

# **Attracting Neighbors: Soft Power Competition in East Asia**

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## **1. INTRODUCTION**

As the world's greatest military spending area, East Asia is "ripe for rivalry." States are competitively building up military resources with which they want to coerce others. They also compete economically. "Head to head" competition continues in key industrial sectors. With amassed economic resources they want to coerce or induce others in achieving the outcomes. But at the same time, the incentives for cooperation among states are growing. For the past 50 years or so, East Asia collectively has been an engine for global development that was the outcome of a chain reaction of national growth, led by Japan, followed by four dragons, ASEAN nations, and China. Now, the size of East Asia's economy not only comes close to that of EU and North America. But a dramatic increase of intra-East Asian connectedness in trade and investment also places this region lifted up to the level of integration comparable to the other two. These developments have led national leaders to realize that East Asia is becoming a great whole in which they are part, and that their prosperity is closely connected with the regional prosperity. East Asia seems "ripe for cooperation."<sup>1</sup>

Between rivalry and cooperation, what is emerging is that rivals compete over how to cooperate. Each state is architecting a regional whole that would enable it to lead others. The upshot is that different regions have been proposed by different states. China has successfully worked to embrace Southeast Asia under ASEAN Plus Three (APT) and Central Asia under the Shanghai Cooperation Organization (SCO) framework. Japan is racing to connect East Asia in the name of "East Asian Community" that includes APT plus Australia, New Zealand and India. The US has attempted to enlarge the functions of as yet economically oriented APEC. Finally, Korea has pursued a Northeast Asian community composed mainly of China,

Japan and Korea. All these architectures envisage different groupings, ideas and interests that are often incompatible with one another. And they compete for primacy.

In this contest, the key to success is securing the neighbors' consent of membership. They must agree to enter into a proposed region. Here, a sheer military/economic might alone is not sufficient. We can recall that, despite its overwhelming hard power in the region, prewar Japan failed to build a regional whole (i.e., the East Asian Cooperative Unit and the Greater East Asian Co-prosperity Sphere). What is needed is the ability to draw a voluntary or quasi-voluntary consent of others; that is, the ability to get others to want a region that it wants. Now, the conditions for projecting power are dramatically changing. It is a soft power game that great powers are playing. Accordingly, resources that provide the best basis for power are changing.<sup>2</sup> In East Asia, China and Japan believe that the attractiveness of their country will be crucial to its ability to achieve the outcome: that is, a region that best serves its own ideas and interests. Rather than exclusively putting together military and economic resources, they will benefit if they are able to attract others into its sphere.

This paper explores the competitive dynamics of soft power pursuit among key regional states by closely examining the ways in which regional orders are proposed and contested. China seems to pursue its long-term goals of becoming a global power rather than simply a regional one.<sup>3</sup> Japan is playing an increasingly active role in global affairs as well.<sup>4</sup> Nonetheless, both China and Japan have concentrated soft power on East Asia. The most visible example is Beijing's and Tokyo's competitive embrace of regionalism. It offers a vital window into how they have wanted, built, and used soft power. In this paper, I will focus primarily on China's and Japan's wooing of East Asian neighbors, but will occasionally address how USA and Korea are responding to them. I will not, however, directly touch upon US-East Asian relationship, or American soft power. I will first analyze why China has engaged with the region and how it employed soft power strategies. Then I will observe how Japan has responded to China's charm. I will focus on Japan's goals, strategies, rhetoric, and tools of influence. Having observed these two cases, I will evaluate the success, or lack thereof, of the two countries' efforts in order to learn what it implies to Korea. Just because soft power is relational, any appraisal of the two countries' soft power in this paper should reflect a Korean view.

## **2. COMPETING WITH SOFT POWER**

By the mid-1990s, a new China emerged on Asia's strategic horizon. It came with shifting

gears in foreign policy. Beijing decided to tone down its previous strategy of using military strength to intimidate Asian neighbors such as aggressive moves of sending battleships in the region and calling on others to abandon their alliances, mostly with the US. Instead, the Chinese leadership focused on a proactive diplomacy in shaping its regional environment conducive to domestic economic development. Beijing tried to maintain peace and stability on the borders, and portray itself to others as a benign and constructive actor.<sup>5</sup> A symbolic move was Beijing's refusal to devalue its currency amidst the Asian financial crisis. In sharp contrast to Washington's hawkish neoliberal approach to the crisis that aroused anger and protest, Beijing's remedy worked to strengthen its standing in the region. It smartly advertised its decision in the overall interest of maintaining stability and prosperity with a high sense of responsibility. Ever since, Beijing has embraced regional multilateral institutions, pursued free trade agreements with neighbors, and mediated other nations' disputes.

