TPP Controversy Testing Conservatism

Manabu Matsuda

Ahead of Japan, Canada and Mexico have been allowed to participate in negotiations on the Trans-Pacific Partnership free trade agreement. The two countries offered to join the TPP talks in response to Japan's indication of its hope to take part in the talks last year. Their reason was that they wanted to maintain their advantages in economic transactions with Japan. Their offers indicated that Japan could gain a strong position in a TPP regime.

Participation in talks is not to obey U.S.

One factor behind the current TPP participants' acceptance of Canada and Mexico may be that the two countries are the partners of the U.S. for the existing North American Free Trade Agreement. But the U.S.' resistance to approving Japan's participation in the TPP talks indicates that anti-TPP people in Japan are wrong in describing the TPP as an effective Japan-U.S. FTA conspired by the U.S. to single out Japan. Even by taking advantage of the TPP, the United States may not necessarily get huge benefits from Japan that has opened its market wider and established international trade rules through its economic frictions with the U.S. and Europe over a long time. A real target for the U.S. in the TPP talks is no longer Japan with a shrinking economy. The present situation is different from those where the Japan-U.S. Structural Impediments Initiative and Japan's postal system reform were feared to benefit the U.S. to the disadvantage of Japan. The TPP will be significant for the U.S. and Japan to open growing markets in the Asia-Pacific region.

By participating in the TPP talks in an early stage to form a trading order in the region, Japan could reflect its national interests in the international order while serving as "The Japan That Could Say No." In this sense, the participation in TPP talks is meaningful for Japan. Japan's TPP negotiation participation is not any way for Japan to obey the U.S.. If Japan remains reluctant or hesitant to join the TPP talks, TPP rules may be created without Japan's national interests being taken into account and imposed on Japan as an order for the Asia-Pacific Economic Cooperation forum. Japan should avoid such situation.

Ground for conservatives

Strangely, some conservatives brand those calling for Japan's participation in TPP talks as "subordinate to the United States" or "pro-American." Irrespective of whether a Chinese diplomat's alleged espionage was related to China's operations to

prevent Japan from joining TPP negotiations, conservatives should dispute moves for Japan to be embedded into a China-led Asia-Pacific order. Behind Vietnam's participation in the TPP talks is Vietnamese reformists' well-considered plan to avoid China's dominance.

In fact, Japan has enhanced its position against China by offering to take part in TPP negotiations. China had focused on the U.S. over the recent years but now has no choice but to pay attention to Japan as well. Meanwhile, Japan's Noda administration has indicated its zeal for Japan-China-South Korea free trade negotiations while hesitating to join TPP talks. Japan could thus lose its advantageous position it has been gaining against China. This should be a matter of concern to conservatives.

If the supporters of Japan's national interest know the TPP better, they may find that they should back up Japan's participation in TPP talks. Conservatism does not mean the maintenance of the status quo. If sticking to established interests while being complacent with its weakness, Japan may collapse. Under a cool recognition and a sense of nationhood, conservatives should be willing to make persistent efforts to conserve and develop the nation's strengths and identity. This is conservatism. The TPP controversy may provide an opportunity to question what conservatism means.

Manabu Matsuda is Planning Committee Member, Japan Institute for National Fundamentals, and Guest Professor at Yokohama City University.