Chapter 2

Smoke and Mirrors
Leadership, Theory, Perceptions and Japan

In the study of international relations, leadership and perceptions are two of the most interesting aspects. An intriguing facet of this discourse is that leadership and its analysis only became a major issue once a number of US scholars noted that US responsibility for the US-led postwar framework for liberal economic development was weakening. Only three decades old, the study of leadership in the 1970s started well after the era of the 1950s and 1960s when the United States was at the hegemonic apex. Scholars such as Kindleberger and Gilpin remarked that, despite the pre-eminence of the US on the global stage, leadership had gone. This preoccupation with the continuing ability of the US hegemon to exert its influence over the international political economy conflated itself with ideas of leadership, drawn from Weberian descriptions of state responsibility.[1] The rationale was that, after the Great Depression had demonstrated the dangers of nationalism, state leadership was needed to allow international public goods to exist in the international system to maintain a stable international political economy. Otherwise, short-term national self-interests would lead to self-serving policy choices and international economic dislocation. Hegemony referred to a state with preponderant capabilities, hence a state most able to construct and maintain these public goods.[2] As a

---

[1] See M. Weber, *Economy and Society: An Outline of Interpretive Sociology, Volume 1*, eds. Guenther Roth and Claus Wittich, Uni. Of California Press, Berkeley, 1978.
[2] C. P. Kindleberger, *The World in Depression 1929-1939*, Penguin, London, 1973.

state with these resources, the study of leadership became a study of US hegemony, obscuring other aspects of leadership in international relations.

The study of leadership is inherently difficult; how does social science study an issue as abstract and subjective concept as leadership? Little progress has been made on this problem in terms of objective positivist study. State leadership in international relations remains tied to the assumptions and observations of those who seek to analyse the foreign policy of great powers. As Stubbs remarked, leadership is

> thought of in terms of the economic and military capacity of the major powers and was very much tied to the realist school's preoccupation with the distribution and mobilisation of power capabilities among the states of the international system.[3]

The focus remained on US foreign policy and rationalisations of previous US foreign policy postures, seen through theories of hegemonic stability and the wider systemic benefits provided by a hegemonic power providing international public goods. Attempts were made by Liberal, Realist and Gramscian scholars to reform debate to discuss the wider ramifications of leadership in the international system, but more often than not, continued arguing within the existing theoretical limitations.[4]

In the 1980s and 1990s, the quest for what constituted leadership took on the important task of which actors in the international political economy were able to provide the leadership that was previously the sole concern of a US hegemon.[5] Rapkin argued that an expanded number of concepts became associated with world leadership or hegemony. These included: hegemonic power (in terms of capabilities), regimes, order, cooperation, international public goods, ideology, class, global or hegemonic war,

---

[3] R. Stubbs, 'Reluctant Leader, Expectant Followers: Japan and Southeast Asia', *International Journal*, 46(4), Autumn 1991, p. 650. This type of leadership is typified in Paul Kennedy, *The Rise and Fall of Great Powers*, Unwin Hyman, London, 1988.

[4] For a Liberal view, see C. P. Kindleberger, *The World in Depression 1929-1939* and 'Dominance and Leadership in the International Economy: Exploitation, Public Goods and Free Rides', *International Studies Quarterly*, 25(2), June 1981, pp. 242-254; For Realists, see R. Gilpin, *The Political Economy of International Relations*, Princeton University Press, Princeton, 1987; and, for a Gramscian perspective, see R. Cox, 'Gramsci, Hegemony and International Relations: An Essay in Method', *Millennium*, 12, 1983, pp. 162-175.

[5] A. Cooper, R. Higgott and K. Nossal, *Relocating Middle Powers: Australia and Canada in a Changing World Order*, University of British Columbia Press, Vancouver, 1993, pp. 12-14 and D. P. Rapkin, 'The Contested Concept of Hegemonic Leadership', in D. P. Rapkin (ed.), *World Leadership and Hegemony*, Lynne Rienner, Boulder, 1990, p. 1.

and long cycles or waves.[6] Linked to leadership came wider enquiries about the semantic differences between 'leadership' and 'hegemony'.[7] Much of the debate centred on the definitions of *leadership* and *domination*. Depending on the dictionary and the definition of the terms, the meanings of leadership and domination overlapped, a remnant of the dual roles (to lead and to dominate) of feudal lords.[8] This reflexive investigation returned to hegemony to try to strengthen the theory's explanations of the use and management of state power in international relations.

One of the first steps scholarly enquiry took for this expanded search for leadership asked the question as to whether state hegemonic succession could occur. Following the collapse of the Bretton Woods system of exchange rate/ capital controls and the effect of higher oil prices in the early 1970s, fears of US decline combined with Japan's seemingly meteoric economic success. With the postwar economic and strategic barriers to Japan's success, the image of a reversal of fortune became obvious during the 1980s. Growing Japanese economic strength contrasted with the US, with its growing current account/trade deficits, the high debt exposure of US banks to the decade-long Latin American Debt Crisis and the ongoing fear of superpower conflict. By 1990, this image morphed into the perception that although the US 'won' the Cold War, it had lost the 'peace' to Japan and West Germany. Questions of what had gone wrong, 'how had this happened', 'could this be reversed' and 'is it really that bad' were quickly met with scholarly debate on the nature of leadership's relation to hegemony.[9]

---

[6] D. Rapkin, 'The Contested Concept of Hegemonic Leadership', p. 5. For Long Cycles, see G. Modelski, *Long Cycles in World Politics*, University of Washington Press, Seattle, 1987.

[7] For example, Wallerstein's World System Theory uses 'hegemony' normatively as a position of coercion and avoid all uses of leadership in connotation with the former. I. Wallerstein, *The Modern World System*, Academic Press, London, 1974.

[8] M. Weber, *Economy and Society: An Outline of Interpretive Sociology, Volume 1*, pp. 53, 61-62.

[9] Although scholars like Susan Strange and Joseph Nye argued that the 1980s and 1990s would be an 'interregnum' between the US-enforced economic order and its US-sanctioned successor. See S. Strange, *States and Markets: An Introduction to International Political Economy*, Pinter, London, 1987 and J. Nye, *Bound to Lead: The Changing Nature of American Power*, Basic Books, New York, 1990. Kindleberger argues that the debate of hegemonic decline became of importance after the US balance of payments crisis of 1960. See C. Kindleberger, 'Dominance and Leadership in the International Economy', p. 242.

This chapter will outline the progress made on mainstream interpretations of leadership theory and its relationship with hegemony. Starting with the initial works on the subject in the 1970s, this chapter will explore the evolution of the theory and the impact of other theories, including liberalism and Gramscian approaches. An analysis of the shortcomings of this theory exposes the preoccupation with hegemony as the dominant form of leadership in international affairs, the almost total ignorance of those states being led (otherwise known as 'the followers'), and the active role that perceptions and expectations of leadership have had on the debate about leadership in international relations. Role theory and its analysis of state foreign policy will then be used to explore the differences between the self interests of the US and the countries of East Asia and their perceptions of what role Japan could fulfil to support their foreign policy interests.

In the second half of the chapter, a critical analysis of the impact of leadership theory on Japan and its regional role will be considered. In particular, in relation to the Asia Pacific region, the US perception that Japan could act as a hegemonic state will be assessed and contextualised. The argument will be made that leadership theory became overly reductionist in scope and that context and specific interests were not included in the theory. While Japan fulfilled a number of the capability criteria considered crucial for traditional hegemony, scholarship skewed Japan's capacity for hegemonic leadership due to flaws in the theory. As a result of this, the wider field then failed to absorb either the power relationships and the existence of national interest driving policy in the Pacific or the argument that leadership in international relations existed independently of hegemony. Hence, with Japan unable to fulfil all the necessary criteria for hegemony, Japan was perceived to be incapable as a leader despite fulfilling a number of leadership characteristics.

Hegemonic leadership theories, centring around the past foreign policy actions and demands placed on US, acted as a filter through which perceptions of leadership in the Asia Pacific, such as strategic and economic responsibility, came to be made. Theory

also downplayed other forms of leadership from around the rest of the region, based on East Asia's own experience of leadership and the use of power. Despite US calls for Japan to play a more significant role in providing a wide range of regional public goods from the late 1960s, East Asia has rarely shared the same desire for greater Japanese leadership in the region. Their conception of Japan's leadership role was and is almost exclusively based around their mutual self-interest in economic development.

Leadership in International Relations

It was against the background of US relative decline within international political economy that international relations explored leadership – a background that the discourse has stubbornly remained tied to, despite challenges and additions over the years. The defining works in the genre remain the 1970s and 1980s research of the liberal economics-based research of MIT economist Charles Kindleberger and the Harvard-based realist power-politics amalgam of Robert Gilpin. Their studies of material capabilities and responsibilities required from potential states in a systemic leadership position remain the cornerstone of the subject. Both devoted considerable energy to defining the role of the hegemon, a position filled by the United States after the Second World War. This state was to become the ultimate guarantor of the *liberal international economy*, with Kindleberger emphasising the economic role that this state played in international affairs through the provision of the usually scarce international public goods, whilst Gilpin stressed the role of power through military capacity and capability as part of the hegemon's armoury. Leadership, rather than being analysed on an impartial and coherent basis, became complicit with the circumstances that faced the US after the Second World War.

The analysis of the hegemonic 'project' is an offshoot of a far older, intrastate Liberal project.[10] Rather than thinking of nation states as the basic units of analysis as realists do, Liberals tended to see individuals and their (economic) interaction as their theoretical foundation.[11] On a national and international scale,

> Liberal theorists argue that economic openness, limitations on the scope of state intervention in the economy, and the primacy of private sector and private initiative in production and exchange, are most likely to lead to an increase in global economic efficiency….[12]

Arguably, in the theory's purest form, in a perfect international market, the provision of state leadership is not required as equilibrium is the 'natural' balance between supply and demand in a well-informed market. However, the Great Depression's dire consequences and the fraught health of the capitalist international economy at the end of the Second World War rendered this option idealistic, with Roosevelt and Churchill interested in an international economic policy approach that promoted widespread recovery. The postwar creation of the Bretton Woods system of currency controls and international institutions became the crucial mechanism that largely achieved this goal up to 1971. The main impetus for this initiative came from the past and current hegemon, the UK and the US. It was this leadership by the newly hegemonic United States that came to be seen, through Kindleberger's analysis, as crucial to the success of the postwar recovery.

In his book *The World in Depression, 1929-1939*, Kindleberger outlined the role of the hegemon, using the example of the UK when describing the problems of currency convertibility to gold, First World War debts and reparations payments. He argued that

---

[10] Liberalism, as a theory, is one of the oldest in political science and has its basis in the thinking of eighteenth and nineteenth century anti-mercantilists/utilitarians such as John Stuart Mill, Jeremy Bentham, David Ricardo and Adam Smith, who sought to define the relationship between the state and the market. For the economic aspect of this theory, see A. Smith, *An Enquiry into the Nature and Causes of Wealth of Nations*, Penguin, Harmondsworth, 1984 and D. Ricardo, *Principles of Political Economy and Taxation*, Penguin, Harmondsworth, 1971.

[11] S. Gill, and D. Law, *The Global Political Economy: Perspectives, Problems and Policies*, Harvester Wheatsheaf, New York, 1988, pp. 41-42. Subsequently, competitive interaction is argued to take place between individuals so that they can "maximise their satisfaction, or utility, especially through the social institution of the market".