All these moves, aimed at improving images and influence, were guided by new national strategies based on newly created concepts.<sup>6</sup> For example, the widely circulated concept of comprehensive national power (*zonghe guoli*) takes soft power including political, diplomatic, cultural and educational power an important part. "New concept of international politico-economic order," "new security concept" and "responsible power" all were devised to increase China's soft power. By the early 2000s the term *heping jueqi*, or peaceful rise, developed by Zheng Bijian, a powerful advisor to the Chinese leadership, provided the most important guiding principle of its foreign policy. By claiming that China will not arise at the expense of others, it purports to allow Chinese economy to continue growing, undermine the scenario of China threat theory, and portray itself as a benign, peaceful, and constructive actor in the world. Peaceful rise is a carefully constructed concept that would allow China to be a global power.<sup>7</sup>

China's soft power strategies are aiming at a larger national goal: leadership in Asia. While the response to China's soft power extends beyond Asia, nations from Venezuela to Nigeria, soft power strategies have focused on Asia, shifting influence away from US and Japan, and creating its own sphere of influence. After the financial crisis, East Asian states realized that they became deeply interdependent with each other, vulnerable collectively to external shocks, and thereby in need of some region-wide safety-net institutions that would tame the vagaries of rapidly globalizing markets.<sup>8</sup> Given the surge of regionalism among East Asian states, Beijing believed that its future would depend on the stability and prosperity of the region, and decided to take the initiative and leadership in constructing regional cooperative frameworks. By the early 2000s Beijing had developed the subtle strategies

needed to achieve this goal. One is establishing a leadership position in East Asia through a proactive involvement in the ASEAN Plus Three. The other is in Central Asia through an initiative in developing the Shanghai Cooperation Organization or SCO.

In doing so, Beijing began to enunciate a doctrine of “win-win” relations, highlighting that participants would benefit from their relationships with China. It also proclaimed a doctrine of noninterference, emphasizing that it would listen to the needs and desires of other nations without asking for anything in return. Both were in line with the broader concept of peaceful rise.

In the economic side, China has pursued soft power strategies in several areas. FTA was a strategically calculated tool. Sensitive to the fear of China’s economic rise, the Chinese leadership reassured ASEAN countries by signing FTA and making substantial trade concessions. To the surprise of many ASEAN partners, Beijing offered a trade deal including an “early harvest package” that even before the FTA comes into effect would reduce China’s tariffs on some Southeast Asian goods. Apparently, this was a conscious strategy of earning goodwill from ASEAN neighbors. Backing up its trade and investment promises, China has also developed a substantial foreign aid program. It now competes with US and Japan in Southeast Asia and Central Asia.

Another major component of China’s appeal to Asian nations is Beijing’s portrayal of its achievement as a model. Ever since the late 1970s, China’s economy has been rapidly growing, with real GDP expanding at an average 9 percent. This economic success created what is called “Beijing Consensus,” an economic and social model for developing countries.<sup>9</sup> Beijing is advertising this model that is put in direct contrast to “Washington Consensus,” market-oriented and democratic packages of developmental prescription. It emphasizes innovation, sustainability and equality, self-determination, and gradualism.<sup>10</sup>

China’s cultural promotion is part of a broader effort at public diplomacy. Beijing has made an effort to increase cultural exchanges with neighbors, expand the international reach of its media, increase networks of informal summits such as a Davos-style world economic forum, and promote Chinese culture and language studies abroad. More important, Beijing began to create a new definition of Asian values. Using Chinese civilization, particularly some attributes of Confucianism, it heralds a new civilization or a renaissance of Chinese civilization under the concept of “harmonious world.”<sup>11</sup>

In sum, China’s subtle but persistent pursuit of a good neighbor policy, proactive economic engagement, and systematic promotion and dissemination of its own cultural values, all have increased its soft power. By skillfully combining it with rapidly increasing economic

and military capabilities, China has successfully increased its influence in Southeast and Central Asia. The response to Chinese soft power now extends to Korea and the rest of the world. By far, its greatest impact has been on Japan, however. Japan was pushed to a corner.

