

CHAPTER IV

JAPAN'S CAPACITIES TO BECOME ASIAN HEGEMONY

As have been discussed in the previous chapter, the 1997 Asian financial crisis was considered as spillover or contagion phenomenon that hit not only one or two Southeast Asian countries, but most of them, which means once a single country met the crisis, the impact would spread over other countries in the region. The crisis firstly took place in Thailand then ramped up to other countries like Indonesia, Philippines, etc. (Asian Financial Crisis Definition, 2016). At this point, Japan came by offering its ODA with number of financial aids, to assist the region out of the crisis (Er, Japanese Relations with Southeast Asia in an Era of Turbulence, 2000).

Japan was boldly attentive about its capability to achieve what so called as 'hegemony' as it was, before suffering much after the World War II. Japan realized how significant its economic growth since the recovery years up to the days that they have achieved as the top donor of official assistance. According to the writer's belief, a "Hegemon" state was not merely a strong state, but also needed to have ability to ensure the international community that it had capability to gain so by promoting several actions that had already done by it. Thus, the international community would recognize its hegemony.

In order to achieve its "recognition" as a hegemon, Japan needed to have target to create a group of enthusiasts, or we call it "fans/followers". That means, a strong state also needs target to extend its influence, policy, or bonding, in this

case is the Southeast Asia countries. This also means, Japan needed the tangible aspect in the form of those capabilities (economy, technology, and security), as well as the intangible aspect of hegemony in the form of international recognition.

Therefore, this chapter would discuss about Japan's capacities to gain hegemony through its ODA disbursement over the countries in the region. This discussion started from Japan's capacities in economy, technology, and military to be an Asian hegemon, as well as the importance of Southeast Asia for Japan.

A. Economy, Technology, and Military Capacities

Japan's capability to conduct a hegemony situation in Asia, pursued by Japan's willingness to do so that was proved by several important elements or aspects which had been performed by Japan, such as economy, technological leading, and political sector backed up by military, that was used to promote these capabilities in order to gain recognition of its hegemony.

1. Japan's Capability in Economy

International system requires a dominant state to articulate and enforce the rules of interaction among the members in the system (Ikenberry, 2001). Based on the theory, Japan acted as the dominant state in the Southeast Asia could be reflected Japan's contribution to the regions by giving ODA and also establishing such rules and agendas in return as the means of interaction between Japan and member countries of Southeast Asia countries and/or as the fellow members of Southeast Asia nation (Er, 2000). According to Prof. H. Steven Green from Tokyo University, the hegemon provides "public goods" and the other states are better off accepting the system than challenging it. The

process of Japan getting back its international respect was emulated by its capability in economy that needed a very long way to be achieved.

Japan's involvement in the World War II brought Japan to the most decaying destruction as being the loser in the war after battling against Allied powers. This made Japan lost its international respect and dignity as Japan was later in a very poor situation. The U.S. came and made Japan under its control as the consequence of the U.S. favors given to the country to recover its economy. Beyond expectation, Japan experienced bubble economy and created Yen as the exchange rate higher than US Dollar. In fact, the turning phase of being recipient country to the top donor of ODA yielded Japan as the economic miracle of East Asian.

Although Japan at any point was called as "helpless" nation, Japan finally succeeded proving its commitment to provide financial aid in a huge number of assistance in order for Japan to help overcoming the Asian crisis at that time (Khoiriati, 1999). Through Miyazawa Initiative, Japan had contributed approximately US\$80 billion to the countries and it remained successful to reduce the impact of the crisis. Additionally, the end of history was also explained by Fukuyama's statement about the role of economic:

"The struggle for recognition, the willingness to risk one's life for a purely abstract goal, the worldwide ideological struggle that called forth daring, courage, imagination and idealism, will be replaced by economic calculation, the endless solving of technical problems, environmental concerns, and satisfaction of sophisticated consumer demands".

This statement means, the previous hegemonic cycles or the transition of the hegemonic that were interceded by war and risked people's lives would be

no longer existed since it would be replaced by the way of economic transition or market operations among countries in the world. This argument supported Japan's potential as the new hegemonic because Japan had used the foreign economic aid and Foreign Direct Investment (FDI) as their instruments of hegemony.

According to Koji Taira (1991), Japan remained a great country owing to the international trust in terms of economy success and the emergence of two powerful global trends in which the central idea is about Japan qualification in being hegemonic by which its economic resources, as well as its ability and strong will to lead the world.