[12] S. Gill, *American Hegemony and the Trilateral Commission*, Cambridge University Press, Cambridge, 1990, p. 21.

leadership in international financial and monetary affairs was needed to avoid nationalist 'beggar-thy-neighbour' policy responses.[13]

> Leadership may be thought of at first blush as persuading others to follow a given course of action which might not be in the follower's short-term interest if it were truly independent…it has strong elements of both arm-twisting and bribery. Without it, however, there may be an inadequate amount of public goods produced.[14]

Central to this definition came the important theoretical tool of public goods developed during the 1960s by Olson[15] among others, that Kindleberger defined as goods that "the consumption of which by an individual, household or firm does not reduce the amount available for other potential consumers" and helped in the overall functioning of a domestic economy.[16]

> The analysis of public and private goods is also applicable to the international economy. For private goods, read national benefits, for public, cosmopolitan goods, for the maintenance of the world economy. The question is how to distinguish domination and exploitation from responsibility in the provision of cosmopolitan goods in the world economy, and whether there are not occasions when the world suffers from the underproduction of the public good of stability, not because of greedy vested interests and domination or exploitation, but because of the principle of the free rider.[17]

The problem of defining when sufficient public goods were being produced fed into the nexus of what leadership was, and who could provide it. In a domestic context, the problem of free riders, those groups who did not want to contribute on an equal basis to internal stability, was not so great a problem because of the inherent power of government to mobilise resources and broadly legislate for its inhabitants. On an international level, the capabilities of individual governments were constrained by this

---

[13] In other words, "when every country turned to protect its national private interest, the world public interest went down the drain, and with it the private interests of all". C. P. Kindleberger, *The World in Depression 1929-1939*, p. 292.

[14] C. Kindleberger, 'Dominance and Leadership in the International Economy', p. 243.

[15] In particular, see M. Olsen's book *The Logic of Collective Action: Public Goods and the Theory of Groups*, Harvard University Press, Cambridge, 1965.

[16] "For Adam Smith, within an economy public goods consisted of defence, law and order, and a minimum number of roads and bridges. To this list, John Stuart Mill added tranquillity. Other economists noted that the government must provide the public good of money, to the extent that the economy did not rest on the pure gold standard without banking (which could be said to be privately produced) and rules for the conduct of enterprise. With Keynes, the list of public goods was enlarged to include stability of national income, sought through fiscal as well as monetary policy. Today we recognise other public goods such as control over private negative externalities, as in pollution." C. Kindleberger, 'Dominance and Leadership in the International Economy', pp. 243, 246-247.

[17] C. Kindleberger, 'Dominance and Leadership in the International Economy', pp. 246-247.

same strength and the pursuit of national self-interest. Leadership in the international economy by the hegemon became required because every actor tried to maximise their own returns, even if it imposed greater burdens on others or undermined future cooperation.[18]

To define the use of hegemonic power to pursue common interests against the systemic tendency towards anarchy, Kindleberger utilised the finance-based term of 'lender of last resort'. In the case of market failure, the hegemon would inject capital into the market to maintain market liquidity, providing a means of escaping widespread bankruptcy in times of extreme economic distress. Along with this financial function, this state needed to provide standards for the conduct of other countries and take the wider responsibility for the lion's share of international coordination.[19] To strengthen his argument, Kindleberger examined history for examples of hegemonic states, seeing the slow transition between the British and US hegemons after the Second World War as the last in a long line of state hegemonic succession.[20] He argued that it was no coincidence that the 30-year interregnum between these two hegemonic periods corresponded with the Great Depression.[21] The hegemon had the sole responsibility to be able to enforce, if necessary, global standards and prevent systemic collapse.[22]

---

[18] R. Keohane, *After Hegemony: Cooperation and Discord in the World Political Economy*, Princeton University Press, Princeton, 1984, p. 18.

[19] C. Kindleberger, 'Dominance and Leadership in the International Economy', p. 247.

[20] C. P. Kindleberger, *Manias, Panics and Crashes: A History of Financial Crises*, 3rd Edition, Macmillan, London, 1996. Chapter 10 deals with the historical forms of the lender of last resort in domestic circumstances whilst Chapter 11 deals with the same commodity in an international context.

[21] C. P. Kindleberger, *The World in Depression 1929-1939*, pp. 27-28. Kindleberger's concern was "with those instances where the abundance of free riders means that the public good is under-produced, and that there is neither domination nor self-abnegation in the interest of responsibility". C. Kindleberger, 'Dominance and Leadership in the International Economy', p. 249, 297. This was based on E. H. Carr's assertion that at the end of the Great War of 1914-1918, the United States was offered the reigns of international leadership but declined. see E. H. Carr, *Twenty Years Crisis, 1919-1939: An Introduction to the Study of International Relations*, 2nd Ed., Harper and Collins, London, 1946.

[22] In *The World in Depression 1929-1939*, he argued on p. 307 that "it may one day be possible to pool sovereignties to limit the capacity of separate countries to work against the general interest; such pooling is virtually attained today in some of the functions needed to stabilise the world economic system, such as the Basle arrangements for swaps and short-term credits which, pending a world central bank, serve as a world discounting mechanism in crisis". However by 1996, in *Manias, Panics and Crashes: A History of Financial Crises*, he had changed his position. Although regimes are good in times of relative calm, Kindleberger asserted that a single entity is required to disburse liquidity into the system in a matter of hours rather than days.

The intertwined study of hegemony and leadership was not only interested in the hegemonic capabilities/responsibilities and free riders but also the interaction between these two variables. A hegemonic state paid the price for leading, becoming gradually weakened by the effort of enforcing the common interests of international stability. Superimposed upon the relative decline in US postwar economic and political power, Kindleberger agreed with Olson and Zeckhauser's observation that "the leader of the alliance (the hegemon) pays more than a pro rata share of the general benefits of the alliance because of the 'free rider' principle".[23] The presence of free riders slowly degraded the standard of international public goods provided in the international system. Therefore, the burden of responsibility

> is difficult to sustain over long years. The leader becomes corrupt, or is perceived as such; the leader becomes tired of free rides, or believes excessive burdens, or both are bankrupting him or her. The economic limit to the burden a country can sustain is of course much greater than the political limit[.]

As a result of both political and economic pressures, both internal and external,

> A system of world economy based on leadership is thus unstable over time in much the same way that a Pax Britannica, Pax Americana, a balance-of-power system, or oligopoly is unstable. The threat may come from the outside in the presence of a thrusting aggressive competitor anxious for the prestige, and possibly the real income, of the dominant economy…The leader can be overthrown by the refusal of followers to submit to what they have come to think as exploitation.[24]

Additionally, state self-interest made the provision of leadership by a hegemonic country more unstable and prone to entropy, an element Cerny argued the US was susceptible to given the complex nature of the domestic separation of powers.[25]

US decline required an adjustment to theories used to describe and delineate between leadership and hegemony. Kindleberger worried that the United States "was obliged at that time to ask, not tell them. Dominance was giving way to leadership".[26]

---

[23] C. Kindleberger, 'Dominance and Leadership in the International Economy', p. 248. See M. Olsen and R. Zeckhauser, 'An Economic Theory of Alliances', *The Review of Economics and Statistics*, 48(3), August 1966, pp. 266-279.
[24] C. Kindleberger, 'Dominance and Leadership in the International Economy', p. 251.
[25] P. Cerny, 'Political Entropy and American Decline', *Millennium*, 18(1), 1989, pp. 47-63.
[26] C. P. Kindleberger, 'Dominance and Leadership in the International Economy', p. 242.

By the 1980s, Kindleberger believed that even US leadership was fading.[27] If the globe

was facing an adjustment to 'complex interdependence' with no central leader, the

notion of what leadership entailed required clarification. Building on Kindleberger's

concept of leadership, Keohane and Nye argued it could "mean: (1) to direct or

command; (2) to go first; and (3) to induce. These definitions roughly correspond to

three types of international leadership: hegemony, unilateralism and multilateralism".[28] If

there was no central state power, Keohane and Nye added the elements of the will and

legitimacy to act in a leadership role.[29]

> [A]ny leadership requires legitimacy, which includes willingness to follow and to
> forego the option of free riding or cheating on the regime that corrodes the
> incentive for leadership. But legitimacy and willingness to follow is particularly
> important in non-hegemonic situations, because the coercive element is
> diminished. Assuring the stability of international regimes under conditions of
> complex interdependence will require multiple leadership and practices that build
> legitimacy of regimes.[30]

From their view, non-hegemonic leadership became a mixture of unilateral and

multilateral policies. It mixed the unilateral initiatives of states with the ability of a state

to convince other states multilaterally that specific actions were in the wider interests of

international public goods, and by association, the international political economy.

While Kindleberger concentrated on a pre-eminent hegemonic state maintaining

a stable economic order, Realism, the most prevalent international relations theory,

sought insights from Kindleberger's analysis about the construction of a hegemonic

order. Whereas liberals studied leadership for the creation of public goods, realist

interests lay in analysing hegemonic power and its use as the provider of last resort for

international security and stability. It was through the capacity to mould the

international system to its will that Kindleberger's argument about international public

goods fitted so well into realist theory. This was in part driven by historical sources; the

---

[27] C. Kindleberger, 'Dominance and Leadership in the International Economy', p. 248.
[28] R. Keohane and J. Nye, *Power and Interdependence*, 2nd Ed, Scott, Foresman and Co., Boston, 1989, p. 229.
[29] R. Keohane, *After Hegemony* pp. 32-34.
[30] R. Keohane and J. Nye, *Power and Interdependence*, p. 231.

Ancient Greek historian Thucydides is but one of the authors that US realists cite for their concentration on power politics, along with the works of Hobbes and Machiavelli.[31] In studying the past 2400 years of Western history, Gilpin asserted that the political economy of the globe could be divided into hegemonic cycles, noting that "the conclusion of one hegemonic war is the beginning of another cycle of growth, expansion and eventual decline".[32] The hegemon was a historically defined position and the US was the most recent of a long line of archetypal hegemonic powers.

To realists, liberal discourses on leadership and the pacifying positive sum qualities of free trade were seriously inadequate as analysis,[33] instead preferring the hegemon's potential use of power as the inherent basis of its sphere of hegemonic influence, rather than its support of common norms and interests.[34] As Gilpin stressed in the first chapter of *US Power and the Multinational Corporation*, economics and politics are intertwined and cannot be easily separated, an argument shared by Cordell Hull, the US Secretary of State during the Second World War.[35] Therefore, as suggested by realist-inspired hegemonic stability theory, the liberal global economy could not function properly without a hegemon or great power using its influence to maintain a stable and friendly environment.[36] One of the ways in which a hegemon pursued this order was through regimes, defined by Krasner as the "principles, norms, rules, and

---

[31] R. Lebow and R. Kelly, 'Thucydides and hegemony: Athens and the United States', *Review of International Studies*, 27, 2001, p. 593.

[32] R. Gilpin, *War and Change in World Politics*, Cambridge University Press, New York, 1981, p. 210. Chinese, Ottoman and Indian empires remained outside the scope of analysis. P. K. O'Brien, 'The Pax Britannica and American Hegemony: Precedent, Antecedent or Just Another History?', in P. K. O'Brien and Armand Clesse (ed.), *Two Hegemonies: Britain 1846-1914 and the United States 1941-2001*, Ashgate, Aldershot, 2001, pp. 3-4 and D. P. Rapkin, 'The Contested Concept of Hegemonic Leadership', p. 8.

[33] F. Halliday, 'The Cold War and its Conclusion: Consequences for International Relations Theory', in R. Leaver and J. Richardson (eds.), *The Post-Cold War Order*, Allen and Unwin, Sydney, 1993, pp. 26-27.

[34] E. D. Mansfield and J. C. Pevehouse, 'Trade Blocs, Trade Flows, and International Conflict', *International Organization*, 54(4), Autumn 2000, pp. 776-777. Kenneth Waltz argued that the size of the military can be boosted to 'balance' this increased 'vulnerability' of economics to a states' capabilities. See R. Keohane, (ed.), *Neorealism and its Critics*, Columbia University Press, New York, 1985.