Japan has a long history of cultivating influence in Southeast Asia. Ever since the Fukuda doctrine of 1977, a first conscious official effort at embracing this region, Japan had poured a huge amount of ODA in the name of economic cooperation (*keizai kyōryoku*). Until the mid 1990s Japanese multinational corporations invested heavily in this region in order to establish regional production networks centered on the metropole.<sup>12</sup> Tokyo believed that Southeast Asia was its hinterland. But the cash alone (or hard power) did not appeal to average population in that region. Japan did not build as much soft power as expected. It did not mean, however, that Japan ignored soft power. By the mid 1990s, several national strategy visions based on the concept of soft power came out in public: a group of politicians led by Takemura Masayoshi proposed a “Small, but Shining Japan” vision; and Funabashi Yoichi, a prominent journalist, proposed a “Global Civilian Power” vision. In 1996, *Keidanren*, a powerful business peak organization, proposed a comprehensive, soft power-driven national strategy report called “Keidanren Vision 2020: The Creation of an Attractive Japan (*miriyoku aru nihon no sōzō*).” This report suggested that Japan create a new Japan that gains understanding, trust, and respect from the international society, and to do so by building a “prosperous and dynamic civil society” and a “nation contributing to global peace and prosperity.”<sup>13</sup>

Japan has been interested in wielding soft power. It has well recognized the importance of soft power in the making of national strategies. And it attempted to implement soft power strategies. In doing so, Japan has its own distinctive cultural traditions that can be mobilized as soft power assets. Japanese art, literature, music, design, fashion and food have long served as global cultural magnets. Japan’s popular culture such as J-pop, manga, and animation is extremely popular among the younger generation in Asia. Shiraishi claims that Japan is playing a key role in creating East Asian middle class culture.<sup>14</sup>

Japan also has great soft power resources in the economic sphere. It is the first non-western country that could achieve modernization and industrialization. Its economic model, the so-called “developmental state,” has been hailed as the alternative to the Western course of development.<sup>15</sup> There is no doubt that East Asian brand of capitalism was created by Japan and followed by Korea and other Asian countries. Although the decade-long economic recession tarnished reputation of the Japanese model, it did not erase the attractiveness of this system. Some of the stellar Japanese multinational corporation brands such as Toyota, Honda

and Sony validate the viability of Japanese-style capitalism.

Nonetheless, by the late 1990s when the long recession and financial crisis severely damaged the top-flight economy, Japan was in disarray.<sup>16</sup> Riddled by self-defeating politics and economic management, Japan's image declined as well as its hard power. Together, Tokyo became inward-looking. It turned to its own problems, debated its own economy, feasted on its own scandals, and worried the society-wide decline in morality. Foreign policy was a secondary concern. Tokyo was narrowly concerned with strengthening hard alliance with US. When there was a massive opportunity for Japan to take advantage of reservoirs of overseas investment and aid, Japan walked away from East Asia.

It was in this context that China aggressively cultivated inroad to Southeast Asia. When China signed the 2001 Framework Agreement on Economic Cooperation and Establishment of the China-ASEAN FTA, Japanese were shocked. They did not expect that China would make such a deal. By 2002, China and ASEAN signed several key agreements and the next year, China became the first non-ASEAN country acceded to ASEAN's Treaty of Amity and Cooperation. All these efforts left a totally unprepared Japan appalled.

Together with a rapidly growing Chinese economy that helped Japan recover from a long recession, a diplomatically rising China is psychologically jarring to the Japanese who thought they were the leader in the region. This began to complicate Tokyo's strategic dilemma. A hard balancing by strengthening the US-Japan security alliance is limited. For China's influence is economic. Worse, it is soft-power driven. Japan needs a soft balancing: that is, soft power strategies to counter Chinese influence.

