
Between Balance and Bandwagon

Friendship of the US and Japan

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Under what conditions do states adopt a balancing policy, and under what conditions do they adopt a bandwagon policy, if threatened by a challenging state? Given the rise of China in recent years, the United States is strengthening its security cooperation with Japan and other allies through initiatives to improve the capacity of its allies and to enhance their cooperation with the US forces in order to secure US military presence and constant access to the Asia-Pacific region.¹⁶⁵ At a US–Japan summit meeting in 2014, both countries reached an agreement that they would oppose any attempt to change the status quo through coercion and intimidation.¹⁶⁶ The United States recognizes the role of Japan as a primary ally that promotes security in the Asia-Pacific region as it proceeds with its rebalancing policy.¹⁶⁷

However, is Japan really trustworthy? In the past, Japan decided to ally with Nazi Germany and deprived Great Britain and The Netherlands of their interests in South-East Asia. If Japan decided to side with the rising China today, it would significantly damage the United States' interests in the Asia-Pacific

¹⁶⁵ The National Institute for Defense Studies, Japan, *East Asian Strategic Review 2015*, 27, http://www.nids.go.jp/publication/east-asian/pdf/eastasian2015/eastasian_e2015.pdf.

¹⁶⁶ The White House, "Joint Press Conference with President Obama and Prime Minister Abe of Japan" (April 24, 2014).

¹⁶⁷ J. Berkshire Miller, "Battle-Ready Japan? - The Real Story behind Tokyo's First National Security Strategy," *Foreign Affairs* (January 2014).

region, given their advanced technologies combined with the plentiful human resources available in China. In previous studies, many scholars have analyzed the effects of the rising China on the bilateral relationship between them and the United States.¹⁶⁸ However, few have analyzed them based on the trilateral relationship between the United States, China, and Japan, even though the trilateral relationship has a significant impact on the interests of the United States. In this study, I examine the reason why Japan has adopted a balancing policy with the United States, in particular after the Cold War ended, by clarifying the conditions that apply to both the balancing and the bandwagon policy.

In what follows, I begin by outlining the arguments of neorealism, because both balancing and bandwagon are logically deduced from them. In the theoretical analysis section, I demonstrate that microeconomics enables us to simplify these arguments and formulate the conditions by simply examining the military productivities of each of the three countries. Just by seeing their military productivity, we can examine whether one of them will balance or bandwagon. In the test section, I demonstrate that the trilateral model can predict precisely what happened in East Asia in the post-Cold War era.

LITERATURE REVIEW

How do states behave when faced with a rising power, like how Japan is currently facing the rising power of China? With regard to the behavioral tendency of states when faced with a rising power, many scholars have argued from a variety of

¹⁶⁸ For example, Liff and Ikenberry argued the issue from the viewpoint of the security dilemma. See, Adam P. Liff and G. John Ikenberry, "Racing Toward Tragedy? - China's Rise, Military Competition in the Asia Pacific, and the Security Dilemma," *International Security*, Vol. 39, No. 2 (Fall 2014): 52-91.

perspectives, including both defensive and offensive realism. In general, we can categorize their arguments into two schools of thought: *balancing* and *bandwagon*. The balancing school argues that states prefer to balance against a rising power with the help of other states; the bandwagon school argues that states prefer to bandwagon with a rising state to get a small share of their gains.¹⁶⁹ I will review below each school's points by providing representative arguments for each school of thought.

Balancing School

One of the most famous scholars of the balancing school of thought is Stephen Walt. In the past, both balancing and bandwagoning had been solely defined by states' capabilities such as military ones. However, in *The Origins of Alliances*, Walt demonstrates that by focusing on states' *threats* deduced from their neighbors' aggressive intentions as well as their capabilities, we could better explain the Middle Eastern states' behaviors during the Cold War. He argues that states prefer balancing to bandwagoning because they are sensitive to both the capabilities and intentions of their neighbors.¹⁷⁰ Moreover, he maintains that this theory is more applicable to regional states because they can do little to affect the global balance, and other regional states present much more immediate dangers.¹⁷¹ In other words, the benefit of balancing against neighbors' threats outweighs the benefit of changing the global balance for them. This

¹⁶⁹ The defensive realists argue for *balancing* policies while the offensive realists argue for *bandwagon* policies. See, Eric J. Hamilton and Brian C. Rathbun, "Scarce Differences: Toward a Material and Systemic Foundation for Offensive and Defensive Realism," *Security Studies*, Vol. 22, No.3 (2013): 444-45.

¹⁷⁰ Stephen M. Walt, *The Origins of Alliances* (Ithaca: Cornell University Press, 1987), 178-180.