[35] R. Gilpin, *US Power and the Multinational Corporation*, Basic Books, New York, 1975, pp. 20-43 and J. Ruggie, 'Multilateralism: the anatomy of an institution', *International Organisation*, 46(3), Spring 1992, p. 586. Hull noted that "nations which act as enemies in the marketplace cannot long be friends at the council table".

[36] R. Gilpin, *The Political Economy of International Relations*, pp. 364-365, R. Keohane, *After Hegemony*, p. 31 and D. Snidal, 'The Limits of Hegemonic Stability Theory', *International Organisation*, 39(4), Autumn 1985, pp. 579-580.

decision making procedures around which actors' perceptions converge".[37] Regimes were created or contingent upon hegemony, with cooperation achieved though shared state interests or coercion. Hegemonic "responsibility" through regimes that maintained order could be demonstrated after the Second World War through Regimes such as the UN, IMF, GATT and NATO were seen in this context among others.[38]

While these institutional entities made the hegemonic order more stable, it paradoxically inhibited hegemonic power and weakened its power base over time, due to the ongoing costs of 'responsibility' and free riders. Gilpin, Keohane and Nye emphasised the self-sacrifice that the hegemon faced in leading this order. For example, the successful US-sponsored hegemony project of 'embedded liberalism' demonstrated that the hegemon must be able to put the long-term success of the global economy over the short-term interests of itself and others.[39] Gilpin, like Kindleberger, highlighted the increasing tension between states and policy coordination, noting that the urge for the hegemon to act in a selfish fashion "becomes overwhelming".[40] This process could be seen through the 1960s in US spending on both the 'Great Society' program and the Vietnam War.[41] Hence, the ultimate paradox at the heart of this discourse on hegemonic leadership: the hegemon had the power, not only to set, control and maintain, but also break the order it created.

The analytical work of Gilpin and Kindleberger, although insightful, gradually led to a diminishing level of intellectual returns and increasing criticism. Both authors noted that international leadership and hegemony were not necessarily synonymous with each other, contrasting hegemonic 'benign dominance' with less altruistic control of

---

[37] S. Krasner, 'Introduction', in S. Krasner (ed.), *International Regimes*, Cornell University Press, Ithaca, 1983, p. 2.
[38] R. Gilpin, *The Political Economy of International Relations*, p. 364.
[39] R. Gilpin, *The Political Economy of International Relations*, p. 365, 380 and R. Keohane and J. Nye, *Power and Independence*, p. 47. See also J. G. Ruggie, 'International regimes, transactions and change: embedded liberalism in the postwar economic order', *International Organisation*, 36(2), Spring 1982, pp. 379-415.
[40] R. Gilpin, *The Political Economy of International Relations*, p. 364.
[41] R. Gilpin, *The Political Economy of International Relations*, p. 364.

IPE.[42] As Strange noted, US relative decline and a lack of international leadership did not mean that leadership and power were intrinsically linked.[43] This argument followed the continuing weakening of the US in the international system from the 1970s onwards, undermining its earlier prescriptive claims. Lake disagreed with Gilpin's use of Kindleberger's initial analysis of hegemonic responsibility, arguing that hegemony and leadership were essentially dissimilar.[44] Leaver attacked the flexibility of the argument, drawing on the earlier work of Hoffmann noting the subjectivity of US social science.

> Hence, just as the search for the 'order' in an anarchic international system was the main concern of post-war political realism, so now that same search for 'order' -a liberal order- has come to dominate the field of IPE, and justify the almost singular policy obsession of many of its proponents with defending the remnants of the 'liberal regimes' and 'orderly rules' put in place by the US during its phase of unquestioned dominance.[45]

The implicit legitimacy that hegemonic stability theory gave US hegemony as the last in a long line of hegemonic states, mirroring feudal succession, drew heavy criticism.[46] Similarly, Kindleberger's original argument that US hegemony was similar to British hegemony faced increasing problems.[47] Similarly Leaver argued that it was naïve to see US postwar policy as altruistic as there were tangible benefits for US actions.[48] And,

---

[42] C. P. Kindleberger, *Manias, Panics and Crashes: A History of Financial Crises*, pp. 179-189 and R. Gilpin, *The Political Economy of International Relations*, p. 369 and 379.

[43] For examples of this, see S. Strange, 'The Persistent Myth of Lost Hegemony', *International Organisation*, 41, 1987, pp. 551-574 and *Casino Capitalism*, Basil Blackwell, Oxford, 1986. See also L. Mjøset, 'The Turn of Two Centuries: A Comparison of British and US Hegemonies', in D. P. Rapkin (ed.), *World Leadership and Hegemony*, Lynne Rienner, Boulder, 1990, p. 46.

[44] D. A. Lake, 'Leadership, Hegemony and the International Economy', p. 460. He suggested that hegemonic stability theory was composed of leadership theory (with the emphasis on public goods and international stability) and hegemonic theory, which he argues explains patterns of international economic openness and its links with US enforced order.

[45] R. Leaver, 'Restructuring in the Global Economy: From Pax Americana to Pax Nipponica?', pp. 438-439. For a more in-depth exploration of this tendency in US international relations scholarship, see S. Hoffmann, 'An American social science: international relations', pp. 41-60.

[46] A. Gamble, 'Hegemony and Decline: Britain and the United States', in P. K. O'Brien and Armand Clesse (ed.), *Two Hegemonies: Britain 1846-1914 and the United States 1941-2001*, Ashgate, Aldershot, 2001, pp. 127-140 and P. K. O'Brien, 'The Pax Britannica and American Hegemony', p. 37, 55-56.

[47] R. Keohane, *After Hegemony*, pp. 34-35, L. Mjøset, 'The Turn of Two Centuries: A Comparison of British and US Hegemonies', pp. 29-31, 34, 39-40, articles by P. K. O'Brien, A. Gamble, J. M. Hobson in P. K. O'Brien and Armand Clesse (ed.), *Two Hegemonies: Britain 1846-1914 and the United States 1941-2001*, Ashgate, Aldershot, 2001. O' Brien notes (p. 55) "that…attempts to construct a general theory based upon histories of the rise and decline of 'major powers' going back to Genoa in the late thirteenth century (or even to the Sung Dynasty, 930-1120) conflates hegemony with geopolitical and economic significance".

[48] R. Leaver, 'Restructuring in the Global Economy: From Pax Americana to Pax Nipponica?', pp. 441-442.

although evidence supported the argument that hegemony increased systemic gains and stability, it could only be asserted without more evidence that hegemonic orders benefited *all* states.[49] Also dismissed was the argument that all hegemons created US-style (open, multilateral) institutions to spread its desired world order, with Ruggie arguing that different hegemonic powers would follow policies consistent with their "own international objectives and domestic structures".[50] And countering the view that hegemonic order were crucial for regime creation and survival, Keohane, Krasner, Nye and Ruggie noted that existing regimes were more resilient and adaptable than assumed by Gilpin and Kindleberger.[51] Finally, contemporary scholars argued that the US postwar position in IPE made it the first global hegemon and unique, not the last of a historically contiguous line of hegemons.[52]

Gramscianism and Leadership

The theoretical study of leadership, while it engaged with the material capabilities of the hegemon and the specific interests that the US had in pursuing international public goods through regimes, focused overwhelmingly on economic and military capabilities. Leadership legitimacy in this research was a corollary of size and strength, avoiding the power of ideas and will in the use of power to pursue wider systemic gains. The addition of social and transnational forces by neo-Gramscian theory in the 1980s and early 1990s, scholars such as Cox and Gill noted the complexity of hegemonic leadership. Like Liberalism and unlike classic Realism or Marxism, Gramscian approaches to international leadership were more adept at absorbing non-state influences, including

---

[49] D. Snidal, 'The Limits of Hegemonic Stability Theory', p. 583 and D. A. Lake, 'Leadership, Hegemony and the International Economy: Naked Emperor or Tattered Monarch with Potential', *International Studies Quarterly*, 37, 1993, p. 465. If hegemonic succession remained accepted, Lake argued that economic history demonstrated that a hegemon could be insufficient in some circumstances.

[50] J. Ruggie, 'Multilateralism: the anatomy of an institution', *International Organisation*, 46(3), Spring 1992, pp. 585-586.

[51] R. Keohane and J. Nye, *Power and Interdependence*, p. 44 and J. Ruggie, 'Multilateralism: the anatomy of an institution', p. 594, 596.

[52] D. P. Rapkin, 'The Contested Concept of Hegemonic Leadership', p. 7, P. K. O'Brien, 'The Pax Britannica and American Hegemony', pp. 36-37, 40-51 and J. M. Hobson, 'Two Hegemonies or One? A Historical-Sociological Critique of Hegemonic Stability Theory', in P. K. O'Brien and Armand Clesse (ed.), *Two Hegemonies: Britain 1846-1914 and the United States 1941-2001*, Ashgate, Aldershot, 2001, pp. 305-325.

social and ideological factors.[53] In other words, the wider scope of US power was based

on variables and structures that were much broader than existing theory allowed.

Cafruny remarked that

> [i]mportant questions about the nature and degree of US hegemony cannot be
> answered simply by devising more rigorous methods of measuring power or by
> conducting additional case studies of specific regimes, but rather by establishing a
> more satisfactory conceptual framework for characterising changes in global power
> relations.[54]

US hegemony in IPE had a "cumulative and indirect quality" that gave it structural

power over the other states and non-state actors in the international system.[55]

Gramscians saw important nuances within US hegemony, analysing the social

basis of power, including the power of ideas, in reinforcing strengths of dominant

groups/ideologies within the state and expanding these ideas into foreign policy.[56]

Leadership, from a neo-Gramscian view, is practiced by the hegemon to found and

protect a world order through social, economic and political means from which

primarily it and other states within range of hegemonic influence could benefit.[57] For

Gill, "Hegemony, therefore, is not a relation of coercive force…but rather primarily one

of consent gained through 'intellectual and moral leadership".[58] The universal

attractiveness of the 'American Dream' and liberal democratic ideals historically

espoused by the US reinforced the other material aspects of its power.[59] Compared to

"the cultural xenophobia of America's major economic contender [for hegemony],

---

[53] S. Gill, *American Hegemony and the Trilateral Commission*, pp. 41, 46-47. Gill argues that "the key units in Cox's variant are interacting sets of social forces (ideas, institutions, material capabilities), which affect the formation of 'transnational' as well as national class fractions (of labour and capital), and the 'internationalised' (or what I call the 'transnationalised') state. These forces operate at three interrelated (methodological) levels: world orders, state-civil society complexes, and the basic level of production…Hegemony occurs when there is a strong congruence between each of these social forces across each level".

[54] A. Cafruny, 'A Gramscian Concept of Declining Hegemony: Stages of US Power and the Evolution of International Economic Relations', in D. P. Rapkin (ed.), *World Leadership and Hegemony*, Lynne Rienner, Boulder, 1990, p. 98.

[55] S. Gill, *American Hegemony and the Trilateral Commission*, p. 64.

[56] S. Gill, *American Hegemony and the Trilateral Commission*, pp. 70-71 and A. Cafruny, 'A Gramscian Concept of Declining Hegemony', p. 104.

[57] R. Cox, 'Gramsci, Hegemony and International Relations: An Essay in Method', *Millennium*, 12, 1983, p. 169 and R. Cox, with T. Sinclair, *Approaches to World Order*, Cambridge University Press, Cambridge, 1996, pp. 136-137.

[58] S. Gill, *American Hegemony and the Trilateral Commission*, p. 42.

[59] S. Gill, *American Hegemony and the Trilateral Commission*, pp. 72-73.