Japan quickly moved to Southeast Asia. Koizumi visited ASEAN countries during the early 2002, and he belatedly endorsed regional multilateralism, highlighting that Japan would fully utilize APT as its primary regional framework in order to build a community to walk and progress together. In order to systematically support this move, a half-private, half-public think tank, "Council on East Asian Community (CEAC)" was established in 2004. Funded by the government, staffed by ex-bureaucrats, headed by former Prime Minister Nakasone Yasuhiro, and participated by scholars and businessmen, this organization aimed to counter China's soft power. Ito Kenichi, the founder and leader of the council, confessed that CEAC was a strategic response to Beijing's initiatives that led the "East Asian Think-tank Network (NEAT)."<sup>17</sup>

Now, Tokyo came up with a broader "East Asian Community (EAC)" proposal that has three components.<sup>18</sup> One is a functional approach. Given the rising nationalism and intra-regional rivalries that make any comprehensive, high-level institutionalization unrealistic,

proposed is an approach that focuses on cooperation in the functional areas of trade, investment, finance, environment, and human security, which in turn would expect “spill-over” effects.<sup>19</sup>

The second component is the “community” idea. This is what makes Japan distance from China. In Japanese, the word community is translated as “*kyōdotai*(共同体)” that means a *Gemeinschaft*-like society. This Japanese usage can be compared with an English usage of community as a broader concept (i.e., international community). Initially, Japan was cautious in using this word. When Koizumi spoke in the aforementioned meetings with ASEAN nations in January 2002 as well as Japan-ASEAN summit meeting in December 2003, the word was written in katakana “*ko-myu-ni-ti* (コ ミ ュ ニ テ イ)”. By 2004, Japan began to officially use “*kyōdotai*” as translated word. In his speech at the United Nations General Assembly in September, EAC were translated as “*higashi ajia kyōdotai* (東アジア共同体).” This demonstrates transformation of the meaning: the projected region is a community that must retain certain norms, values, and ideologies shared by the members. For Japan, the region is more than a collection of states.

As such, Japan contended that EAS should pursue a community based on identity, as in the case of postwar Europe that emphasized peace and democracy as the ideas of the community. It suggested that East Asia shape an identity directed toward freedom, democracy, human rights, the rule of law, market economy, all Western, universal values.

The third component is the enlarged membership. In addition to the existing APT membership (ASEAN ten plus Korea, Japan, China), Japan’s EAC includes Australia, New Zealand, and India.<sup>20</sup> They can easily be identified as regional members because they share the above universal values. By 2005 Japan’s position has been bolstered by Singapore and Indonesia with a different reason. Both were concerned that ASEAN’s influence would decline with the increasing presence of China.

In attracting East Asian people to take part in the EAC, Tokyo defines its role in EAC as a leader. In a series of town meeting or public diplomacy meeting in 2005-6, Aso Taro, one of the most influential political leaders and then Minister of Foreign Affairs, defines Japan as four: the first is Japan as a “thought leader” who through fate has been forced to face up against some sort of very difficult issues earlier than other Asian neighbors (i.e., nationalism, democracy, environmental destruction), and struggled to somehow resolve the issue, becoming something for others to emulate.<sup>21</sup> The second is Japan as a stabilizer that provides security in the region by maintaining and strengthening the US-Japan alliance, and also

provide prosperity by extending ODA for countries eager to develop.<sup>22</sup> The third is Japan as a country that respects others as peers and equals. Finally, Japan plays a key role in creating a knowledge network in East Asia.<sup>23</sup>

Just as Beijing has attempted to establish its sphere of influence beyond the scope of East Asia (i.e., by cultivating SCO in Central Asia), so has Tokyo. Tokyo adds a new pillar for diplomacy by creating the “Arc of Freedom and Prosperity” that helps countries surrounding the edges of the Eurasian continent starting from Northern Europe to Central Asia to Southeast Asia to Northeast Asia to provide support for economic prosperity and democracy by cooperating in the areas of trade, investment, and official development assistance.<sup>24</sup> It can be interpreted as countering SCO and potentially encircling China.

### 3. EVALUATING SOFT POWER

As Nye points out, soft power, or the power to attract, depends on the context: what images and messages are sent and received by whom. Because soft power is relational, images and messages are interpreted with different effects by different receivers. Whether desired messages are tailored to the hearts and minds of the receivers is important. Equally important is who send those messages. Depending on the attractiveness of a messenger, the background attraction of the same messages may make it easier or more difficult to achieve the desired outcome. We need to evaluate attractiveness of both images and messages.