Talking further about those global trends, the first trend is called "Rise and Fall", explains that the cycle of hegemonic will anticipate the rise of the new hegemon. This means, a hegemonic system is limited and can be fallen at any times based on its own period of time. We can take a look at how Dutch hegemony was replaced by England and France, then the British hegemony was replaced by the US and Germany, and finally the US hegemony could have possibility to be replaced by Japan. The second trend is explaining that history will revolutionize the meaning of hegemony. The hegemon will suffer from cost overruns and declines. Japan saw any probabilities that the U.S. would suffer from these overruns and declined, as Japan had succeeded catch up the power of the U.S (Taira, 1991).

To be sure, leadership requires some kind of hegemonic process (Nabers, 2010). The opinion of Japan's potential to become the candidate of a

hegemonic state was strengthened by the importance of Japan's leadership in the Southeast Asia region which the cost of being a global leadership was responsibility to efficiently respond to certain unusual conditions in terms of emergency financial situation of the region, such as imbalances of payment, shortages of development capital, misalignment of exchange rates, and so' on (Taira, 1991).

The first Japan's predominance in Southeast Asia region was fundamentally, in terms of economy. Japan's relation with Southeast Asia was derived from the implication of the Yoshida Doctrine before the 1970s (Purbantina, 2013). The implication of this doctrine was about Japan's obligation to fulfill war reparations to number of Asian countries as consequence.

Japan's ODA was also used in addressing out the political instability in Myanmar, using ODA as incentives for Myanmar's military junta to prevent themselves from taking actions toward Aung San Suu Kyi, where Japan persuaded Myanmar's military junta to adopt less approach. In the sequel, Japan also created platform for Southeast Asia countries in the case of South China Sea dispute by conducting the Asian Regional Forum (Pongyelar, 2007).

Another argument that would support Japan's hegemonic described that Japan's hegemony would be painlessly, which means that hegemony would not harm Japan but it devoted much contribution the international system. Firstly, Japan only contributed three-tenth of one percent of its GNP for economic cooperation. This action enabled Japan to increase its foreign aid without

suffering much costs and harms to itself. Secondly, Japan also only spent two or three percent of its GNP into its FDI in which the national savings and domestic capital formation used up to 25 percent of GNP. Thirdly, Japan's hegemony would not harm itself owing to the very low of defense expenditure which was approximately one percent of GNP because it was maintained mostly by the U.S. that enabled Japan to minimize its own defense spending (Taira, 1991).

The figures below described Japan's savings in terms of Net National Saving and Gross Saving were higher than the U.S. savings from the end of 1970s up to 2009.

Figure 4.1
Net National Saving Comparison- % of GNP
(US and Japan)