Japan, and its major (Cold War) adversary, the Soviet Union", the US remained at the centre of the liberal political and economic order.[60]

Much as liberal and realists before them, Gramscian concerns of leadership in international relations tied themselves to the US. While making a critique of previous scholarship for their research methods and their limited focus on the United States, they ironically remained tied to studying US hegemonic policy, albeit from a counter-hegemonic position. While Realists and Liberals saw free riders and anarchy as the reason behind US postwar hegemonic decline, Gramscians saw US foreign policy overstretch as the main basis of these claims. Although the US may have faced relative decline vis-à-vis other powers since the 1970s, this argument to Cafruny and Gill constituted a self interested attempt to explain withdrawal of international public goods such as Bretton Woods through foreign policy failures beginning during the 1960s, such as the Vietnam War.[61] US self-interest and failure to lead then led to the increased global economic dislocation of the 1970s and 1980s.[62] Cafruny explained that the US was in the middle stage of a three stage hegemonic cycle, referred to as 'declining' hegemony, where universal benefits and hegemonic interests were increasingly dissimilar.[63]

Although expanding the repertoire of the choir, the inclusion of a Gramscian approach did not change the mainstream theory's notes or pitch. The song remained the same: US hegemony and leadership were synonymous. It did cause some revisionism, with Lebow and Kelly arguing that realist interpreters of Thucydides simplified his argument, ignoring the importance of social and ideological power in their

---

[60] S. Gill, *American Hegemony and the Trilateral Commission*, p. 77. This centrality is added to by the usage of English as the universal language of commerce, international media/education and diplomacy.
[61] S. Gill, *American Hegemony and the Trilateral Commission*, pp. 58-59 and A. Cafruny, 'A Gramscian Concept of Declining Hegemony', p. 97.
[62] S. Gill, *American Hegemony and the Trilateral Commission*, pp. 61-62 and A. Cafruny, 'A Gramscian Concept of Declining Hegemony', p. 99.
[63] A. Cafruny, 'A Gramscian Concept of Declining Hegemony', pp. 102-106. Both he and Gramsci noted that there existed three distinct (ideal) forms of hegemony: integral, declining and minimal hegemony. Integral hegemony was the form most interested in international leadership; minimal the form most interested in pursuing self-interest (argued to be 'domination' by Cafruny).

concentration on political and military power.[64] Earlier in the decade, Pfaff included

social cohesion as a major element of national power that leads to hegemony, although

unlike Ikenberry and Kupchan, he eschewed the extension of these 'socialisation

patterns' to a hegemon's sphere of influence.[65] Studying the practice of US hegemony,

Deudney and Ikenberry suggested that the inherent cooperation, reciprocity and

transparency in the hegemonic system assisted in maintaining this socialisation. Other

countries could influence the policies and practices of the US administrations, making

US leadership more acceptable to their interests.[66] But nonetheless, the US remained the

only state targeted as a leader in IPE, with theory constantly measuring existing US

foreign policy with the idealised foreign policy of the 'golden era' of US hegemony.

Limitations of Existing Leadership Theory

One of the deficiencies of leadership theory has been its inability to move beyond the

exploration of international systemic responsibility laid out by Kindleberger and Gilpin.

Academic debate about leadership remained tied to the exercise or avoidance of

leadership by the US in maintaining its postwar international liberal public goods legacy.

Before 1990, this theory also avoided superpower geopolitics, notably the prospect of

Soviet Union hegemony. This 'other', non-liberal option remained the unspeakable

theoretical 'bogeyman' in IPE during the Cold War if international public goods were

not infused by those liberal states with the capability and/or will to do so. Instead, it

was either West Germany or Japan that were seen as *economic* successors to fading US

hegemony, despite obvious military and political short-comings to their potential.

---

[64] Not only did Thucydides distinguish between *hegemonia* (legitimated leadership) and *arkhe* (control), but also included ideology as well as material capability in his discussion of Athenian hegemony during the Peloponnesian War. The Realist-favoured incident of the Melian Dialogue was actually a cautionary tale against 'arkhe', seen through the Athenian expedition to Sicily. R. Lebow and R. Kelly, 'Thucydides and hegemony: Athens and the United States', pp. 593-594.
[65] W. Pfaff, 'Redefining World Power', *Foreign Affairs*, 70(1), Winter 1990/1991, p. 36 and G. J. Ikenberry and C. Kupchan, 'Socialisation and Hegemonic Power', *International Organisation*, 44(3), Summer 1990, pp. 283–315.
[66] D. Deudney and G. J. Ikenberry, 'The nature and sources of liberal international order', *Review of International Studies*, 25(2), April 1999, p. 185, 195.

Of more interest to the position of Japan within leadership theory, is the absence of discussions on the motivations and reasons for agreeing with another states' leadership. Theory overwhelmingly concentrated on leadership as a systemic commodity produced by one state at any given time. Even within a region, more than one state can act in a leadership capacity, be it in within a specific sector or within the entire regional economy/society. Rarely did analysis cover the dynamics beyond 'shared interests' between leaders and followers and the reasons why followers follow.[67] Definitions of leadership which emphasise that it is an interactive process driven by the followers as much as by the leaders, are at odds with the predominant view of a 'top down' leader-centric approach.[68] This capacity for multiple leaders is perhaps discounted because of the belief of Kindleberger and Gilpin that systemic leadership and the logic of collective action are not in the long-term interests of the liberal political economy. This difficulty, as noted earlier by Keohane and Snidal, does not preclude successful cooperation in that area.[69] The same can be said for specific issues in foreign policy; leadership exists in bilateral, regional and global interactions between states without hegemony.

Why States follow the Leader

Rather than follow existing leader-centric theories, the reasons for states following the lead of other states required further analysis. Using the framework developed by Burns (seen in Chapter 1), Stubbs argued from a social psychology perspective, where leaders and followers have major impacts on the process of leadership. Followers expect that "to maintain the confidence of followers and their consent to his commands, the leader must frame his commands so that they are in accord with what his followers expect" and that "the leader must conform to the already established expectations of his

---

[67] A. Cooper et al, *Relocating Middle Powers: Australia and Canada in a Changing World Order*, p. 16.

[68] R. Stubbs, 'Reluctant Leader, Expectant Followers: Japan and Southeast Asia', pp. 650-651.

[69] R. Keohane, *After Hegemony*, p. 31 and D. Snidal, 'The Limits of Hegemonic Stability Theory', p. 580.

followers".[70] Leadership in international relations is contextual and requires more than the assumption of states inherently following 'common good' policies.

> In other words, when the situation changes, expectations, aspirations and needs may well change, and followers may seek a different kind of leadership. Along these lines Elihu Katz has stated that 'a leader's personal characteristics and values must fit the needs and aspirations of his followers' and that 'outstanding leaders often lose their supporters and drop out of sight not because they have changed but of the pattern of wants and desires of their followers'.[71]

This follower-centric definition of leadership argues that followers expect the leader to deliver benefits through "problem-solving and the attainment of particular goals…predominantly associated with security and economic development".[72] As a result, the creation of a regional environment that facilitates 'peace and prosperity' are seen as the main conditions that leaders are expected to provide.

In the post Cold War mood of analysing what international relations features would change with the end of superpower competition, Cooper, Higgott and Nossal argued in the mid 1990s that there is a greater need for theories that place emphasis "on the complex and nuanced interplay of the agent structure relationship and on the leadership capabilities and policymaking functions of foreign policymaking personnel and institutions in a large number of states".[73] This fed into the growing international relations perspective of social constructivism, typified by the approaches of Alexander Wendt and John Hobson.[74] Although hegemonic powers remain as those states most capable of systemic leadership, great, secondary or 'middle powers' have the capacity for foreign policy leadership. In keeping with this view, Cooper, Higgott and Nossal examined what Oran Young termed 'technical and entrepreneurial definitions of

---

[70] R. Rose, 'The Complexities of Party Leadership', in Roy Macridis and Bernard Brown (eds.), *Comparative Politics: Notes and Readings*, Dorsey, Homewood, Illinois, 1977, p. 310 cited in R. Stubbs, 'Reluctant Leader, Expectant Followers: Japan and Southeast Asia', p. 652.

[71] Elihu Katz, 'Pattern's of leadership', in Jeanne Knutson (ed.), *Handbook of Political Psychology*, Jossey-Bass, San Francisco, 1973, p. 209 cited in R. Stubbs, 'Reluctant Leader, Expectant Followers: Japan and Southeast Asia', p. 653.

[72] R. Stubbs, 'Reluctant Leader, Expectant Followers: Japan and Southeast Asia', p. 653.

[73] A. Cooper et al, *Relocating Middle Powers: Australia and Canada in a Changing World Order*, p. 14.

[74] For A. Wendt, see 'The Agent-Structure Problem in International Relations Theory', *International Organisation*, 41(3), 1987, pp. 335-370 and revisions to this earlier work in the *Social Theory of International Politics*, Cambridge University Press, Cambridge, 1999. For J. Hobson, see *The State and International Relations*, Cambridge University Press, Cambridge, 2000.

leadership', a stark contrast with US-centric structural definitions. From the perspective of Young,

> Leadership…refers to the actions of individuals who endeavour to solve or circumvent the collective action problems that plague the efforts of parties seeking to reap joint gains in processes of institutional bargaining.[75]

Through this view, leadership involved the application of specific state power to avoid problems of motivation and agency (the well-noted and inherent problems of collective action) to ensure feasible and acceptable solutions. This view of leadership mirrored the view espoused by Nye and Keohane, although their emphasis remained locked on analysing US leadership. Leadership, rather than being the preserve of the predominant state in international relations, is applicable far more widely than previous theoretical understandings would allow.

As the second largest economy on the globe by the late 1970s/early 1980s, Japan was expected to act in a leadership capacity through the sheer comparative weight of its economic footprint in the Asia Pacific region. Yet this position was unsupported by structural theorists, largely from the realist camp, looking at leadership as a historically–based, structural commodity employed by a single hegemonic state. To lead, Japan needed to be a hegemon. If Japan proved to be incapable of hegemony, it was either unable to provide leadership or needed to follow another state with greater claims to hegemonic power. After 1990, with Japan's subsequent economic malaise and its comparative relative decline with the US released much of the academic pressure behind the critique. The next section of the chapter looks at the ways in which scholars viewed the politically and intellectually charged issue of Japan and leadership. Japan entered 1990 burdened by few expectations but many questions as to its future role and capacity for leadership.

---

[75] O. Young, 'Political Leadership and regime formation: on the development of institutions in international society', *International Organisation*, 45(3), Summer 1991, p. 285.

Japan and Leadership

The relationship between Japan and leadership offers intriguing insights into the wider questions regarding the political economy of the Asia Pacific and which of its constituent larger powers have responsibilities in what areas. As in much of international relations literature, regional leadership as well as great powers with regional responsibility followed theory constructed in the crucible of European state competition.[76] The assumption followed that, like Europe, Asian states followed the same rules of great power competition and balance. At various times over the past 50 years, there has been a substantial disconnection in analysis between perceptions deriving from these Euro-centric theories and Asian outcomes. Depending on the theory used to explore Japan's regional economic and political position, a different picture appeared. US interest in Japanese leadership maintained that Japan had systemic responsibilities on both a regional and global level. Noticeably, this systemic emphasis of the leadership debate was framed with little Japanese or other Asian input.[77] While discussions accepted the need for greater Japanese responsibility, the scope and level of such responsibility remained contested.

Theoretical discourses sought to both explore and constrain Japan's potential roles. From the mainstream analysis of realist theory, Japan's role was systemically determined. If US decline continued, either a new hegemon would need to be found, or at least support the US in the face of a continued Soviet presence. As the liberal international economy was a zero sum game in which there were winners and losers, Japan was gaining at the expense of the US – a belief fed by the increasing bilateral trade deficit, amongst other positivist indicators, during the 1970s and 1980s. As a country that had arguably benefited the most from US-created international public goods, Japan became the choice of many scholars to maintain these goods if US decline eventuated.