China’s soft power diplomacy is impressive. Shambaugh puts it: “[b]ilaterally and multilaterally, Beijing's diplomacy has been remarkably adept and nuanced, earning praise around the region. As a result, most nations in the region now see China as a good neighbor, a constructive partner, a careful listener, and a nonthreatening regional power.<sup>25</sup> Kurlantzick calls it “charm offensive.” As discussed earlier, China’s skillful diplomacy has been guided by several principles such as noninterference, respect for other nations’ internal affairs, socioeconomic gradualism, peaceful rise, all that can enjoy appeal. But these principles are of general use: not tailored to address what is needed for Asians. Beijing is yet to prepare an elaborate program under which Asians get together. In the case of East Asia Summit (EAS), Beijing’s proposal lacked the contents, only to replicate the existing APT where it established *de facto* leadership. At this point, Kurlantzick’s observation deserves attention: China’s charming image will recede as the honeymoon period ends; the world will focus more intensely and critically on what Beijing says as it becomes powerful.<sup>26</sup>

By far, Japan provided the most sophisticated program of regionalism in Asia. The

EAC proposal is based on the concept of “community.” The word “community” is an attractive magnet in Asian tradition, more specifically the Chinese/Confucian civilization that idealized a *Gemeinschaft*-like world of obligation and harmony. Japan’s dilemma is that soft power of the messages is likely to decrease when Japan delivers. For Asians remember an imperial Japan that created a colonial empire under the name of a community embedded in exclusive Asian values. In order to avoid Asians’ fear, Tokyo makes the claim that that the community’s identity should be based on universal values such as democracy, freedom, human rights, rule of law, and market economy.

While the Japanese claim is closer to global norms, it is not so appealing to Asians because it sounds too American, and also because Japan is too close an American ally. Aso Taro takes great pains justifying that these seemingly “Western-flavor” concepts are, in fact, ingrained in Japan’s tradition that can be found in the Edo period.<sup>27</sup> However, this effort reminds one of Japan’s enduring image of ambiguity and ambivalence: a Japan pendulating between “leave Asia (datsu-A)” and “reenter Asia (nyu-A).”<sup>28</sup> That Japan’s regionalism is overshadowed by this image leads to the following question: Does Japan have a genuine interest in Asian regionalism? Is it a catalyst or a spoiler?

In contrast to a Japan that sends a well-articulated, seemingly attractive *message* while falling short of establishing an attractive *image*, China has successfully established an attractive *image* while not yet prepared for an elaborated *message* catering the neighbors. After a temporary setback in the race for EAS in 2005-6, Beijing is preparing a new discourse to strike back. “New Asianism” in contrast to Japan-led “old Asianism” seems based on what Zheng Bijian calls a renaissance of Chinese civilization. Just as a new China is progressing with a peaceful means based on revitalized Chinese culture and civilization, so will a new Asia be a harmonious world helped guided by that civilization.<sup>29</sup> By elevating its own culture and practice up to the level of civilization, Beijing seems to searching for a universal element in its claim. While a concrete vision is yet to be seen, given that the historical past plays a significant role in forming an identity of the present, Chinese civilization can be served as potentially great cultural magnets in the region.

By far, the greatest challenge both China and Japan have been and will face is the question of nationalism. Given the resurgence of nationalism in each society, both states’ pursuits of regional community are in conflict with an increasing tendency of glorifying the past and thriving for a great power status. As such, a nationalist image is combined with, and overshadowed by, imperialism. Any attempt at assuming the leading role without attenuating the nationalist impulse would inevitably cause the neighbors’ apprehension of the revival of

the imperial history of domination. As was seen in the EAS case, despite repeated commitment of multilateralism, when Beijing's desire for its leadership became apparent, opposition from Singapore, Indonesia, and not to mention, Japan erupted. They warned if Beijing seems to be using this multilateral institution as a cover, aiming to deter Japanese and American influence in East Asia.

A related issue is the history dispute. Just as Japan has never fully repudiated its past aggression, so has China not fully come to terms with its imperial past. They are engaged in history disputes with their neighbors. For example, Korea's recent dispute over the history of Koguryo Kingdom vis-à-vis China has generated a sharp decline of China's popularity among Koreans. The territorial disputes over the Tokdo islands, compounded by Japanese prime minister's official visit to the Yasukuni Shrine, created a massive resentment, putting Japan's popularity worst in postwar history. The suspicion that lingers in countries such as Korea sets limit on China's and Japan's soft power.

