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Now, last but definitely not least, Yuichi, from Japan, an island of stability. If you think of the relations between South Korea and Japan historically, and also how they have changed recently, how does Japan now see what is going on in South Korea?

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Thank you for your introductory question. I would also like to thank the organizers of the conference, particularly, of course, Mr. de Montbrial and also Madame Kwon for their brilliant leadership in gathering world-leading strategic thinkers here at the World Policy Conference. My role is to discuss the geopolitical challenges in Asia from a Japanese point of view. Next year, Japan will celebrate the 60th anniversary of the diplomatic opening of relations between Japan and Korea. Therefore, naturally, Japan is preparing for a much stronger friendship with Korea. However, because of the current turmoil in Korean politics, many things have become even more unpredictable. So in East Asia, we see that it is full of unpredictability. Therefore, that would enhance our concerns about the future stability in the region. Even Japanese politics is becoming increasingly unstable. Maybe Japan is now entering into the era of political instability, ending the long period of political stability that Prime Minister Shinzo Abe created.

Let me start my talk by focusing on just three leading geopolitical challenges in Asia. Number one is the possibility of the Taiwan contingency, which I have already mentioned several times here. Number two is the possibility of the North Korean contingency, another important contingency, which we have to think about. Number three is the possible impact of the second Trump Administration upon the geopolitics in Asia.

Number one, the possibility of the Taiwan Contingency: security experts in Japan, as well as in Taiwan, largely agree that the Taiwan contingency is quite unlikely to happen soon, by which I mean the overall Chinese invasion of mainland Taiwan. China is not Russia. China has been, in many ways, much more reluctant to exercise its military power. In the last two decades, particularly under the Putin regime, Russia repeatedly used military power. However, China is unlikely to do the same. In the last four decades in East Asia, we have not seen a major war. In that sense, Asia has been perhaps the most peaceful place, unlike our usual image, since the third Indochina War, which ended in 1991. Since then, we have been enjoying peace and stability there. However, at the same time, Japan is now surrounded by three nuclear powers: Russia, China and North Korea. It is often said that Japan is now

situated in one of the most dangerous places in the world, encircled by these unpredictable nuclear powers.

East Asia is therefore full of contradictions. In this way, it is always difficult to predict. Like the Taiwan contingency, this is also another case of contradictions. Even though I said that the Taiwan contingency is quite unlikely to happen, at the same time, both Japan and Taiwan are under stronger pressure coming from China that combines two things: economic coercion and maximum military pressure from China's military, the People's Liberation Army. Therefore, both Japan and Taiwan are now facing serious security concerns.

In addition, China's invasion, or the change of status quo by military force upon the Pratas Islands in the South China Sea, is quite likely, because it is quite easy for China to change the status quo of the Pratas Islands. Therefore, even though the overall invasion of China into the mainland of Taiwan is quite unlikely, still we have so many concerns surrounding Taiwan.

Also, there is political warfare or influence operations. Chinese infiltration into Taiwanese domestic politics is another important issue that we have to think about. In this way, China is perhaps taking a much more indirect approach to try to reunify the country. We have to think therefore with a much broader perspective about the Taiwan contingency, not just looking at the possibility of the overall Chinese invasion of mainland Taiwan.

I said that in the beginning that the Taiwan contingency is quite unlikely to happen. Here lies the biggest contradiction. If we, and by that I mean Japan, South Korea and Taiwan, the ASEAN member countries, are complacent in thinking in this way, it means that we have no particular reason to increase our defense budgets.

However, every year China is increasing its defense budget, which means that the gap is expanding. This means that it will become more possible for China to do something to change the status quo by using that gap. Therefore, the number one priority for Japan, South Korea and Taiwan is to increase our defense budgets. To do that, we have to seriously think about the possibility of a Taiwan contingency.

Number two, the North Korean contingency: nowadays many experts in Japan think that the North Korean contingency might come earlier than the Taiwan contingency for several reasons.

Firstly, North Korea dispatched its People's Army to Russia. By doing that, the North Korean army now has much better technologies coming from Russia, particularly in nuclear weapons and ballistic missiles. By fulfilling those gaps for North Korea, North Korea now has much stronger military capabilities.

Besides that, at the end of April, the Russian government decided to dissolve the United Nations North Korean sanctions panel. With that, it is easier, much easier, for Russia to transfer technologies, and some goods, to enhance North Korea's military capabilities. That is a serious concern to the surrounding countries in the region.

In this way, we have to think about that North Korea's enhanced military capability is actually destroying the previous strategic stability in the region. Of course, China has serious concern

about that, the much stronger link between Russia and North Korea, alongside North Korea's enhanced military capabilities due to Russian assistance.

In the end, I would also like to talk just a little bit about the impact of the second Trump Administration upon the geopolitical situation in Asia. American allies in Asia generally tend to think that a second Trump Administration is not a bad thing because it is quite likely that the second Trump Administration will take an Asia-first policy, sacrificing Ukraine. Of course, it will have a serious effect upon the future of Ukraine. However, the Trump team often mentions the importance of Asia and that China is the principal hegemonic rival or enemy to the United States. It means that the United States under the second Trump Administration will probably use much stronger or larger resources upon Asia. This is, of course, a welcoming effect. Also, as I mentioned, Japan, South Korea and Taiwan need to expand their military capabilities, and we basically agree with this.

In this way, I think that Trump's Asian policy might become quite sound in trying to maintain a strategic balance between China and the United States, and that maintenance of the strategic balance in the region can have a good effect upon the future peace and stability in the region. To sum up, I would like to say that there are so many un-predictabilities, but at the same time, Japan can bring some kind of stability and predictability by bridging the United States with China and by bridging the liberal democracies with the global South. By bridging several different forces, I think that Japan can play an important role.