiwan is not worth it for anyone. Since the reforms of the late 1970's, the PRC has been the biggest beneficiary of globalization. Especially since its [accession](#) to the World Trade Organization in 2001, Chinese economic development, as well as the quality of life of average Chinese has skyrocketed. Therefore, an action that threatens all of that – and with it the stability of the CCP regime – is not a foregone conclusion. Japan is an export-oriented economy that derives its national wealth from global trade without disruptions, and the United States – being the preeminent global power currently – also has much to lose from any change to the status quo.

Scenario 1: Penghu

The geographic location of the islands being further away from Japanese and U.S. bases means, that direct military assistance would [probably be limited](#). The decisiveness of [Japanese](#) – Western – response to the Russian invasion of Ukraine could mean, that instead of the limited sanctioning of Russia after the seizure of Crimea in 2014, that the international sanctions likely following a Penghu offensive might become more ferocious much quicker than in that case, albeit, given the size of the Chinese economy they would prove more painful for the West as well. Japanese support also depends on the timeframe, as [realistically](#) the main goal of the Taiwanese defense here is to avoid being overrun and cause some delay and damage to the invading forces. In terms of potential sanctions, cars are the [leading Japanese exports](#) to China, followed by integrated circuits and various forms of machinery. This latter two amount for over 10% of total volume and given their potential influence on the Chinese defense industry, they could very well be targeted. Given the interdependence of the two economies, the costs of a sanctions package similar to the Russian case would be painful for the average Japanese citizen. While support for Taiwan runs [very high](#) among the Japanese public, how resilient this support is amid mounting costs for the average person, remains to be seen.

Japanese policymakers are keenly aware of their economic vulnerabilities, and steps have already been taken to address the issue. Formerly a market leader of the electronics industry, Japan seeks to revive its semiconductor manufacturing base through an integrated approach. Plans [include](#) extra funding for Japanese semiconductor companies, luring foreign companies – including TSMC – to produce in Japan, as well as a new joint research center operated in tandem with the United States. More general measures were also taken, such as [new economic security legislation](#) targeting supply chain stability and boosting Japanese competency in critical technologies, or [government efforts](#) to subsidize economic decoupling from China.



Scenario 2: Blockade

The Chinese navy and air force might attempt to seal Taiwan off from the rest of the world, [deprive](#) the island of outside resources. From the Japanese perspective, two big questions that could be highlighted here are: what kind of blockade is it – how disruptive is it to international freight traffic around the island, and the issue of [Yonaguni](#).

The distance between the westernmost point of Okinawa prefecture and Taiwan is only a little over 100km. If Yonaguni – the westernmost inhabited island of Japan – were to fall under a blockade, it would be difficult to argue against Japan’s constitutional right of self-defense. Furthermore, in this case, the security alliance would also trigger the participation of the United States. With regards to the blockade in general, whether China would or [could](#) blockade Taiwan and whether the U.S. would or [could](#) break through it, is unclear.

In addition to an exclusion zone, there are of course also more [nuanced forms of blockade](#). The PLA could gradually take control of naval and air traffic around the island with ordering all vessels and aircraft bound for Taiwan to be routed through the mainland, and a measure like this could also be expanded to include digital traffic. This way, a large degree of control can be exercised over the flows of cargo and information to and from Taiwan without necessarily direct military confrontation with countries such as Japan. That said, since the wording of relevant legal documents in Japan is vague and up to interpretation, a blockade can also be understood as an existential threat to Japan, allowing for various degrees of JSDF involvement.

Scenario 3: Invasion

As a recent development, U.S. President Joe Biden [said](#) it explicitly, that in case of an attack, the United States would defend Taiwan. While these comments were later walked back by the administration – restoring strategic ambiguity – the resolve, with which the United States and its allies are showing their support to Taiwan, Japan included, is increasing. What is certain, is that a total invasion would require the [largest amphibious operation](#) since D-Day, against well-armed defenders aided by favorable terrain. Again, to what extent Japan participates in such a conflict depends a lot on specific Chinese and American policy choices. What is important to note, is that the largest U.S. military base in the region – and thus the most likely source of reinforcements for Taiwan – is in Okinawa. Therefore, a preemptive strike against the main U.S. contingent would be made on Japanese soil, dragging the country into the war immediately.

One must acknowledge, that a preemptive strike such as this is highly unlikely, especially given the restraint that the United States and Russia show around each other in Ukraine. The United States discourages a Taiwanese declaration of independence because it would leave China with no options but to invade, and China similarly wants to avoid a situation whereby Japan – and the U.S. – would have no choice but to go to war. Perhaps a more realistic option to block foreign intervention in general would be [nuclear blackmail](#). Employed currently by Russia in its war effort in Ukraine, also validated by the continuous existence of the North



Korean state, this scenario would mean that China threatens the United States, Japan, or any other power that wishes to intervene to stop an incoming invasion, that they are risking nuclear retaliation. Worth noting here that Chinese nuclear deterrence [capabilities](#) are continuously being improved qualitatively as well as quantitatively, so even though China currently has a [no first use policy](#), its growing nuclear arsenal is certainly a factor here.

Concluding Remarks

This paper analyzed Japan's position vis-à-vis Taiwan and laid out its likely policy options at different levels of a new crisis around the island. Japan is in a delicate position in the middle of the strategic competition between China and the United States with its biggest trading partner on one side, and its security guarantor on the other. Japan has a long-standing historical and cultural relationship with Taiwan, and the island and its surroundings are of crucial economic and security importance to Japan. While Japan is its own autonomous actor in the Indo-Pacific, its participation in a conflict over Taiwan is inherently linked to that of the United States. Given its vital interests, military capabilities, and the reinterpretation of its constitution, the policy options of Japan if such a crisis arises are not fundamentally different from other countries.

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