All these weaknesses center on the question of credibility: whether delivered messages are credible. Further, Japan's deficit in credibility is exacerbated by a charge of double standard. For example, Japan's recent claim of value diplomacy such as promoting human rights is inconsistent with its partial denial of the comfort woman issue, a critical human right case. The latter is in contrast with its adamant position vis-à-vis North Korea on the abduction issue that is framed as a human rights case. Also, China's liability lies in its undemocratic political system where the communist party are hesitant to allow too much intellectual freedom and outside influences. According to Keohane and Nye, in the information age, there is clearly a democratic advantage in gaining reputation and soft power because credibility comes from the democratic -- transparent and accountable -- procedures by which information is validated, edited, filtered, and interpreted.<sup>30</sup> That China's reporting on defense every two years is far from reaching the global standard of transparency is a good example of how China is losing credibility.

#### **4. IMPLICATIONS FOR KOREA**

As an early adopter of the soft power concept, China and Japan have pursued national strategies that sought the ability to attract neighboring nations into its sphere of influence. Both believe that strengthening hard power resources alone is insufficient. They have concentrated soft power on East Asian neighbors, competitively producing and disseminating many potentially attractive images and messages. They have engaged in a soft power contest.

By contrast, Korea faces an apparent deficit in hard power, surrounded by four great powers in the world. A smart power strategy for Korea is filling in such void by fortifying soft power. It should differ from a great power's approach that *complements* military and economic might with its soft power.<sup>31</sup> Korea should make greater investments in its soft power than do great powers. Nonetheless, it is a late comer. Overall, Korea is not a sender, but a receiver of images/messages. It lacks a cohesive rationale and institutional grounding. Three main obstacles exist.

First, Korean foreign policy is still struggling to solve the peninsula question. Almost all the diplomatic tools and foreign assistance have been directed toward North Korea and four great powers. Diplomacy and foreign assistance outside the peninsula are largely understaffed, underfunded, and underused. These are neglected in part because of the difficulty of demonstrating their short-term effect on the progress for the peaceful peninsula.

Second, Korean foreign policy has tended to view soft power as a cultural phenomenon. In this view, soft power strategy lies in the field of cultural diplomacy. Soft power is more than mere cultural power, however. Although the appeal of popular culture can play a role in inspiring desires of others, cultivating political ideas and values and performing skillful diplomacy are of far greater importance. Beijing and Tokyo clearly understand this point. Both pursue soft power as a national strategy that encompasses diverse fields of task. In Seoul's context, there are limits to the understanding of decision makers as to what soft power means and what it can achieve on its own.

Third, Korea is slow in understanding the nature of soft power in the global information age where the agents are diverse. Just as hard power lies in the hands of the state, public officials tend to believe that soft power can be increased by state organs. Wielding soft power is especially difficult because many of Korea's soft power resources lie outside the government. Only by connecting and sharing multi-layered resources together can soft power move forward.

Korea has yet to come up with a clear set of vision and policy capable of overcoming the above obstacles. Nonetheless, the future for Korea is far from gloomy. As shown in this paper, China and Japan are facing several obstacles and weaknesses that potentially are to Korea's advantage. Both countries encounter the discrepancies between their *images* and *messages*, leading to the problem of credibility and legitimacy in pursuing a regional community. This is to a large extent caused by their nationalist tendencies, overshadowed by the imperial legacies of the past (well presented in the history disputes). Taking lessons from the two countries' case, Korea will need a strategy that addresses its own weaknesses. Four

principles will be certain.

First, Korea's soft power strategy will meet the position of Korea in the global system: a middle power's soft power strategy. Judged from a hard power perspective, Korea will not be able to play as a "maker" of the regional order. Nor will it be so weak to be pushed to decide between Beijing and Tokyo/Washington. Korea can play a constructive role. Only by improving soft power can it play as an "arbiter" or "broker" that helps to avoid a zero-sum game or possibly a collision course among great powers in the region.

Second, success in the arbiter's role will turn on the ability to win credibility from competing powers. Both China and Japan fall short of credibility in sending hope and optimism. At the core of the problem is that they are self-centered and nationalistic. In this sense, the key to gaining credibility is overcoming self-centered nationalism and establishing consistency in words and action.

Third, overcoming myopic, inward-looking, short-termist mindset is important. An extra effort spent on the Korean peninsula (i.e., North Korea or the Six Party Talks) will not necessarily bring an extra effort's worth of security and peace. Korea's bargaining power vis-à-vis neighboring states can be increased by the efforts outside the peninsula. This may not produce the short-term impact on the desired outcomes. It often works indirectly and may take years. Given a limited budget causing trade-offs among policies, it is difficult to invest in the regional and global good. But it is a smart policy. Korean foreign policy should broaden its perspective towards regional and global dimension.