---

[76] See D. C. Kang, 'Getting Asia Wrong: The Need for New Analytical Frameworks', *International Security*, 27(4), Spring 2003, pp. 57-85.
[77] D. P. Rapkin, 'Japan and World Leadership', in D. P. Rapkin (ed.), *World Leadership and Hegemony*, Lynne Rienner, Boulder, 1990, p. 191.

Following the historicism that supported the idea of hegemonic succession, it was argued that Japan could become the next hegemon (*Pax Nipponica*) based on Britain during the 19th Century, or the Netherlands during the 17th and 18th Centuries.[78]

This argument resolved that Japan was different from previous maritime powers and could not lead. With US-style hegemonic leadership as a template, realists dismissed Japan's ability to fulfil such a role, using other aspects of realism to constraint Japan's potential roles. Noting the regional balance of power with China, Russia and India, Realists argued that Japan could not lead in the face of regional competition because of an historic lack of active diplomatic persuasiveness or coercion since the 1940s.[79] Realists also highlighted Japan's role as an apparent free rider on US international public goods through its 'unequal' trade practices,[80] leading them to suggest that Japan could not be trusted to act in the interests of the wider global economy.[81] These two major deficiencies in Japan's capability to be a hegemon were added to other, smaller issues, such as: a lack of domestic natural resources; a Constitution that prohibited the external use of its armed forces; a culture bereft of universal ideas; and the additional constraints re-enforced by the historical burden of its relationship with East and Southeast Asia.[82]

Liberals were similarly unimpressed by claims of Japanese leadership. Much like the Realists, Cowhey noted, that unlike the US, opaque Japanese governance structures precluded confidence in Japanese decision-making, both domestically and multilaterally through international regimes. Japan also lacked interest in international affairs and a previous record of trustworthy behaviour.[83] The Liberal Democratic Party (LDP),

---

[78] T. Inoguchi, 'Four Japanese scenarios for the future', p. 23.

[79] D. Haber, 'The Death of Hegemony: Why "Pax Nipponica" is Impossible', *Asian Survey*, 30(9), September 1990, pp. 893-894, 906 and R. Gilpin, *The Political Economy of International Relations*, p. 392.

[80] R. Cox, with T. Sinclair, *Approaches to World Order*, pp. 255-256, W. Pfaff, 'Redefining World Power', p. 46 and D. Haber, 'The Death of Hegemony: Why "Pax Nipponica" is Impossible', p. 904.

[81] R. Gilpin, *The Political Economy of International Relations*, p. 377. Feldstein noted that continued high saving rates and their reliance on exporting goods to facilitate growth rather than using the domestic market for this role was contrary to hegemony.

[82] T. Inoguchi, 'Four Japanese scenarios for the future', p. 25.

[83] P. F. Cowhey, 'Domestic institutions and the credibility of international commitments: Japan and the United States', *International Organization*, 47(2), Spring 1993, pp. 299-300, 314.

Japan's main postwar political party, continued to be emblematic of Japanese foreign policy, driven largely by attempts to increase economic growth, global competitiveness and success for Japanese businesses.[84] Halliday also argued that the large asymmetry between the US and Japan, made outright Japanese hegemony or leadership questionable.[85] Rapkin and Inoguchi noticed the lack of Japanese support to pursue greater systemic leadership.[86] Funabashi also noted this, arguing that there was a substantial gap between outside expectations and Japan's capabilities that needed to be addressed in the wake of its rapid economic growth.[87] Without interest in international affairs, Japan lacked the necessary will to aspire to a global or regional leadership role.

Whether it was unlikely, there was an increasing sense that the era of US unilateralism had ended. Following Young's categorisation of unilateral imposition of power in the international system as heading to the 'graveyard of history',[88] Rix noted in 1990 that "[h]egemony, if the preserve of a single state, is today a frayed and ragged authority".[89] Hence, theory almost immediately precluded Japan as a leader; it instead promoted a role for Japan as a hegemonic supporter. Gilpin signalled that a *Nichibei* ('two brothers') partnership between the Pacific powers was the most likely option for the successful continuation of the liberal international political economy.[90] Inoguchi supported this view, viewing the potential for Japan to change is narrow self-interested focus on domestic economic development as highly unlikely.[91] Rix similarly agreed with Gilpin's position, arguing that Japan's future remained as a supporter of US hegemony,

---

[84] P. F. Cowhey, 'Domestic institutions and the credibility of international commitments', pp. 316-317.

[85] F. Halliday, 'The Cold War and its Conclusion', pp. 25-26.

[86] D. P. Rapkin, 'Japan and World Leadership', p. 202 and T. Inoguchi, 'Four Japanese scenarios for the future', p. 18.

[87] Y. Funabashi, 'Japan and the New World Order', p. 61, 67 and 'Japan's International Agenda for the 1990s', p. 25.

[88] see O. Young, 'Political leadership and regime formation: on the development of institutions in international society'.

[89] A. Rix, 'Japan's Foreign Aid Policy: A Capacity for Leadership', *Pacific Economic Papers*, No. 186, Australia-Japan Research Centre, August 1990, p. 2.

[90] R. Gilpin, *The Political Economy of International Relations*, pp. 376, 380-381.

[91] T. Inoguchi, *Japan's Foreign Policy in an Era of Global Change*, St. Martin's Press, New York, 1993, pp. 57-59. See D. Lake, 'International Economic Structure and US Foreign Policy, 1887-1934', *World Politics*, 35(4), 1983, pp. 517-543.

using the curious term 'bigemony' as his version of the *Nichibei* partnership.[92] If the US could not lead, then leadership by a single state was not possible.

This approach by a number of scholars highlighted a number of problems with international relations theory. One was the presumption that a rising state would necessarily desire a central function in the regional political economy. Japan lacked many of the constituent parts of hegemony required for following the US example. At the most basic level, it should have been no surprise that Japan could not emulate US hegemony given that circumstances and power relationships differed in the late 1980s compared to the mid 1940s. Leaver indeed argued, much like Hoffmann, that the theoretical tools of IPE underpinning much of the analysis spent more time analysing the US than challenging states. As such, when a hegemonic contender challenged, it was being judged from a partial US perspective, judging the challenger on its support of universalism, economic pluralism and state-centrism.[93] Theory ignored the role, not only of the US as a major reason for Japan's success, but also of the institutions that the US had created as part of the capitalist postwar order. Given Japan's reliance on the US and its 'public goods', it was difficult to see Japan either unravel these public goods or repudiate the General Agreement on Tariffs and Trade (GATT), International Monetary Fund (IMF) and World Bank.[94] There existed a temptation to see Japan as unsuitable, disregarding unhealthy elements of US hegemonic structure. While many Japanese governance structures were informal and hostile to foreign interference, the ad hoc US system of 'Madisonian entropy', with its mix of state and federal governance and the politics of patronage and lobbying demonstrating that Japan was not alone in possessing structures that hindered confidence building.[95]

---

[92] A. Rix, 'Japan and the Region: Leading from Behind', in R. Higgott, R. Leaver and J. Ravenhill (eds.), *Pacific Economic Relations in the 1990's: Cooperation or Conflict?*, Allen and Unwin, Singapore, 1993, p. 63.
[93] R. Leaver, 'Restructuring in the Global Economy: From Pax Americana to Pax Nipponica?', pp. 441-442.
[94] R. Leaver, 'Restructuring in the Global Economy: From Pax Americana to Pax Nipponica?', p. 443.
[95] P. Cerny, 'Political Entropy and American Decline', pp. 47-55.

If theory was unable to deal with the complexity of a role for Japan or a changed region, a re-evaluation of the factors and variables included in defining leadership and role needed reconsideration. In 1992, Johnson, argued that the role Japan should play depended on the question; role depended on context.

> [I]n order to conceive of a new role for Japan, one must first write the play in which Japan is to be cast. Its elements must include[:] the vacuum left by the end of the Cold War, the anachronisms in the old Japan-US relationship, the decline of America industrially and the failure of American leaders to mount an economic reform program, the degree to which Japan is tying the East Asian region together economically, the ambiguities in Japan's political system…and the structural differences between Japanese capitalism and Anglo-American capitalism.[96]

Rapkin was clear on Japan's capabilities, given that it possessed "capital, technology, know how, management culture, human capital, and experience in developing it" and these were sought after global commodities.[97] However, linked with Japan's will for greater responsibility was its '*legitimacy deficit*' (his italics), depriving it of followers and, by association, leadership. There were a number of factors for this: a history of colonialism and militarism; mercantilism; lack of transposable universal norms, principles or values that could be used to create a new world order.[98] But, interestingly, notions of legitimacy were rarely mentioned in line with Japan's regional role, at least from the perception of mainstream theory covered so far. Power had a logic of its own; if Japan attained power, it was assumed it would lead. This view did not take into account any of the above factors.

The Limitations of Theory and Questions of Role

In retrospect, the study of leadership from 1970s onwards was an analysis of the use of power and policymaking by US hegemony during the first two decades after the Second World War. While different approaches broadened the scope of analysis of US leadership in the liberal IPE, it did little but refine the methodology of studying US hegemony. The resulting theory, as Leaver noted, explained much about the US, its

---

[96] C. Johnson, *Japan in Search of a 'Normal Role'*, IGCC Working Paper 3, University of California (San Diego), 1992, p. 2.
[97] D. P. Rapkin, 'Japan and World Leadership', p. 191.
[98] D. P. Rapkin, 'Japan and World Leadership', p. 195.

postwar policies as well as the scholars that analysed them, but its arguments were of limited value beyond its established study parameters.[99] Even at the height of Japanese power in the late 1980s, whilst they may have looked for a successor to US hegemony, the fact remained that the tools developed by scholars were likely to deliver a *fait accompli.* The only state that walked, talked and looked like a benign hegemon was the state that already commanded that position.

Intrinsically linked with the reductionist approach of mainstream theory was the imposition of outside perceptions of what Japan *should* do as opposed to what it *could* do. Japan could not act as a leader in the traditional hegemonic sense, despite leadership in the international system being intrinsically linked to this concept. It lacked: the internal drive and will to power; the ability to create international public goods on the scale as previous hegemons; the ability to coerce (if necessary) other states into supporting those goods; the lack of a necessary size or benign geographic conditions; and the lack of international conditions that would lead to Japan undertaking an increased global role. Similarly, language and cultural differences precluded a wider audience for Japanese ideas as did its status as an Axis power during the Second World War.

If previous discussions of Japan's leadership were based on a restrictive interpretation based heavily on systemic public goods and influence, then a new template was needed from which to analyse Japan's role and any leadership that it exerted. As opposed to previous analysis, a far more effective and accurate exploration of Japan's potential leadership is required, using a more contextual analysis of perceptions of Japan's postwar foreign policy choices. The following approach seeks to decouple leadership from hegemony, with leadership defined in response to shared issues and concerns in foreign policy as opposed to a systemic input required to grease the cogs of IPE. In this light, Higgott argued the provision of leadership is not a zero

---

[99] R. Leaver, 'Restructuring in the Global Economy: From Pax Americana to Pax Nipponica?', pp. 438-442.

sum systemic game.[100] Instead, Japan's potential for leadership is based on the ability to change the behaviour of other states through its own agency. While its increasing size could assist in creating, modifying or ignoring norms such as international or regional public goods, its potential for leadership was based more on Burn's ideas of specific transactional and transformational leadership as opposed to systemic hegemonic leadership.