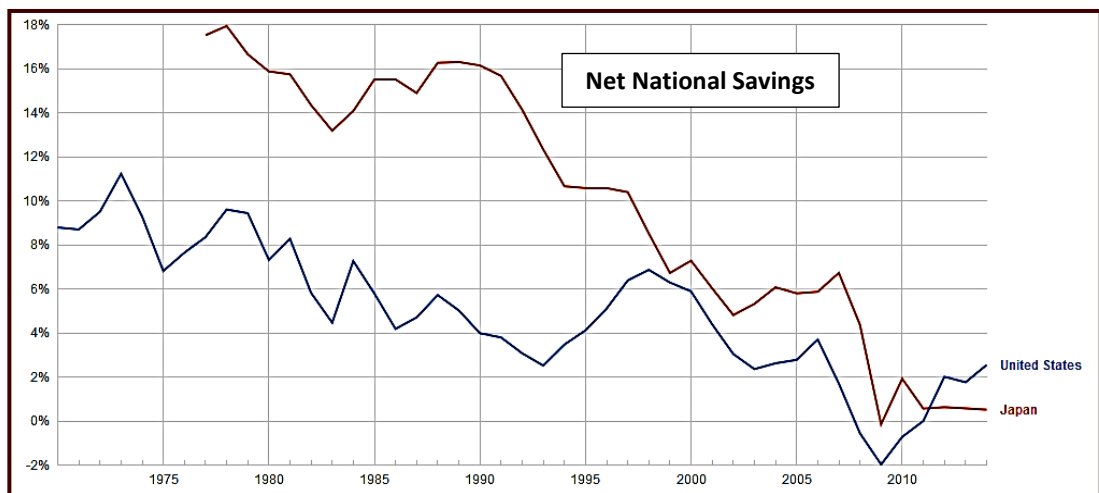
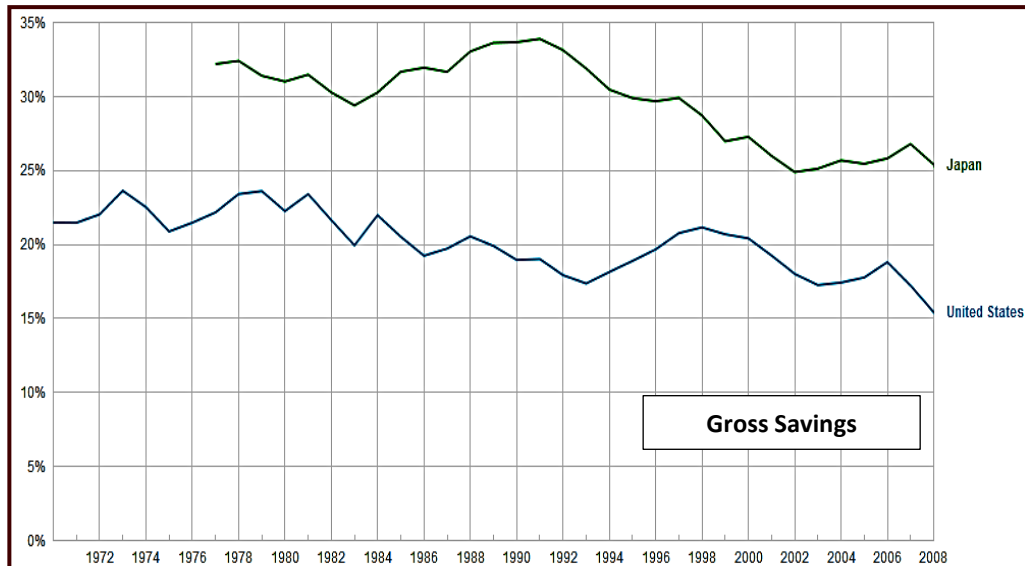


Figure 4.2
Gross Saving Comparison - % of GNP
(US and Japan)



Data from [World Bank](#) Last updated: Oct 7, 2016

From the first chart on figure 4.1, Japan’s net national savings (NNS) is generally higher than the U.S. The Net National Savings measure the change in wealth (assets in the form of fixed machines, homes, state investments either ones in private sector or the ones of the state) (Dorgan, 2016). Meanwhile, the Gross National Savings are derived by deducting final consumption expenditure from Gross National Income, consist of personal saving, business saving, and government saving, but exclude foreign saving. Japan’s NNS and gross saving is about 18 percent and 30%, while the U.S is about 9 percent and 22 percent. This means, Japan’s wealth in the form of assets are higher that the U.S. This is enough to prove Japan’s capability in the form of economy.

Furthermore, it would be another additional if we compare to the U.S. hegemony since in its hegemony, it had to sacrifice its economic growth (as hegemonic responsibilities) to provide public goods for Japan. However, it did not make the U.S. hegemony as a good hegemony since in the 1970s, the U.S. was trying to reap domestic advantages from the rest of the world that then made the U.S. become a 'predatory hegemon' (Gilpin, 1987).

Based on Hegemonic Stability Theory, besides economic capability, there are other several capabilities which require to be fulfilled for a new hegemonic state. The first capability is the capability to enforce the rules of the system. The capability to enforce the rules of the system will encompass all the three attributes or elements including economic growth, technological dominance, and political power backed up by military power.

When we are talking about Japan's economic growth, it is not something out of the question since Japan's economic milestone from being a poor country post World War II to country of economic giant due to its great contribution in the world economy. The distribution of Japan's ODA was also counted as its ability in terms of economic growth (Takagi, From Recipient to Donor: Japan's Official Aid Flows, 1945 to 1990 and Beyond, 1999). While Japan was still in condition of receiving aid, Japan had started to provide the Official Development Assistance in terms of war reparations to Asian countries (see table 2.3). Japan's achievement in economy did not only stop there, Japan even became the second largest of ODA after the U.S. and then became the top donor of ODA from 1989 and remained still until it reached its peak in 1995

(see **figure 2.1**). As an addition to Japan's achievement in the world economy, Japan also played an active role in assisting Southeast Asia countries to overcome the effects of the 1997 Asian financial crisis by rendering more than one hundred millions of US Dollar of its ODA (see **table 3.4**).

