

Book Reviews

Maaïke Okano-Heijmans

Economic Diplomacy: Japan and the Balance of National Interests. Leiden: Martinus Nijhoff, (2013), ISBN 978-90-04-25542-5 (hardback), 978-90-04-25543-2 (e-book), 209 pp., US\$ 131.00.

Jörn Keck, Dimitri Vanoverbeke and Franz Waldenberger (eds)

EU–Japan Relations, 1970–2012: From Confrontation to Global Partnership. New York: Routledge, (2013), ISBN 978-0-415-65872-0 (hardback), 978-0-203-52930-0 (e-book), 352 pp., US\$ 170.00.

These are two new books on Japan, very different in style, but with one thing in common: they both point out the importance of looking at Japan to gain clues as to what will happen in our globalized world. Japan's past and future development, especially at the nexus of diplomacy, politics and economics, is of relevance not only to North-East Asia but also to Europe. It is something that Europeans need to relate to and learn from if they want to have a say in the way the world will be governed in the twenty-first century.

Okano-Heijmans' book is based on her Ph.D. thesis on economic diplomacy and features how Japan has employed its economic strength for political purposes as well as diplomatic influence for economic objectives. As relative power is shifting from the West to East Asia and the Asia–Pacific region, governments all over the world are reassessing the effectiveness of their policies, and they are more likely to employ economic tools in the pursuit of foreign policy interests. Economic diplomacy is thus growing in importance. Okano-Heijmans develops a conceptual and analytical framework for studying economic diplomacy and applies this to the case of Japan, with a focus on its development from the early 1990s and forward.

Economic diplomacy, as Okano-Heijmans points out, started much earlier in Japan. With the so-called 'peace clause' in its post-Second World War constitution, Japan has not been allowed to send troops to fight abroad and has instead relied on the military protection of the United States. Economic diplomacy has sometimes been the only tool available and has thus been used much more frequently by Japan than elsewhere. The Yoshida doctrine, which puts economic development first, has been in existence throughout, but — with

the challenges that the rise of China poses to Japan and its leadership role in Asia — there are also changes ongoing.

To understand how Japan balances national interests, Okano-Heijmans has developed a framework that orders diplomacy by economic prosperity and political stability considerations. The interaction between the public and private spheres is taken into consideration. The study explores economic diplomacy from the starting points of four different concepts, namely contexts (the regional context against which Japanese foreign policy is shaped); tools (such as development assistance, sanctions or political commitments); theatres (specific countries, formal and informal institutions); and processes (bilateral, regional or multilateral negotiations). Not surprisingly, alliance politics and the rise of China appear as the main explanatory contextual factors of Japan's contemporary economic diplomacy. These two, being so obvious, would most probably be the main factors in any analyses of Japanese foreign policy or diplomacy.

The analytical framework developed is then tested in some case studies. One is Japan's 'green' economic diplomacy, which illustrates the continuity and change at the business end of its diplomacy. From the 1980s onward, the Japanese government made environmental protection a feature of its industrial policy. Assessing recent developments in the railway, nuclear power generation, water and next-generation automobile industries, the reader learns how and why the Japanese government uses green environmental and energy technology in its relations with developing countries. The state's involvement, although rather unnoticed, is heavy, and the primary objectives are new markets abroad and the security of supply of resources. Climate change also plays a role, while 'hard' security issues are barely considered. In line with the concept of comprehensive security, the 'green' economic diplomacy serves both commercial and strategic objectives. The triple catastrophe — that of the earthquake, the tsunami and the breakdown of the nuclear reactors at Fukushima in March 2011 — is only briefly mentioned in this chapter, but has had great repercussions at a domestic policy level. Although nuclear power development may not be at the forefront of economic diplomacy in the future, the Japanese government, which is now investing in and promoting the development of alternative green energy sources, is likely to use those as well for its proprietary economic diplomacy.

The chapter on North Korea looks at the power play end of Japan's economic development and introduces the concept of 'negative economic diplomacy' (that is, sanctions). It shows how Japan tried economic engagement until the early 1990s, when the firing of North Korean missiles and the first nuclear crisis started a downward trend in relations between the two countries. There has been a constant push and pull, which are traditional tools of economic diplo-