Cooper, Higgott and Nossal, using the framework of Oran Young, argued that a leader could be described in three ways: as a diplomatic catalyst; as a facilitator for forming coalitions to 'leverage' international positions; and as a manager through institution building or the creation of norms or conventions.[101] Thus, leadership could be defined in much broader terms.

> Leadership in international relations carries with it the characteristics of rule or agenda setting and possession of the resources (material, inspirational or motivational) to induce support or following on the part of other nations or their governments. It also involves accepting the costs of maintaining the rules, providing necessary public goods and managing the consequences. This can occur at a global or systemic level, at a regional or simply intra-institutional level. It can refer to politico-military contexts, the political economy, or to more limited international bureaucratic management, such as multilateral agreements, conventions or meetings.[102]

Using this broader definition of leadership in foreign policy, such a methodology can integrate the impact of Japan's recovery on the rest of the Asia Pacific region and the roles that other states wanted Japan to play in pursuit of their own self-interested national goals.

Role Theory in Foreign Policy Analysis and International Relations

A useful tool to analyse the interaction of leadership in foreign policy is through the theory of role and national role conceptions in international relations. It enables insights into the way in which state capabilities merge with less tangible elements within the role

---

[100] R. Higgott, 'Competing Theoretical Approaches to International Cooperation: Implications for the Asia Pacific', in R. Higgott, R. Leaver and J. Ravenhill (eds.), *Pacific Economic Relations in the 1990s: Cooperation or Conflict?*, Allen and Unwin, St. Leonards, 1993, p. 299.
[101] A. Cooper et al, *Relocating Middle Powers: Australia and Canada in a Changing World Order*, pp. 24-25.
[102] A. Rix, 'Japan's Foreign Aid Policy: A Capacity for Leadership', p. 1.

of states, such as prestige or status and leadership. The study of role began during the Cold War, when international relations and foreign policy analysts sought to define the position and posture of states in the struggle between the two superpowers. This categorised states according to what was seen as recurring patterns of behaviour, leading to categorisations such as: 'non-aligned'; 'bloc leaders'; 'balancers'; and 'satellite' states. These distinct roles were then reinforced by the modifying variable of posture or intent, labelling states as either being aggressive, balancing or defensive. Although compatible within a realist great power-focused study of balance of power postures during the Cold War, the realisation that these three postures were unnecessarily reductionist (both in terms of actions and the size of the states studied) led to the further expansion of state roles.[103]

The first scholar to expand upon this was Holsti, who understood the need for more categories and a study of both domestic and international elements influencing these roles.[104] Greater diversity was needed to replicate the international system's inbuilt pattern of stratification "which reflects differentials of involvement in the affairs of the system, the extent of foreign commitments, military capabilities, prestige, economic-technological levels, and the like".[105] With this systemic diversity came diversity of state and regional interests and a greater importance of role.

> [T]o most states in the world, regional roles and problems are of considerably greater importance than system-wide issues. There is nothing startling in this observation; it is apparent when the world is seen through the eyes other than those of political leaders in the great powers.[106]

---

[103] K. J. Holsti, 'National Role Conceptions in the Study of Foreign Policy', *International Studies Quarterly*, 14(3), 1970, pp. 234-235 and L. Aggestam, "Role Conceptions and the Politics of Identity in Foreign Policy", [http://www.arena.uio.no/publications/wp99_8.htm], Accessed 25/8/2003.

[104] C. Hill and W. Wallace, 'Introduction: actors and actions', in C. Hill (ed.), *The Actors in Europe's Foreign Policy*, Routledge, London, 1996, p. 6 in L. Aggestam, "Role Conceptions and the Politics of Identity in Foreign Policy", and J. N. Rosenau, 'Roles and Role Analysis in Foreign Policy', in S. G. Walker (ed.), *Role Theory and Foreign Policy Analysis*, Duke University Press, Durham, 1987, pp. 44-65.

[105] K. J. Holsti, 'National Role Conceptions in the Study of Foreign Policy', p. 242 and N. B. Wish, 'National Attributes as sources of National Role Conceptions: A Capability-Motivation Model', in S. G. Walker (ed.), *Role Theory and Foreign Policy Analysis*, Duke University Press, Durham, 1987, p. 95. see also M. Brecher et al, 'A framework for research on foreign policy behaviour', *Journal of Conflict Resolution*, 13, 1968, pp. 74-101 and M. East, S. Salmore and C. Hermann (eds.) *Why Nations Act: Theoretical Perspectives for Comparative Foreign Policies*, Sage, Beverly Hills, California, 1978, p. 123.

[106] K. J. Holsti, 'National Role Conceptions in the Study of Foreign Policy', p. 291.

Holsti added that role not only reflected a state's actions but also the state analysing those actions, creating a feedback loop.[107]

In exploring role in foreign policy and country analysis, Holsti not only expanded the number of theoretical roles through studying public states diplomacy but also constructed a more comprehensive framework within which to study foreign policy.[108] Holsti highlighted four elements with which to conduct foreign policy analyses on role: 1) *role performance*, which encompasses the attitudes, decisions, and actions of governments; 2) their self defined *national role conceptions*; or 3) the *role prescriptions* emanating, under varying circumstances, the alter or external environment. Action always takes place with 4) a *position*, that is, a system of role prescriptions.[109] Holsti noted that prescriptions were also externally altered, reinforced and subjectively changed according to specific countries as well as in respect to significant events.[110]

This thesis concentrates on perceptions of Japan's role between 1960 and 2000, utilising these four aspects of role to gain a clearer vision of Japan's interaction within the Asia Pacific. Perceptions of a state by another state are generally based upon historical precedent and contact, the target state's national role conception and current foreign policy, as well as the other states' national self-interest in influencing the target state's foreign policy to be consistent with their own. Overall, in the case of Japan, both the countries of East Asia and the US sought to influence Japan in pursuing foreign policy that was not only consistent with their own national/regional interests but also maintained regional peace and stability.

---

[107] K. J. Holsti, 'National Role Conceptions in the Study of Foreign Policy', pp. 233-234.

[108] K. J. Holsti, 'National Role Conceptions in the Study of Foreign Policy', pp. 260-266. These were (on a continuum of most active to most inactive): revolutionary-liberator; regional leader; regional protector; active independent; liberation supporter; anti-imperialist agent; defender of the faith; balancer; mediator-integrator; regional-subsystem collaborator; developer; bridge; faithful ally; independent; example; internal development; isolate; and protectee.

[109] K. J. Holsti, 'National Role Conceptions in the Study of Foreign Policy', p. 240 and L. Aggestam, "Role Conceptions and the Politics of Identity in Foreign Policy".

[110] K. J. Holsti, 'National Role Conceptions in the Study of Foreign Policy', p. 246.

Japan, leadership and role from an historical perspective

As Holsti argued, the historical context of regional interaction provides a foundation for analysis, both in terms of foreign policy influences and how this effected the US and East Asia. For the majority of recorded Japanese history, Japan employed isolationist policies or followed the principle of an alliance with the most powerful regional state (*nagai mono ni makareyo*).[111] As far back as AD 239, Japan's supporting role had involved an alliance with China, albeit as a largely autonomous state in China's regional tribute system.[112] This tenet of Japan's foreign policy continued, after the extended isolation during the Tokugawa Shogunate, into the Twentieth Century, through the alliances with the United Kingdom between 1902–1921,[113] the Axis Powers during the Second World War and, currently, the United States.[114] Hence, any discussion of Japan and leadership in the postwar period had to seriously consider the dual impact of the US on Japan's supporting role, both regionally and globally.

Despite its long lineage as a supporter, Japan had another role that has had an equally large impact on the study of Japan and leadership. Between 1868 and 1945, Japan emulated the path of modern European states in pursuing an empire. Linked to the Meiji Restoration and facing Western colonial expansion in Northeast Asia, there were two main options confronting Japan's Meiji leaders if they wanted to autonomy.[115]

---

[111] J. Welfield, *An Empire in Eclipse*, p. 3 and T. Shiraishi, 'Japan and Southeast Asia', in P. J. Katzenstein and T. Shiraishi (eds.), *Network Power: Japan and Asia*, Cornell University Press, London, 1997, pp. 170-171.
[112] E. H. Norman, *Origins of the Modern Japanese State: Selected Writings of E. H. Norman*, edited by J. Dower, Pantheon, New York, 1975, pp. 119-121 and J. Welfield, *An Empire in Eclipse*, p. 2.
[113] C. Tsuzuki, *The Pursuit of Power in Modern Japan 1825-1995*, Oxford University Press, Oxford, 2000, pp. 163-181. Covering the Russo-Japanese War, Tsuzuki notes that Britain not only contributed ships and expertise but the whole war was carried out by a largely British-supplied navy using British coal, purchased using British loans.
[114] C. Johnson, 'History Restarted: Japanese-American Relations at the End of the Century', in R. Higgott, R. Leaver and J. Ravenhill (eds.), *Pacific Economic Relations in the 1990's: Cooperation or Conflict?*, Allen and Unwin, Singapore, 1993, p. 48.
[115] For a glimpse at this drawn out process of identification, see T. J. Pempel, 'Gulliver in Lilliput: Japan and Asian economic regionalism', *World Policy Journal*, 13(4), Winter 1996/97, p. 15 and N. Tarling, *A Sudden Rampage*, Chapter 1 and J. Welfield, *An Empire in Eclipse*, pp. 5-10. Between July and October 1858, a group of agreements between Western nations (Russia, Great Britain, France and Holland) made with Japan came to be known as the Unequal Treaties. The asymmetric nature of these agreements, such as the restriction of Japan's tariff policies, and the regional problems fermented by the imperial powers in China (The Opium War of 1840-42 and Taiping Rebellion of 1850-65) and India (the Indian Mutiny of 1857-59), ignited fears that Japan itself would become a colony of one of the industrial powers. See J. Halliday, *A Political History of Japanese Capitalism*, Monthly Review Press, New York, pp. 16-17.

Not wishing to become a colony, it could first try to modernise at home[116] and develop

an empire abroad so it could be recognised as 'Western',[117] or second, form an alliance

with China and Asia against the Western powers. More technologically advanced than

the rest of East Asia and victorious against Russia in 1904/1905, Japan was seen to be in

the perfect position to act as a leader of an 'alliance' with China and Korea.[118] However,

as Jansen argued, "this was a theme that lent itself equally well to idealism, opportunism

and chauvinism".[119]

Following Japan's defeat of China in 1895, an Asian alliance against the West

was replaced by an increasingly 'western' Japan seeking greater territorial gains, with

China seen as an increasingly weak security vacuum and imperial opportunity. While

some Japanese saw Sun Yat-sen's nationalist movement as an opportunity to unite Asia

against Western imperialism,[120] his abortive attempt to reunite China could not hide

Japan's movement towards regional imperial power. The transition towards post-Great

Depression autarchy continued through the invasion of Manchuria in 1931, that in turn

led to the 'Greater East Asia Co-prosperity Sphere' (GEACS) and its subsequent loss to

the Allied powers in the Second World War.[121]

---

[116] S. Kamei, 'The Sacred Land of Liberty: Images of America in Nineteenth Century Japan', in Akira Iriye (ed.), *Mutual Images: Essays in American-Japanese Relations*, Harvard University Press, London, 1975, p. 59 and E. O. Reischauer, *Japan: Past and Present*, 3rd ed., Alfred A. Knopf, London, 1964. The argument that western ideas were also of notable influence in the Meiji Restoration was heavily emphasised by Reischauer in his book(s) written in the aftermath of the Second World War seeking to highlight the more progressive elements of Japan's development.

[117] M. Shibusawa, 'Japan's Historical Legacies: Implications for its Relations with Asia', in R. L. Grant (ed.), *The Process of Japanese Foreign Policy: Focus on Asia*, Royal Institute of International Affairs, London, 1997, p. 29 and M. Jansen, 'Japanese Views of China during the Meiji Period', p. 183.