¹⁷¹ *Ibid.*, 164-165.

might be applicable to Japan because Japan is also a regional power in East Asia, and it is threatened by the rising power of China.

No matter how influential it is worldwide, the shortcoming of this theory is that it does not consider the possibility that states could have an uncertain attitude toward balancing and bandwagoning. During the Cold War, all states were supposed to adopt a certain attitude toward the United States and Soviet Union. No state was allowed to hold an uncertain attitude. However, since the Cold War ended, regional states could afford to hold more obscure attitudes, thereby gaining the support of great powers. For example, Japan might hold an uncertain attitude in order to simultaneously gain security benefits from the United States, and economic benefits from China. Regional states might adopt such a strategy just to gain more benefits.

Bandwagon School

The bandwagon school argues that states prefer bandwagoning to balancing and that bandwagon has a pacifying effect on the international system. Randall Schweller (1994) argues that states have options and decide whether they should adopt balancing or bandwagon policies on the basis of their preferences.¹⁷² He also argues that a bandwagon sometimes has a positive influence on the stability of the international system, and dispelled the negative image of a bandwagon.¹⁷³ Sweeney and Fritz (2004) argue that bandwagon is more common than balancing among great powers because great powers tend to consider their interests, not the distribution of power, when they form

¹⁷² Randall Schweller, "Bandwagoning for Profit: Bridging the Revisionist State Back In," *International Security*, Vol. 19, No. 1 (Summer 1994): 72-107.

¹⁷³ *Ibid.*

alliances.¹⁷⁴ They gave specific examples of these interests, such as the similarity of states' dispositions and non-security issues like gold or prestige, that encourage great powers to form bandwagon alliances.¹⁷⁵ Amanda Licht (2007) argues that bandwagon produces strong systemic pacifying effects.¹⁷⁶ She maintains that bandwagon is helpful for all states to achieve lasting peace. This is because great powers pursue a strategy of "self-binding" under the bandwagon alliances.¹⁷⁷ Great powers are not supposed to threaten other smaller states once they reach any kind of agreement with them. Moreover, she indicates that bandwagon alliances should be a means to maintain a satisfied community and channeled through institutions.¹⁷⁸ For example, once small states form bandwagon alliances with great powers, the great powers share information about security with the smaller states, which discourages other states from attacking them.

The shortcoming of both studies is that they solely define bandwagon by military capability, and have never considered the aggressive intentions of states.¹⁷⁹ With their definition, during World War II, Japan's policy should have been a balancing with Nazi Germany, not bandwagon with them, because both Germany and Japan were overwhelmed

by US' military capability. Moreover, if we adopt their definition, we would not be able to examine the causal relationship between foreign policies such as military expansion and systemic effect. More specifically, we cannot predict the outcome of the foreign policies, whether defensive or offensive, of a rising state, if there is a much stronger hegemony in the world, because all foreign policies between smaller states are put together to balance against the great powers.

In order to address the shortcomings of each school, we need to define each foreign policy based on both capabilities and aggressive intentions. Then, we need to modify each theory so that we can apply them to post-Cold War era when regional states can afford to hold an uncertain attitude toward balancing and bandwagon. In the section below, I propose that we deduce each foreign policy from structural realism, which enables us to examine how states' foreign policies interact with each other.

THEORETICAL ANALYSIS

In order to deduce both balancing and bandwagon from the neorealism theories, I begin the analysis by organizing the arguments from Kenneth Waltz's *Theory of International Politics* (hereinafter, referred to as "*Theory*") and John Mearsheimer's *Tragedy of Great Power Politics* (hereinafter referred to as "*Tragedy*"). The former is representative of defensive realism, while the latter is representative of offensive realism. In most previous studies, the two schools have differed in the *scarcity of security*.¹⁸⁰ The former describes security as abundant so that no states need to expand in order to survive, while the latter describes security as scarce so that all states need to

¹⁷⁴ Kevin Sweeney and Paul Fritz, "Jumping on the Bandwagon: An Interest-Based Explanation for Great Power Alliances," *The Journal of Politics*, Vol. 66, No. 2 (May 2004): 429.

¹⁷⁵ *Ibid.*, 434-435.

¹⁷⁶ Amanda Licht, "Ensuring a Smooth Ride: Regional Hegemons and the Choice Between Bandwagoning and Balancing Dynamics," Conference Papers in American Political Science Association. 2007 Annual Meeting, p. 22.

¹⁷⁷ *Ibid.*, 9.

¹⁷⁸ *Ibid.*, 9.