2. Japan's Technological Leading

In the case of technological dominance, Japan is no doubt dominating technological aspect compared to other Southeast Asia countries. Japan's starting point of being modernized was when Japan tried to cease being an isolationist country and to become more open to the western countries. Japan was excellent in learning from its own history record and started to build their transportation model in the form of train. Japan started to build industry like the railway. The first railway was made after four years of revolution between Tokyo and Yokohama in 1872. In the next five years, almost all the Japanese cities were connected with the railways (Sutjiati, 2012).

Besides, the economic growth of Japan also owed so much to its technological improvements. For example, Japan's industry in steel that improved more and more in the form of its quality in automobiles industry, made it more competitive in international markets. Japan's progress in technology did not only happen to its automobile industry but also in shipbuilding industry, and so 'on (Takada, 1999). The more competitive Japan's technological innovation in international market was the more it could encourage the economic growth.

Japan's awareness towards its capability in terms of technological improvement is directly implemented to the Southeast Asia countries. Japan's technological improvement contributed much also to the region's technological development. For example, the inventor of Panasonic Gobel electronic company Drs. H. Thayeb Moh. Gobel received scholarship to continue his study in Japan. He met Mr. Konosuke Matsushita, the founding father of Matsushita Electric Industrial Co. Ltd. in 1957 (Panasonic, 2016). Since then, they agreed to sign the Technical Cooperation Agreement between both countries in 1960. The result of this technical cooperation agreement was the first television invented in Indonesia.

Meanwhile, there were 83 Japanese firms that had an active role in Japan-Vietnam bilateral trade relations in 1986 which contributed much in chemicals, textiles, machinery, transport equipment, computers, TVs, and wind turbines. Those were contributing much in Vietnam's technological development, as well (Cima, 1989).

Japan's automobile technology was the most enthused by markets. In 1990s, Japan became the largest producer of Car Company. For example the Mitsubishi and Honda began to expand their companies to the world in 1980s. Afterwards, Toyota and Nissan followed up those car companies. It could be said that Japan was the first Asian country that produced car. Japan's first car was named *Takuri* in 1907. Unfortunately, this car production went broke and only produced 10 united at prior. After that, other car companies such as

Daihatsu, Isuzu, Mitsubishi, Datsun and Toyota started to come up in 1907, 1910, 1917, 1914, and 1937 (Cima, 1989).

At the beginning of Japan's car production, many countries did not put their attention to Japanese car technology since the cars were made for Japan's circumstances and they were not equipped for a high speed. In 1963, Japan produced such cars which had higher and better technology, such as Datsun Sports, Roadsters, and Toyota Corona since Japan's automotive technology remained developing (Panasonic, 2016).

This table showed Japan's products, especially technology and electronic products that had been traded in Southeast Asia market.

Table 4.1

Japan's Automobile and Fashion Technology Companies in Southeast Asia

Company	Country	Year	Branches
Matsushita – Gobel (PT. National Gobel)	Indonesia	1974	<ol style="list-style-type: none"> 1. PT. Panasonic Electronic Device Indonesia 2. Dengan PT Matsushita Electric Works Gobel Manufacturing Indonesia 3. PT. Panasonic Electric Works Gobel Sales Indonesia 4. PT. Panasonic Electronic Device Batam 5. PT. Panasonic Semiconductor Indonesia 6. PT. Panasonic Lighting Indonesia
Toyota Motor Company	Thailand	<ol style="list-style-type: none"> 1. 1962 2. 1978 3. 1989 	<ol style="list-style-type: none"> 1. Toyota Motor Thai Co., Ltd. Automobile technology 2. Toyota Auto Body Thailand Co., Ltd Stamped parts company

			3. Siam Toyota Co., Ltd. Engine production
	Indonesia	1977	Kijang became Toyota's trademark model
	Malaysia	1992	T&K Autoparts is a supply base within Toyota's intra-ASEAN complementary supply system
Uniqlo	Malaysia	1949 – current	The establishment of “Japanese Technology” that was pointed by Heattech and Airism innovation (Astuti, 2015).
	Philippines		
	Thailand		
	Singapore		
	Indonesia		

Source: http://www.toyota-global.com/company/history_of_toyota/75years/text/leaping_forward_as_a_global_corporation/chapter1/section4/item3.html

Japan's good fate in economy led the success for its industrialization, as well. This meant, when Japan had so much influential position in the region, especially in terms of economy, the Southeast Asia countries were aspired to have the bilateral cooperation with Japan (Vogel, 2006). At this point, Japan would contribute much in the region's economic growth by the process of transfer of technology to the region. Data above showed that Japanese companies, especially in automobile technology had attracted countries' attention whether to establish joint-venture or merely the transfer of technology and knowledge. When many of countries, especially in the region had been attracted with Japanese product and technology, it made things much easier for Japan to gain recognition, as well.