[118] M. Jansen, 'Japanese Views of China during the Meiji Period', in A. Feuerwerker, R. Murphey and M. Wright (eds.), *Approaches to Modern Chinese History*, University of California Press, Berkeley, 1967, pp. 165-166. Surprisingly, in light of his previous advocacy of a close relationship with the West, Fukuzawa Yukichi coined the term *meishu* (a synthesis of 'blood' and 'leader') in the 1880s to describe the position Japan should attain.

[119] M. Jansen, *The Japanese and Sun Yat-sen*, Stanford University Press, Stanford, 1970, p. 33.

[120] M. Jansen, *The Japanese and Sun Yat-sen*, p. 59 and C. Tsuzuki, *The Pursuit of Power in Modern Japan 1825-1995*, p. 269.

[121] M. Shibusawa, 'Japan's Historical Legacies: Implications for its Relations with Asia', p. 30. For the GEACS, see B. Martin, 'The Politics of Expansion in the Japanese Empire: Imperialism or Pan-Asiatic mission?', in W. J. Mommsen and J. Osterhammel (eds.), *Imperialism and After: Continuities and Discontinuities*, Allen and Unwin, London, 1986, pp. 72-73, N. Tarling, *A Sudden Rampage: The Japanese Occupation of Southeast Asia 1941-1945*, Chapter 4 and C. Tsuzuki, *The Pursuit of Power in Modern Japan 1825-1995*, p. 279. Amongst the exponents of this vision was Inshihara Kanji, a 'Pan-Asian' theorist army officer, who advocated a Japanese imperium stretching from Siberia to New Zealand.

Historical US perceptions of Japan

Few in the West, especially the US, felt comfortable with a rising Japan. The US at the turn of the twentieth century saw Japan as a rival, competitor and a threat, despite the US role in starting Japan's transformation from an isolationist feudal to an industrialised state.[122] Trade, competition and growing Japanese emigration became major bilateral issues.[123] As such, bilateral trade was likened to a war by one US commentator in 1896, who not only equated Japan's efforts in bilateral trade with Japan's fighting against the Chinese in the Sino-Japanese War, but also argued Japan would force an inevitable conflict with the US. Iriye argues that such a reaction was to be expected.

> It reflects the neomercantilist thinking of the 1890s that saw commercial rivalry in the world as a key to national growth. Unless the nations stayed in 'the race for supremacy,' as a writer noted, it would be doomed to fall behind the others and eventually be forced into stationary existence. Japan looming as a competitor was considered a threat because it meant the addition of a potential winner to the race, implying that the United States could not take for granted its own superiority.[124]

After 1912, US perceptions of Japan were dilated by an increasing exposure to the rest of the world, World War One and domestic political changes, leading American views of international relations to mature.[125] US support for the Japan-sponsored race equality clause at the League of Nations conference in 1918 was emblematic of this maturity, although trade remained a continuing source of tension up until the outbreak of the Pacific War.

Historical East Asian perceptions of Japan

Korea and Japan were on the same level under the tribute system under the Chinese empire, although Japan had not sent tribute to Beijing since 1549. Historically, Japan had seen nothing wrong with interfering with Korea, seeing that the majority of histories threats to Japan, such as the Mongols in the 13th Century, had come from Korea. Hence, maintaining influence provided an early warning system for potential

---

[122] A. Iriye, 'Japan as a Competitor, 1895-1917', in Akira Iriye (ed.), *Mutual Images: Essays in American-Japanese Relations*, Harvard University Press, London, 1975, p. 73.
[123] A. Iriye, 'Japan as a Competitor, 1895-1917', pp. 74-75. The figures also hid the fact that majority of exports were silk and tea, and not really a threat to US producers.
[124] A. Iriye, 'Japan as a Competitor, 1895-1917', pp. 75-76.
[125] A. Iriye, 'Japan as a Competitor, 1895-1917', pp. 93-94, 96.

threats emanating from the north and west.[126] While bilateral relations came to be recognised as existing between equal state/nations, the Meiji period in Japan's history introduced a change that would lead to increased tension. Meiji leaders took to comparing themselves with Chinese leaders, demoting Korea to a lesser position in relations. This destabilised relations and set in train a cascading set of events which would see Japanese leaders use Korea as an opportunity to expand influence and sate the demand for enfranchising those sectors of Japanese feudal society that had lost out under the Meiji Restoration.[127]

There is some difference in the way in which these first colonies were treated, and subsequently how they reacted to Japan in the postwar period. The lingering impression of Japan on Taiwan and Korea, its first colonial conquests, were markedly different and were as much to do with local events and societal differences as it was about the nature of Japanese imperial rule. In Taiwan, the population largely accepted Japan and its tight control of its political economy, leaving Taiwan unmolested and in a far better position than it was in before of after Japanese imperialism.[128] Korea was far more scathing in its view of Japan's domination. The upheaval of traditional societal and economic structures, combined with the repression of Korean nationalism and general mistreatment of the population led to a far more visceral Korean attitude towards Japan.[129] Cumings noted as an aside in his chapter of the large Myers and Peattie volume studying the impact and nature of Japanese empire the huge influence Japan had on South Korea's modern development.[130] The huge relocations of Koreans, the maintenance of the traditional land lords and the suppression of national

---

[126] W. Beasley, *Japanese Imperialism 1894-1945*, Clarendon Press, Oxford, 1987, pp. 44-46, 79.
[127] W. Beasley, *Japanese Imperialism 1894-1945*, pp. 42-43.
[128] B. Cumings, "Japanese Colonialism in Korea: A Comparative Perspective", CIAO database, Asia Pacific Research Center, http://ciaonet.org/wps/cub01/, October 1997, accessed March 2006. See D. Mendel, *The Politics of Formosan Nationalism*, University of California Press, Berkeley, 1970.
[129] M. Peattie, 'Introduction', in R. Myers and M. Peattie (eds.), *The Japanese Colonial Empire, 1895-1945*, Princeton University Press, Princeton, 1984, p. 24.
[130] B. Cumings, 'The Legacy of Japanese Colonialism in Korea', in R. Myers and M. Peattie (eds.), *The Japanese Colonial Empire, 1895-1945*, Princeton University Press, Princeton, 1984, pp. 478-479.

independence movements lay at the heart of much of the ill-will between these Northeast Asian neighbours.

Similarly, Japanese attitudes towards China in the 1860s provide an unfortunate foundation for Chinese hostility towards its eastern neighbour. Japan had sought the same discriminatory treaty rights gained by the Western colonial powers from the 1870, a precedent that China was not willing to follow.[131] This difference, between China wanting to pursue equivalence in trade and diplomacy with Japan, and Japan wanting all the extraterritorial rights established under the Western 'unequal treaties', would lead to the Sino-Japanese War in 1894-95 and the end of dispassionate diplomacy under the old Chinese tributary system. From that point onwards, Japan viewed China as an opportunity for imperial expansion, avoiding any role that might have increased China's ability to maintain internal stability against European commercial expansion.

In Southeast Asia, much of the precedent for current tensions lies in this initial period of Japanese imperial expansion at the turn of the 20th Century. In Vietnam, Japan's victory against Russia in 1905 inspired the Vietnamese nationalist Phan Boi Chau to base his *Dong Do* modernising movement on sending Vietnamese students to study Japan's use of military strategy and understanding of Western modernisation.[132] However any wider benefit that might have accrued from this vague aspirational model for modernisation was lost when in 1940 Japan invaded Indochina and left the colonial French administration in command, rather than allowing and fostering greater Vietnamese independence.[133] In the Philippines, there was a minor movement in the late 1890s towards supporting Japan's view of pan-Asianism and that each country's shared

---

[131] W. Beasley, *Japanese Imperialism 1894-1945*, pp. 60-61.

[132] F. Guillemot, 'Vietnamese Nationalist Revolutionaries and the Japanese Occupation: The Case of *Dai Viet* Parties (1936-1946)', in L. Narangoa and R. Cribb (eds.), *Imperial Japan and National Identities in Asia, 1895-1945*, RoutledgeCurzon, London, 2003, p. 222.

[133] F. Guillemot, 'Vietnamese Nationalist Revolutionaries and the Japanese Occupation', pp. 226-227.

interests against Western colonialism made them natural allies. However, after a period

of differing views over Japanese expansion in China during the 1920s and 1930s, the

majority opinion of Filipinos was strongly negative towards Japan's invasion in

December 1941. Given that the country had been promised independence from the US

by 1946, Japanese claims to be freeing the country from colonialism was seen as largely

empty, a point reinforced by the initial indiscriminate bombing of Manila and the harsh

implementation of Japanese rule.[134]

As Narangoa and Cribb note at the end of their edited collection, "the attempt

to construct and alliance between Japanese imperialism and Asian nationalism was […]

fundamentally undermined by Japanese fickleness" in squandering any regional good

will it might have had through the overall economic dislocation caused by Japan's war-

focused economy.[135] This may indeed be too kind to Japan in the sense that the impulse

to emphasise Japan's liberation of East Asia from European Colonialism started in 1944,

after the beginning of Japan's regional expansion in 1941. When Japan organised the

Greater Asia Conferences in November 1943 and late April 1945, not only were middle

ranking delegates from the region present but both conferences and their 'Wilsonian'

declarations of economic and political equality were made in the context of Japan's

realisation of its defeat.[136] A chaotic and impractical autarchic regime that generated

high inflation and famine was destined to inflame anger around the region, especially

after the hope that Japan's example provided in the face of continued Western

colonialism.[137]

---

[134] R. Jose, 'Accord and Discord: Japanese Cultural Policy and Philippine National Identity during the Japanese Occupation (1942-1945)', in L. Narangoa and R. Cribb (eds.), *Imperial Japan and National Identities in Asia, 1895-1945*, RoutledgeCurzon, London, 2003, pp. 252-254.

[135] L. Narangoa and R. Cribb, 'Japanese Imperialism and the Politics of Loyalty', in L. Narangoa and R. Cribb (eds.), *Imperial Japan and National Identities in Asia, 1895-1945*, RoutledgeCurzon, London, 2003, p. 317.

[136] N. Tarling, *A Sudden Rampage*, pp. 136-137, 142. Burma and 'Free India' were the only Asian representatives at the first conference.

[137] N. Tarling, *A Sudden Rampage*, pp. 218-219.

As tension between Japan and the existing Western colonial powers grew, Southeast Asian opinion was firmly centred on immediate interest. For the most part, despite recognising the deception within Japan's claims for cooperation within the GEACS, elites in Southeast Asia were fully aware of their inability to fight against their northern neighbour's superior military strength.[138] Hence, they preferred to ally themselves with Japan to avoid harsher treatment during occupation. Thailand, for example, through Prime Minister Phahon at the League of Nations discussion of Manchukuo in 1933, noted that the GEACS or "theory of 'Asia for the Asiatics' is unnatural and unsound".[139] By the late 1930s and early 1940s, Thailand's proximity to Japan's sphere made various governments more compliant with Japanese wishes, even to the point of signing an alliance against the Allies.[140] This pattern of collaboration repeated itself in Burma and the Philippines, with assistance to Japan being contingent on the potential use of Japan's superiority of military force. With Japan's defeat, any hint of cooperation ended, despite the role that Japan had in hastening the end of Asian colonialism. As Tarling suggested,

> whatever they owed the Japanese, their gratitude was bound to be qualified by as a result of their greed, violence and incompetence, and, later, by their sense that postwar Japan continued to take advantage of the information it had gained, and the economic strength it had regained[141]

More so than other countries like Germany, who were also responsible for mass killings during war-time occupation, Japan had "no clarity about responsibility for the war, nor any official interest in encouraging debate about it", leaving the legitimacy deficit as a constant reminder and limitation of Japan's political and security actions.[142]

---

[138] N. Tarling, *A Sudden Rampage*, Chapter 5.
[139] N. Tarling, *A Sudden Rampage*, p. 61.
[140] N. Tarling, *A Sudden Rampage*, p. 62, 84-85.
[141] N. Tarling, *A Sudden Rampage*, p. 145. See Chapter 7 for a selective list of Japanese military abuses. See also Y. Tanaka, *Hidden Horrors: Japanese War Crimes in World War 2*, Westview, Boulder, 1996.
[142] N. Tarling, *A Sudden Rampage*, p. 252.