¹⁷⁹ Sweeney and Fritz, "Jumping on the Bandwagon," 430; Licht, "Ensuring a Smooth Ride," 8.

¹⁸⁰ Eric J. Hamilton and Brian C. Rathbun, "Scarce Differences: Toward a Material and Systemic Foundation for Offensive and Defensive Realism," *Security Studies*, Vol. 22, No.3 (2013), 440-42.

expand in order to survive in the system. However, in this study, I regard these arguments as a process from the *static* model to the *dynamic* model within the framework of structural realism. The former was static because it was established under the Cold War, while the latter was dynamic because it was designed to adjust the new world in the post-Cold War era.

Structural Realism

In 1979, Waltz wrote the *Theory*, in which he insists that, in an international system dominated by the principle of self-help, all foreign policies automatically lead to a repeating balance of power.¹⁸¹ In the *Theory*, Waltz argues that a structure is defined by the arrangement of its parts.¹⁸² To define a structure requires ignoring how units relate with one another (how they interact), and concentrating on how they stand in relation to one another (how they are arranged or positioned).¹⁸³ Now, international systems are assumed to be decentralized and anarchic, and states are assumed to seek to ensure survival.¹⁸⁴ Hence, we can say that states are alike in the tasks they face, though not in their abilities to perform them.¹⁸⁵ Therefore, a variation of structure is defined only by distinctions of states' capabilities to perform the task.¹⁸⁶ In that fashion, Waltz discards all attributes of a structure except capability. States' function is now uniform and applicable worldwide. The next issue is how to refine the rigid model so that it could be adjusted to the new world.

¹⁸¹ Kenneth N Waltz, *Theory of International Politics* (Reading, MA: Addison-Wesley, 1979), 116-123.

¹⁸² *Ibid.*, 80.

¹⁸³ *Ibid.*, 80.

¹⁸⁴ *Ibid.*, 88, 91.

¹⁸⁵ *Ibid.*, 96.

¹⁸⁶ *Ibid.*, 98.

Dynamic Model

In 1981, Robert Gilpin's *War and Change in World Politics* points out that the distribution of capabilities and the ways in which the distribution of capabilities changes over time are the most significant factors underlining the process of international political change.¹⁸⁷ States differ in their rates of growth, and thus, the distribution of capability among them changes. Therefore, he argues that states' foreign policies vary according to the changes in the distribution of capability.¹⁸⁸ The foreign policies include not only the maintenance of the status quo, but also the expansion of their territories. This was how Gilpin broke down the rigid model established by Waltz. Thus Waltz formulated the simple relationship between foreign policies and balance of power while Gilpin made it dynamic to adjust to the post-Cold War era.

Gilpin starts off his argument by refining the definitions of a state and power. He describes the relationship between the growth of the power of a state and its control over the international system.¹⁸⁹ If a state acquires more resources, it can gain more economic power, which in turn encourages it to acquire more resources. In other words, he defines a state's power by its economic output and argued that a state's purpose is to function of a resource. Now, power became a function of a resource. Then, he formulates that a state will seek to change the international system until the marginal costs of further change are equal to or greater than the marginal benefits.¹⁹⁰ This enables us to express the distribution of capability by a *resource variable* as shown below.

¹⁸⁷ Robert Gilpin, *War and Change in World Politics* (Cambridge: Cambridge University Press, 1981), 86.

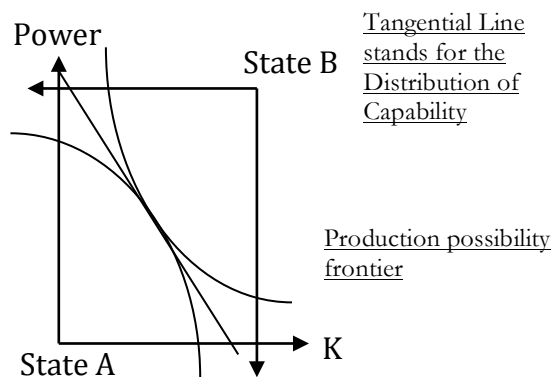
¹⁸⁸ *Ibid.*, 93.

¹⁸⁹ *Ibid.*, 106.

¹⁹⁰ *Ibid.*, 106.