Finally, those who improve network power will gain competitive edges in today's Asia. The soft power strategies of both China and Japan are very much government-driven. Governments always take initiatives in creating and disseminating soft power. However, as Nye correctly points out, many of the critical soft power resources are private.<sup>32</sup> Here, the role of the government is providing an infrastructural environment that allows private individuals and groups for creative experimentation, and integrating their diverse cultural, economic, diplomatic assets for coordinated affect. This can be realized by the ability of the government to establish a close-knit, multi-dimensional network of interaction with diverse, creative agents.

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1 T. J. Pempel, "Introduction," in idem ed., *Remapping East Asia* (Ithaca: Cornell University Press).

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- 2 Joseph Nye, *Soft Power: The Means to Success in World Politics* (New York: PublicAffairs 2004).
- 3 See Kurlantzick, *Charm Offensive*.
- 4 This is best illustrated in Japan's security posture with regard to the transformation of US-Japan security alliance. For the twenty-first century transformation of the US-Japan alliance, see US-Japan Security Consultative Committee, "Joint Statement," (2002/12, 2005/2, 2006/5).
- 5 There is an increasing body of literature demonstrating that China's soft power strategies helped to increase its influence in Asia. For example, Amitav Acharya, "China's Charm Offensive in Southeast Asia," *International Herald Tribune* (Nov 8-9, 2003); David M. Lampton, "China's Rise in Asia Need Not Be at America's Expense," in *Power Shift: China and Asia's New Dynamics*, ed. David Shambaugh (Berkeley: University of California Press, 2005), pp. 317-319; Shambaugh, "Return to the Middle Kingdom? China and Asia in the Early Twenty-First Century," in *Power Shift*; Robert G. Sutter, *China's Rise in Asia: Promises and Perils* (Lanham: Rowman & Littlefield, 2005); Jean A. Garrison, "China's Prudent Cultivation of "Soft" Power and Implications for U.S. Policy in East Asia," *Asian Affairs: An American Review* 32: 1 (2005), pp. 25-30; and Joshua Kurlantzick, *Charm Offensive: How China's Soft Power Is Transforming the World* (New Haven: Yale University Press 2007).
- 6 Jianwei Wang, "China's Multilateral Diplomacy in the New Millennium," in *China Rising: Power and Motivation in Chinese Foreign Policy*, eds. Yong Deng and Fei-Ling Wang (Lanham: Rowman & Littlefield, 2005), pp. 159-200; Zhang Yunling and Tang Shiping, "China's Regional Strategy," in *Power Shift*, pp. 48-68.
- 7 Zheng Bijian, "China's Peaceful Rise to the Great Power Status," *Foreign Affairs* Sep/Oct 2005.
- 8 Paul Bowles, "Asia's Post-Crisis Regionalism," *Review of International Political Economy* 9,2(2002); Richard Higgott, "The Asian Economic Crisis: A Study in the Politics of Resentment," *New Political Economy* 3, 3(1998); William Dobson, "Deeper Integration in East Asia," *World Economy* 24, 8(2001); Christopher Dent, "Networking the Region: The Emergence and Impact of Asia-Pacific Bilateral Trade Agreement Projects," *The Pacific Review* 16, 1 (2003); Naoko Munakata, "Has Politics Caught Up with Markets?: In Search of East Asian Economic Regionalism," in Katzenstein and Shiraishi eds., *Beyond Japan* (Ithaca: Cornell University Press, 2005); and Douglas Weber, "Two Funerals and a Wedding?" *The Pacific Review* 14, 3(2001). For de facto regionalization and non- and semi-governmental functional networks developed in the region, see Peter Katzenstein and Takashi Shiraishi eds., *Network Power* (Ithaca: Cornell University Press 1997); *Beyond Japan* (Ithaca: Cornell University Press 2005); and Pempel, *Remapping East Asia*.
- 9 The term "Beijing Consensus" was first proposed by Joshua Cooper Ramo, a senior advisor to Goldman Sachs and adjunct professor at Tsinghua University, in a research report entitled *Beijing Consensus* published in May 2004 at the Foreign Policy Centre (affiliated with the British Prime Minister's office). Since then, this term has received international recognition through high-profile foreign media reports. See Joshua Cooper Ramo, *Beijing Consensus* (London: The Foreign Policy Centre, 2004).
- 10 For critical review of the Beijing Consensus discourse, see Young Nam Cho and Jongho Jeong, "China's Soft Power: Discussions, Resources, Prospects," *Asian Survey* (forthcoming).
- 11 *Ibid.*
- 12 Walter Hatch and Kozo Yamamura, *Asia in Japan's Embrace* (Cambridge: Cambridge University Press 1996).
- 13 For a discussion on Japan's soft power visions and their evaluation, see Yul Sohn, "Ilbon eui [Japan's Soft Power]," in Young Sun Ha and Sangbae Kim eds., *Mae-ryeok kukka mandeulki [Making of an Attractive Nation]* (Seoul: Dong-A Ilbo 2005).
- 14 Takashi Shiraishi, "The Third Wave," in *Beyond Japan*, 237-72.
- 15 Chalmers Johnson: *MITI and the Japanese Miracle: The Growth of Industrial Policy, 1925-1975* (Stanford: Stanford University Press 1982).
- 16 For example, Muramatsu Yukio and Okuno Masahiro eds., *Heisei Baburu no kenkyu*, 2 vols (Toyo keizai shinposha 2002); Tokyo daigaku shakai kagaku kenkyujo ed., *Ushiwareta jyunen o koete* (Tokyo daigaku shuppankai 2004).
- 17 Ito Kenichi ed., *Higashi-ajia to nihon no shinro* (NHK shuppan 2005), p. 2. See also Ito Kenichi, "On CEAC and Community Building in East Asia" (<http://www.jfir.or.jp/e/column/041118.pdf>).
- 18 Japan's EAS proposal was presented at a high-level working group (SOM) of the APT met in June 2006. It has been advanced by the policy circle such as government officials and think-tanks. For example, Takio Yamada, "Toward a Principled Integration of East Asia: Concept of an East Asian Community," *Gaiko Forum* (Fall 2005); Ito Kenichi, *ibid.*; Taniguchi Makoto, *Higashi-ajia kyodotai* (Iwanami shoten 2005); and Kohara Masahiro, *Higashi-ajia kyodotai* (Nihon keizai shimbunsha 2005).
- 19 Ito, pp. 60-64.
- 20 To Japan, deepening of interdependence with these three countries is clear. See Mori Kazuko ed, *Higashi ajia kyodotai no kochiku* (4): *tosetsu netowaku kaiseki* (Iwanami 2006).