Role Conflict and Japan

The historical elements of Japan's foreign policy and the roles that other states/regions attached to it have acted as a basis for the perceptions of Japan's postwar role after 1945. In the deliberations of what would constitute the postwar regional order with the rest of the region, Japan recognised that its national interests and its foreign policy were based upon a stable and prosperous regional economic and strategic environment. This understanding of the surrounding regional political and strategic environment by Japan's domestic policymakers filtered through into Japan's own national role conception. It is important to note that there were three major roles that Japan identified with, each demonstrating and reinforcing the historical elements of Japan's position in the region. In Holsti's study of Japanese policymakers between 1964-1967, he recorded 20 statements relating to role conceptions, of which nine referred to Japan as a developer – a state with a special obligation to assist in the development of other states in the surrounding region. The emphasis on this role coincided with other conceptions, such as regional-subsystem collaborator (which was highlighted 4 times), where the assumption was that states would actively cooperate with other states in the surrounding region.[143] Sampson and Walker commented that both roles (as well as that of 'regional leader', another role mentioned in Holsti's analysis) fit into Japan's group-orientated culture.[144]

As noted earlier, Holsti avoided covering the contexts or compatibility of these role perceptions in his initial study. This dissertation will look at the contrast of these East Asian roles with the supportive alliance role that the US desired of Japan. In East Asia, the role of developer is associated with Japan through its status as a catalyst for

---

[143] K. J. Holsti, 'National Role Conceptions in the Study of Foreign Policy', p. 266, 275.

[144] M. Sampson and S. Walker, 'Cultural norms and National Roles: A Comparison of Japan and France', in S. G. Walker (ed.), *Role Theory and Foreign Policy Analysis*, Duke University Press, Durham, 1987, pp. 109-110, 117-120. The authors see a number of cultural aspects, such as *nemawashi*, *ringesi*, and *amae* as reinforcing these roles. *Nemawashi* refers to elaborate consultation whilst *ringesi* refers to the practice of starting policy deliberation from the lowest levels and progressing upwards through bureaucracy until it reaches the top, whereby the top official will agree to its recommendations given the length of scrutiny it has already been given. The insularity of *amae* is explained by Itoh in her discussion of the *sakoku*

regional economic development. Japan could best demonstrate a leadership role as far as the region's self-interests were concerned by pursuing a foreign policy that aided and maintained a stable regional development. While Japan could show leadership through increasing mutual trade and investment on terms favourable to the region, any rapid attempt by Japan to combine political or strategic growth on a level commensurate with its economic power was not supported, with the region highlighting Japan's continued postwar legitimacy deficit. This coincided with Japan's own national interest, where regional peace and prosperity would assist their own economic development. What complicates this is the presence of another perception of Japanese leadership, which although still seeking the same end result, is defined according to Japan's most important bilateral relationship with the US.

The US also sought to have Japan act in a leadership role in the region to maintain and increase both economic and strategic gains. Hence, the aforementioned role of regional sub-system collaborator can be grouped with the US perception of Japan's regional role as a supporter of their regional hegemony and associated foreign policy. Japan could take a leadership role as the main regional and global supporter of US foreign policy, which was deemed to be in the mutual interests of both countries. As the defender/enforcer of security and economic systems on a regional and global scale, Japan's support of the US enabled a positive sum arrangement whereby the US could provide the majority of resources and Japan could assist in lessening the burden on the US. As the state most vulnerable to fluctuations in trade and regional security, Japan had a strong national interest in maintaining US hegemony.

However, these two perceptions of Japan's foreign policy leadership role, although similar, conflicted, which posed problems for what can be construed as leadership in IPE. Aggestam saw the potential for a state to have a number of externally–derived or perceived roles, either differing between numbers of different

---

mentality. M. Itoh, 'Japan's Abiding *Sakoku* Mentality', in E. R. Beauchamp (ed.), *Dimensions of Contemporary*

states or changing over time in reaction to specific events. Such a role conflict, Aggestam noted, caused tensions that affected the nature of the target country's response, as well as the attitude of the countries that desired the specific role for the target country.[145] Such a conflict existed between the US and East Asia perceptions towards Japan's leadership role in maintaining regional economic development and stability. For the US, a far heavier emphasis is put upon a regional political and security role for Japan, whilst also seeking global financial assistance to maintain its foreign policy structures. In the region, a far greater emphasis is placed upon regional development goals, with increased political or strategic postures deemed to be not in the regional interest given Japan's legitimacy deficit.

Whilst Western approaches to leadership noted that Japan was, in terms of international commensurability, negligent in its provision of international public goods, the same could not be said of more local voices to the East and South. As noted earlier by Rapkin, Japan's legitimacy deficit and the hastily concluded and uneven postwar settlement after 1951 made it difficult for the post-colonial states of the region to accept greater responsibility from a former Asian colonial power. There was little regional interest in Japan either unilaterally or bilaterally with the US increasing its regional political or strategic supporting role because of this.[146] Even its strong economic position, as little as this was open to regional considerations, was only accepted through increments over 30 years. Rix argued

> [t]hat Japan does, indeed, exhibit some characteristics of the forms of
> leadership…but that they do not add up to a distinctive Japanese play for power or
> grab for hegemony, although they clearly constitute a limited type of leadership at
> the state level under conditions of regime formation. This is Japan's 'leadership
> from behind', its efforts to shape…an Asia Pacific order that accepts Japan as an
> economic power on its own conditions, but abjures the concept of Japanese
> leadership through overtly dominant behaviour…It is a style of leadership that
> aims at creating long-term Japanese influences in the region, and has been a

---

Japan: A Collection of Essays, Garland, New York, 1998, pp. 31-41.
[145] L. Aggestam, "Role Conceptions and the Politics of Identity in Foreign Policy".
[146] See R. Stubbs, 'Reluctant Leader, Expectant Followers: Japan and Southeast Asia'.

successful form of long-standing 'entrepreneurial' leadership that has carved out a regional role for Japan as investor, trader, aid donor and political actor.[147]

Japan's 'leadership from behind' position was also reinforced by a number of different factors, such as: the partnership with the US; the growing politico-economic position of other regions/countries (NIEs, China, Southeast Asia) in regional discourses; Southeast Asian fears of being used as a great power playground; and altered power relations between states in the region after the Cold War.[148]

Conclusion

The profusion of roles for Japan in international society all reflected a need to define a leadership role for it within the international community. Leadership and its conventional analysis proved poorly suited to the study of Japan's role. Leadership had developed in response to concerns over the nature, composition and availability of international public goods. The hegemon, a historically defined state with the greatest material capabilities, was viewed through the lens that the US example provided. Scholars analysing the ramifications of US hegemony for overcoming the problems of collective action saw the benefits of this to the international political economy after the Second World War. Yet the end of currency and capital controls in the early 1970s provided scholars like Kindleberger and Gilpin with ammunition with which to fight US relative decline and complacency. Hegemons required not only the will but also the support of other states, otherwise the international political economy would cease to function at an optimum level.

Through the analysis of the US policies after 1945, hegemony had become conflated with systemic leadership. Leadership in a foreign policy context was ignored although leadership in international relations is much more diverse than the realist concentration on its hegemonic form, with an increasing body of theory noting that

---

[147] A. Rix, 'Japan and the Region: Leading from Behind', pp. 65-66.
[148] A. Rix, 'Japan and the Region: Leading from Behind', p. 66 and S. Harris, 'Asian multilateral institutions and their response to the Asian Economic Crisis: the regional and global implications', *The Pacific Review*, 13(3), 2000, p. 498.

leadership was not just the preserve of a single predominant state. The unfounded claims of hegemonic stability theory and the greater understanding of US structural power provided by Gramscians and revisionist scholars removed some of the hyperbole from the study of systemic leadership. Criticism centred on the bias towards conflating US foreign policy and systemic leadership as synonymous, a fact that was effectively combated. These critiques and Japan's own relative economic decline during the 1990s also removed Japan from the race to become the next state in line for hegemonic succession. As the US economy surged on the back of the 'tech' boom in the late 1990s, commentators soon began to note that the Twentieth Century was 'still the American Century'.[149] After a long period of ascent, Japan seemed to have reached its peak of both economic capability and leadership within regional and international relations.

The absence of other methods for studying leadership and the ways it is perceived in other contexts in international relations remain problematic considering existing theories catered to hegemony and systemic leadership, thereby avoiding countries like Japan and Germany. Foreign policy analysis through frameworks such as role theory was able to bridge this divide between existing studies of systemic leadership and the provision of leadership on a foreign policy basis amongst non-hegemonic states. The interaction between these two methods of studying leadership and the ways in which states are labelled and perceived can be seen in great detail in the case of Japan, a country that attracts much attention for its regional economic and strategic position and importance. In respect to Japan's role and leadership, perhaps the most salient example is that of its differing relationships with East Asia and the US. Whilst all three cooperatively seek to achieve a regional environment conducive to peace and stability, both East Asia and the US see different roles and means by which Japan can assist in the creation and maintenance of this ideal environment. These different roles, of a

---

[149] see B. Cumings, 'Still the American Century', *Review of International Studies*, 25(5), December 1999, pp. 271-299 and the special issue of *Diplomatic History*, January 1999, vol. 23, (2) devoted to an exploration of the 'American Century'.

supporter of US hegemony and a catalyst for East Asian economic development, are predicated on self-interest rather than the holistic pursuit of mutual gains. Perceptions of Japan as 'workshop' and strategic contributor to regional stability and policies enacted to pursue these goals were predicated on US interests in the Asia Pacific, rather than on a enlightened calculation of what the region wanted. Few if any regional leaders over the past 30 years have wanted Japan to become more assertive on all issues in the region. It is this point, amongst many others, that highlights the disconnection between traditional leadership theory and Japan.

A resolution to fears of Japan's resurgence as a powerful state in East Asia came during the 1950s, through necessity and partly through US activism and persistence. There were a number of efforts to increase regional dialogue and cooperation (such as ASEAN in 1967), with regionalism playing a strong role in political and economic contexts. Given the differential in power between the newly independent states of Southeast Asia and the established colonial powers plus China and Japan, the region was sceptical about bilateral links, albeit with the major exception of the US 'hub and spoke' system of bilateral security alliances. The attempt by Japanese academics such as Kojima to formalise economic arrangements stumbled on questions about the diversity of participants, trust and control - issues that would be partially overcome through Drysdale's 1980s revision and his expansion of this Japan-centric regionalism to 'international economic pluralism'.[150] Concerned with its economic re-development, Japan soon required raw materials for the recovery and expansion of its domestic industries. As seen in Chapter 3, after at first rejecting regional 'beggars' and seeking raw materials from the US, these needs were filled in the 1960s by the immediate region seeking state development and associated foreign exchange. This conjunction of interests between the two constituted the beginning of Japan's developmental role in

East Asia. It also began the growth of interest in political efforts to further reconcile the

two parties in an economic and diplomatic environment comfortable for both sides.

---

[150] See P. Drysdale, *International Economic Pluralism: Economic Policy in East Asia and the Pacific*, Allen and Unwin, Sydney, 1988.