For simplicity, assume that there are two states in the international system: state A and state B. The international system consists of a limited amount of resource, K . By the definition shown above, the range of their power is expressed by the limits on each state's production capacity. Now, we should notice that the tangential line between the two stands for the distribution of capability of the two states. A change in the production possibility limits leads to a change in the distribution of capability, which is defined as a systemic change in his book.¹⁹¹

FIGURE 1 DYNAMIC MODEL AND DISTRIBUTION OF CAPABILITY



This is how Gilpin made Waltz's theory dynamic so that it could adjust to the new world. He also argues that hegemony changes as time passes.¹⁹² Hegemony stops its expansion at the point when its marginal cost equates with its marginal benefit.¹⁹³ However, its economic power declines as its defense cost increases. The more it expands, the more it needs to spend on defending its territory.¹⁹⁴ When the hegemon fails to restore the equilibrium in the system, a rising power changes the system in accordance with the new international distribution of power.¹⁹⁵ A

new hegemony appears and another equilibrium emerges that reflects the new distribution of power in the world.

Trilateral Model

In this section, we will see how the distribution of capability between two states changes if a challenging state emerges in the system. The international system stabilizes only when all resources in the system are distributed in the best manner possible, whether states balance or bandwagon, so that states no longer have an incentive to destabilize the prevailing order.

The two figures below show how states A and B react when threatened by a challenging state C. We assume that all resources in the system are distributed to state A and B, while state C gets nothing in the beginning. Now, we focus on how state B reacts. State B has two options. The first one is to ally with state A, and the second one is to ally with state C. The priority of state B should be the survival of the stability of the entire system. This is because it is only when the entire system is stable that no state has an incentive to attack it. Thus, when state B needs to react to the challenging state, it first considers which course will stabilize the entire system.

Now, we can think about two cases. The first case is the one in which the entire system stabilizes if state B allies with state A, while the second case is the one in which the entire system stabilizes if state B allies with state C. In both cases, the slopes of two tangential lines in the figures below are parallel with each other so that all resources are distributed in the best manner possible.

¹⁹¹ *Ibid.*, 42-43.

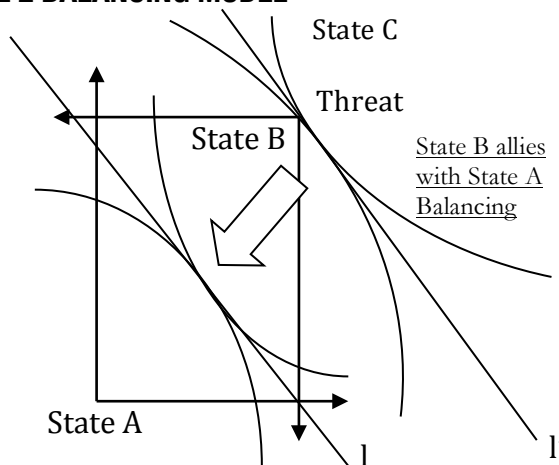
¹⁹² *Ibid.*, 198.

¹⁹³ *Ibid.*, 146.

¹⁹⁴ *Ibid.*, 168-175.

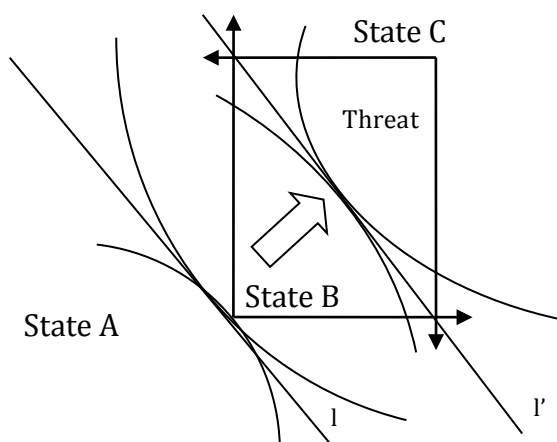
¹⁹⁵ *Ibid.*, 197-198.

FIGURE 2 BALANCING MODEL



This is the case in which state B allies with state A and the entire system can stabilize. Threatened by state C, state B tries to cope with state C by making the distribution of capability between state A and state B parallel with that of the entire system. In this case, the entire system stabilizes, and state B can prevent both state A and state C from attacking it.

FIGURE 3 BANDWAGON MODEL



State B allies with State C
Bandwagon

This is the case in which state B allies with state C and the entire system can stabilize. Threatened by state C, state B tries to cope with state C by making the

distribution of capability between state B and state C parallel with that of the entire system. In this case, the entire system stabilizes, and state B can prevent both state A and state C from attacking it.

From the settings above, we can deduce several propositions regarding the behavior of state B when faced with the rising power of state C.

Proposition 1:

When both state A and state C become powerful, state B is likely to adopt balancing policies.

Proof: See Appendix.

Proposition 2:

When both state A and state C lose power, state B is likely to adopt balancing policies.

Proof: See Appendix.

Proposition 3:

When both state A and state C become powerful, state B is likely to adopt bandwagon policies.

Proof: See Appendix.