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- 21 Speech by Minister for Foreign Affairs Taro Aso at the Foreign Correspondents' Club of Japan , "Asian Strategy As I See It: Japan as the "Thought Leader" of Asia." (2006/5/3). [http://www.mofa.go.jp/mofaj/press/enzetsu/18/easo\\_0503.html](http://www.mofa.go.jp/mofaj/press/enzetsu/18/easo_0503.html)
- 22 Ibid.
- 23 Speech by Mr. Taro Aso, Minister for Foreign Affairs On the Occasion of the 12th Nikkei International Conference on the Future of Asia, "A Networked Asia": Conceptualizing a Future. (<http://www.mofa.go.jp/announce/fm/aso/speech0605-2.html>)
- 24 Speech by Minister for Foreign Affairs Taro Aso on the Occasion of the Japan Institute of International Affairs Seminar, "Arc of Freedom and Prosperity: Japan's Expanding Diplomatic Horizons" (<http://www.mofa.go.jp/announce/fm/aso/speech0611.html>); see also MOFA, Diplomacy Bluebook 2007.
- 25 David Shambaugh, "China Engages Asia: Reshaping the Regional Order." *International Security* (Winter 2004-2005), 64.
- 26 Kurlanzick, *Charm Offensive*, 113-14.
- 27 "Arc of Freedom and Prosperity: Japan's Expanding Diplomatic Horizons."
- 28 For example, Oe Kensaburo, *Aimai na nihon to watashi* (Kodansha 1995).
- 29 Zheng Bijian, "Chinese Peaceful Rise and a Dream of Revitalization," *People's Daily Online* (6/17/2006).
- 30 Robert Keohane and Joseph Nye, "Power and Interdependence in the Age of Information," *Foreign Affairs*, 77, 5 (1998).
- 31 CSIS, *CSIS Commission on Smart Power: A Smarter, More Secure America* (prepublication draft), 5.
- 32 "The soft power that is becoming more important in the information age is in part a social and economic by-product rather than a result of official government action." Nye, *Soft Power*, 32.