Proposition 4:

When both state A and state C lose power, state B is likely to adopt bandwagon policies.

Proof: See Appendix.

What implications can we deduce from these propositions? The propositions above imply that both balancing and bandwagon take place either when two of the states grow in power at the same time, or when two of the states decline in power at the same time. For example, when state A and state C grow in power at the same time, state B adopts either balancing or bandwagon. When state A and state C declines in power at the same time, state B also adopts either balancing or bandwagon. In either case, the entire system stabilizes so that all states in the system are guaranteed security. However, when state A grows in power while state C

declines, state B does not adopt either policy, which destabilizes the entire system. Paradoxically, even if state A grows in power rapidly, it is not yet secure if state C declines, and thus state B does not adopt either of the policies designed to stabilize the entire system.

Offensive Realism

The model above is also applicable to the argument of offensive realism. John Mearsheimer argues that states are rational and therefore they maximize not absolute power, but *relative power*.¹⁹⁶ He argues that states motivated by relative power are likely to forgo large gains in their own power if such gains give rival states even greater power, for smaller national gains that nevertheless provide them with a power advantage over their rivals.¹⁹⁷ This is how Mearsheimer relates the offensive realism to the balance of power.

The trilateral model above is consistent with his argument. State B is likely to forgo bandwagon if that gives state C greater power, while state B is likely to forgo balancing if that gives state A greater power. In either case, state B is concerned about its relative power, not absolute power that might give rival states greater power. Mearsheimer also argues that all states are inclined to alter the balance of power in their favor.¹⁹⁸ In the trilateral model above, state B alters the balance of power either by balancing or bandwagon so that no state any longer has an incentive to disrupt the prevailing order.

¹⁹⁶ John J. Mearsheimer, *Tragedy of Great Power Politics* (New York, London: W. W. Norton and Company, 2001), 36.

¹⁹⁷ Ibid.

¹⁹⁸ Ibid., p. 3.

TEST OF THE THEORY

The theory above will be tested according to two criteria.¹⁹⁹ First, what predictions can be inferred from the above theory? Second, how much history does this theory explain?

Predictions and Tests

The theory's predictions are derived from its primary hypothesis, namely, that in the trilateral system if the capability of two states are same, the other state adopts either balancing or bandwagon, if the capability of the two are different, the other adopts neither of the policies. The following two predictions are tested in case studies of the relationship between the United States, China and Japan in the period 1990-2015. The outcomes vary sharply across time, creating a good setting for multiple within-case comparison tests that contrast different periods within the same case.²⁰⁰

- I. When the United States is powerful while China is powerless, Japan is not allied with either of them closely.
- II. When both the United States and China are powerful simultaneously, Japan is allied with the United States closely.
- III. When the United States is powerless while China is powerful, Japan is not allied with either of them closely.

The graph below shows the growth rates of both the United States and China, which I took from the IMF website.²⁰¹ The vertical

¹⁹⁹ Stephen Van Evera, *Guide to Methods for Students of Political Science* (Ithaca, NY: Cornell University Press, 1997); Stephen Van Evera, "Offense, Defense, and the Causes of War," *International Security*, Vol. 22, No. 4 (Spring 1998): 22-23.

²⁰⁰ Stephen Van Evera, *Guide to Methods for Students of Political Science*, 58-63.

²⁰¹ "IMF Report for Selected Countries and Subjects: Gross domestic product," last modified May 2016, <http://www.imf.org/external/pubs/ft/weo/2015/02/weodata/weorept.aspx?pr.x=82&pr.y=7>

line of the graph shows the growth rate in percentage, and the horizontal line shows the year.

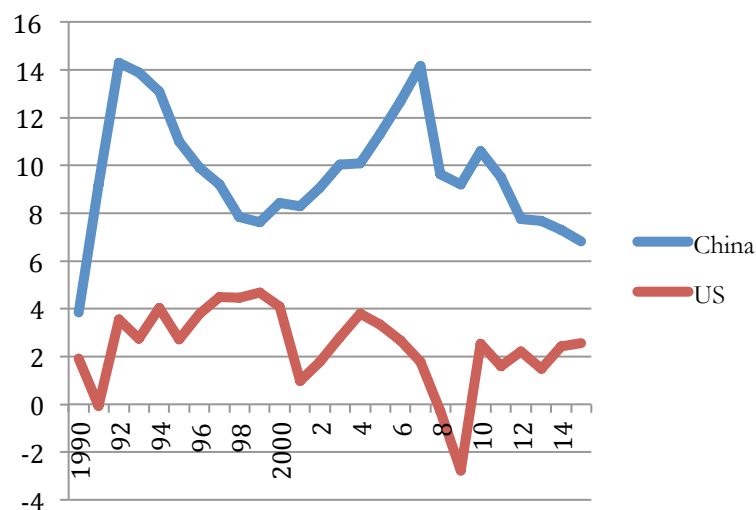
In the case studies discussed below, I will focus on three terms. The first term is from 1992 to 1999, when the US economy grew constantly, while China's economy stagnated due to the economic sanctions after the Tiananmen incident and because of the Asian currency crisis. The second term is from 2001 to 2007, when the economy of both the United States and China grew together after the temporal shock of the September 11 attacks. The third term is from 2007 to 2010, when the United States fell into recession due to the bankruptcy of Lehman Brothers, while China minimized the damage by authorizing prompt measures against it.

In the context of the United States' and China's growth rates, two factors, military threat and economic interests, have determined the attitude of Japan toward China.²⁰² The first factor, military threat, is related to the growth rate of China; the more China grows, the more Japan feels threatened. The second factor, economic interests, is related to the growth rate of the United States; the less the United States grows, the more Japan relies on China.

With regard to military threat, since 1991, the growth rate of China's military expenditure has been a two-digit figure, which has always threatened Japan. In 2007, China's military expenditure rose to 60 billion dollars, which far exceeded Japan's 40 billion dollars.²⁰³ With regard to economic interests,

Japan has emphasized trade with China. In 2007, the total amount of Japan's trade with China exceeded 236 billion dollars (2.78 trillion Yen), when China took the lead in Japan's trade.²⁰⁴ In 2003, Japan came out of its long recession owing to its trade with China.

FIGURE 4: GROWTH RATES OF THE US AND CHINA, 1990-2015



The relative values of the two factors, military threat and economic interests, have thus determined the relationship between Japan and China since the 1990s. I will examine in detail below how the two factors have interacted with each other.

[Term I: 1992-1999] *Alliance Adrift*

Neither military threat nor economic interests mattered during this term; Japan did not rely on the US military forces because China had not yet pursued military expansion, and it did not rely on the Chinese markets because Japan had exported its products to

http://www.sipri.org/research/armaments/milex/milex_database

²⁰² 天児慧著『日中対立 習近平の中国をよむ』（ちくま新書 2013）p. 54.

²⁰³ "Stockholm International Peace Research Institute, Military Expenditure Database," last modified May 2016,

http://www.sipri.org/research/armaments/milex/milex_database

²⁰⁴ "Trade Statistics of Japan Ministry of Finance," last modified May 2016, <http://www.customs.go.jp/toukei/srch/indexe.htm?M=27&P=1,...,3,105,1,...,1992,2016,...,20...20>.

the US markets. The US-Japan Security Alliance thus did not have a purpose in this term. This alliance was concluded in 1951 to oppose the threat of the Soviet Union during the Cold War. In that era, it worked well in East Asia considering that the Soviet Union never attacked Japan. However, soon after the Soviet Union collapsed and the Cold War ended in 1989, the alliance lost its goal. Due to the economic sanctions after the Tiananmen incident, China's capability was still low; therefore, neither the United States nor Japan could specify any threat that the security alliance was supposed to target. Moreover, Tokyo's contribution to the Gulf War effort, over 13 billion dollars, won little acclaim in Washington. On North Korean matters, Washington was apt to deal bilaterally with Pyongyang and "consult" afterwards with Tokyo, pressuring Japan to accept arrangements already agreed upon. By the mid-1990s, US-Japan security relations were at a nadir.²⁰⁵

Meanwhile, several conflicts broke out in East Asia in this term. In 1993, the North Korean nuclear crisis erupted after North Korea left the Non Proliferation Treaty (NPT) and conducted ballistic missile tests. In 1996, the China-Taiwan crisis also broke out. Just before the presidential election in Taiwan, China conducted missile launch exercises in the Taiwan Strait and the United States decided to dispatch the Seventh Fleet to the strait. Tensions therefore rose rapidly in East Asia.

In 1997, in order to cope with these issues and to improve the reliability of the US-Japan Security Alliance, both countries held discussions and established the guidelines for Japan-US Defense cooperation. They redefined the goal of the alliance as dealing

with emergency contingencies in areas surrounding Japan as well as an armed attack against Japan.²⁰⁶ In 1998, a series of laws against situations in areas surrounding Japan was submitted to the Diet, and in 1999, they were approved in the Diet. This is how both the United States and Japan attached new significance to the US-Japan Security Alliance. The alliance has started fulfilling the new function of the preservation of order, not only in Japan, but also in East Asia as a whole. [Term II: 2001-2007] *Alliance Strengthened*

In this term, the military threat factor mattered, while economic interests did not; Japan needed to rely on the US military forces to prepare for Chinese military expansion, but did not need to exclusively rely on the Chinese markets because the US economy grew in this period. Soon after terrorists attacked the United States in September 2001, the US economy was temporally shocked, but it improved soon. In this period, the unity of the United States and Japan was strengthened through a variety of joint military operations. One of the most fruitful results was the collaboration to take military actions after the September 2001 terrorist attacks.

Since 2001, Japan's Self Defense Forces had refueled US and its allies' vessels in the Indian Ocean to support the US-led effort in Afghanistan under Anti-Terrorism Special Measures Law.²⁰⁷ The operation was carried out until 2006, and they refueled 132 million gallons.²⁰⁸ The US Secretary of

²⁰⁵ Joseph N. Franz, "Tightening the Helmet Strings: The Future of the U. S. -Japan Security Relationship," *U. S. Army War College Strategy Research Project* (2000), 6-7.

²⁰⁶ "The Guidelines for Japan-U. S. Defense Cooperation," last modified May 2016, http://www.mod.go.jp/e/d_act/anpo/19970923.html.

²⁰⁷ Sayuri Umeda, "Japan: Refueling Mission in the Indian Ocean Extended," *Library of Congress* (December 2008), <http://www.loc.gov/law/foreign-news/article/japan-refueling-mission-in-the-indian-ocean-extended/>.

²⁰⁸ Eric Talmadge, "Japan to Resume Its Mission in Indian Ocean," *The Washington Post*, January

Defense Robert Gates said that the Japanese refueling had contributed to a broad international coalition trying to bring freedom to Afghanistan.²⁰⁹

[Term III: 2007-2010] *Triangular Relationship*

In this term, both military threat and the economic interests mattered; Japan needed to rely on the US military forces to take measures against Chinese military expansions, and simultaneously needed to rely on the Chinese markets to overcome the economic recession caused by the bankruptcy of the Lehman Brothers in 2007. In this period, the Chinese economy also stagnated, but the Chinese government successfully minimized the damage by authorizing prompt measures against it, and thus many western countries came to rely on the Chinese markets to get out of the recession. Moreover, the gap between the wealthy and the poor was widening in Japan, and thus the US-type growth model was not attractive to Japanese people in those days. In terms of that, we can say that China's economic power was relatively stronger than the United States'. Hence, we can predict that the unity of the United States and Japan weakened significantly in this term.

In Japan, criticized for the failure to take measures against the economic crisis, the Liberal Democratic Party (LDP), the biggest political party in Japan, lost in the general election in 2009, and the Democratic Party of Japan (DPJ) leader Yukio Hatoyama took office as the prime minister in the same year.²¹⁰ From the outset, he proposed that

12, 2008, <http://www.washingtonpost.com/wp-dyn/content/article/2008/01/11/AR2008011103378.html>.

²⁰⁹ Thom Shanker, "Gates Urges Japan to Accept Global Security Role," *The New York Times*, November 8, 2007, http://www.nytimes.com/2007/11/08/world/asia/08iht-gates.1.8245771.html?_r=0.

²¹⁰ Shoichi Itoh, "After the Election: Will Japan be Different?," *Brookings*, September 2009,

Japan should consider a significant policy shift away from the United States, toward a more independent foreign policy.²¹¹ In other words, he tried to establish a triangular relationship between Japan, the United States, and China, wherein Japan maintained distance from the United States and closeness to China. The issue of the relocation of the military base in Okinawa was in particular significantly affected. In the 2009 election campaign, he promised that he would find another place outside Okinawa Prefecture. However, he could not find a place as promised, and thus failed to relocate the US Marine air base out of Okinawa in the end.²¹² Both the United States and Okinawa Prefecture were disappointed by this clumsiness. This is how the negotiations reached a deadlock, and this issue is still a source of trouble between the United States and Japan.

CONCLUSION

In this study, we saw that in a trilateral relationship a state tends to adopt either a balancing or a bandwagon policy if two of them grow or decline simultaneously. In previous studies, many scholars have examined either balancing or bandwagon policies, however, few have considered the possibility that states hold an uncertain

<http://www.brookings.edu/research/opinions/2009/09/japan-election-ito>.

²¹¹ John Pomfret, "U.S. Concerned About New Japanese Premier Hatoyama," *The Washington Post*, December 29, 2009, <http://www.washingtonpost.com/wp-dyn/content/article/2009/12/28/AR2009122802271.html>.

²¹² Tze M. Loo, "The Okinawa Question," *The New York Times*, June 10, 2010, <http://www.nytimes.com/2010/06/11/opinion/11iht-edloo.html>; Yuka Hayashi, "Okinawa Timing: It's Complicated," *THE WALL STREET JOURNAL*, May 11, 2010, <http://blogs.wsj.com/japanrealtime/2010/05/11/okinawa-timing-its-complicated/>.

attitude toward them. In order to consider the possibility, we deduced the trilateral model from the arguments of neorealism.

Then, in order to test the credibility of the model, we examined the post-Cold War era in East Asia. When China's economy stagnated while the US' economy grew constantly after the Tiananmen incident, the US-Japan Security Alliance lost its purpose. As a result, several conflicts broke out in East Asia in the 1990s. In contrast, when both the United States and China grew in power in the 2000s, Japan decided to adopt a balancing policy against the rising power of China. As a result, the unity of the United States and Japan was strengthened again, that enabled the US troops to carry out operations around the Indian Ocean. However, after the bankruptcy of the Lehman Brothers in 2007, the US-type growth model attracted less and less Japanese people, and the Japanese government tried to maintain distance from the United States.

The reason why the United States and Japan have been best friends is precisely because of the simultaneous facts of the growth of China and the continuance of US power in the post-Cold War era, especially after the terrorists attacked the United States in September 2001. The model shows that if China's economy stagnated due to economic sanctions, paradoxically, the United States would also get damaged even if US' economy grew. Therefore, the political implication of this model is that the United States should adopt an engagement strategy that encourages China's economy to grow within the existing framework instead of squeezing it through economic sanctions.

Appendix

Proof of Proposition 1 and 2

When state A and state B balance against state C, the distribution of capability between two states is supposed to be equal to that of the entire system, known as Pareto Optimum.

Let the power of state A be $F(k)$, let the power of state B be $G(k)$, let the power of state C be $H(k)$.

For simplicity, we assume that $F(k) = a \cdot k_A^2$, $G(k) = b \cdot k_B^2$, and $H(k) = c \cdot k_C^2$

The coefficients a, b, and c reflect the productivities of each state.

If the number increases, the state can turn their resources into military armaments, and become more powerful.

In equilibrium, $\partial F / \partial k_A = \partial G / \partial k_B$

Thus, $2a \cdot k_A = 2b \cdot k_B$

Now, let us assume that the total amount of resources in the system is 1.

Thus, $k_A + k_B = 1$

Therefore, $2a \cdot k_A = 2b \cdot (1 - k_A)$

$(a + b) \cdot k_A = b$

$\therefore k_A = b / (a + b), k_B = a / (a + b)$

$\therefore \partial F / \partial k_A = \partial G / \partial k_B = 2a \cdot b / (a + b)$

The formulation above indicates the distribution of capability between state A and state B.

In equilibrium, the distribution of capability between them equates to that of the entire system.

Thus, $2c \cdot k_C = 2a \cdot b / (a + b)$

$\therefore c = a \cdot b / (a + b) \cdot 1 / k_C$

Now, all the resources in the system are distributed between state A and state B.

Thus, $k_C \rightarrow 0$

$\therefore c = a \cdot b / (a + b)$

The formulation above is the condition of the balancing policy. State B decides to adopt the balancing policy if the above condition is met in the system.

Now, from the condition equations above, we can deduce the formulations below.

- I. If $a \geq b / (b - 1)$ i.e. a is sufficiently large, $c = a \cdot b / (a + b) \geq 1$

This implies that when both state A and state C become powerful, state B is likely to adopt balancing policies.

- II. If $a < b/(b-1)$ i.e. a is sufficiently small, $c = a \cdot b/(a+b) < 1$

This implies that when both state A and state C lose power, state B is likely to adopt balancing policies. Q.E.D

Proof of Proposition 3 and 4

When state B bandwagons with state C, the distribution of capability between the two equates with that of the entire system, known as Pareto Optimum.

In the same fashion as Balancing, we can get

$$a = b \cdot c/(b+c)$$

This is the condition of the bandwagon policy. State B decides to adopt the bandwagon policy if the above condition is met in the system.

Now, from the condition equations above, we can deduce the formulations below.

- I. If $c \geq b/(b-1)$ i.e. c is sufficiently large, $a = b \cdot c/(b+c) \geq 1$

This implies that when both state A and state C become powerful, state B is likely to adopt bandwagon policies.

- II. If $c < b/(b-1)$ i.e. c is sufficiently small, $a = b \cdot c/(b+c) < 1$

This implies that when both state A and state C lose power, state B is likely to adopt bandwagon policies. Q. E. D.