In order to explain more about Japan's technological leading, this time would be in the case of agricultural aspect. After suffering during the post-World War II, Japan deteriorated such lack of natural resources in which Japan only had 25 percent of agricultural land that was left behind. Later on, Japan's decision to innovate itself to rebuild its agricultural land was motivated by the poverty of its agricultural resources. Japan innovated new programs called "Long-term Agricultural Program" and the Japan Agricultural Co-operative (JA Cooperative) (Kazuhito, 2013).

Furthermore, this program was performed by prioritizing the infrastructure development in the agricultural areas, such as farm roads and irrigation (Kazuhito, 2013). It was producing the ownership of the farm roads of about 10 until 30 hectares per family. Meanwhile, the JA Cooperative replaced government's role to work in the field which the government was only in charge in the decision or policy making process (Organizational Structure of the JA Group, n.d.). This JA Cooperative was established by Japanese government since the early of the 1900s, consisted of a group of farmers. Both programs had played significant role in sharing such innovative technology in the Southeast Asia region, for example in West Borneo, Indonesia (Indonesia, n.d.).

The next stages of Japan technological leading in the region was that the OECF (Overseas Economic Cooperation Fund) project, Japan's ODA had provided 5 billion Yen in total for Southeast Asia development fund. In 1977, Japan's ODA for Southeast Asia had been available in US\$ 1,7 million and

increased in 1980 up to US\$ 3,3 million. At the same time, Japan was also willing to donate US\$ 1 billion for funding projects in several countries in the region, such as industrial project of urea plant in Indonesia and Malaysia, rock salt soda project in Thailand, phosphorus plant in the Philippines, and diesel in Singapore (Raymon, 2008).

3. The Political Power Backed Up by Projective Military Power

Eventually, the political power backed by projective military power was later described by the establishment of Japan's SDF given by the U.S. in the 1950s. Japan's SDF began to participate in the world peace affairs, pursued by the International Peace Cooperation Law (IPCL) in the 1990s as Peace Keeping Operation (PKO) missions to several countries in the world (Rose, 2000). Japan's SDF was considered as one of the strongest maritime forces in the world after Russia and the U.S.

During the Vietnam War, Japan cooperation, Nippon Yushi Cooperation was suspected, had sold a large amount of weaponry materials (napalm) to US forces in Vietnam (Large, 1998). This notion was reported by one of China's biggest and most influential media in China. However, the truth behind this report had never been proved until now. If Japan indeed sold its napalm to Vietnam, this meant Japan broke the three principles of Japan's policies on the Control of Arms Exports (MOFA, 2014). The establishment of Japanese defense had been counter-related with the ASEAN countries, but Japan constantly refused to use formal military cooperation agreements with those countries in the region. Military technology and arms of Japan had attracted

some of ASEAN countries, primarily Indonesia and Thailand to maintain their own defense capabilities and regional stability (Yasutomo, 1987). Once again, Japan refused to sell any of its military hardware.

Thus, to promote Japan's political power that was backed up by military power, Japan decided not to directly involve in the use of military force to the region. It could be represented by Japan's participation in sea patrol along with the Philippines in the 'War Games' as the preparation of war in the South China Sea dispute (Hardoko, 2015). Beside Japan's participation in the dispute, Japan took part in giving military training for Southeast Asian people.

Despite Japan's opposition to sell its military hardware, Japan still contributed in the regional security by receiving 128 foreign military trainers in Japan's Military School from 1975 until 1985 in which 80 of them were from Singapore and Thailand (Khamchoo, 1991). What we could conclude from Japan's action to oppose using formal military agreement and selling military hardware to region, but they facilitate the foreign trainees from the ASEAN to attend the Japan's Military School was that, Japan did not want to make the countries independent in terms of military by using their own defense hardware. As alternative, Japan kept on creating the countries to rely on Japan's military capability by using its military school admission for the ASEAN trainers. The huge enthusiasm of region's participants had proved Japan's recognition in terms of military even though they did not use military forces.

Japan's military power was also represented when it sent its troops to Cambodia (Er, 2000). This attempt described Japan's bridging role in the Paris

Peace Accord in Tokyo Conference in order to unite Cambodian factions and accept the United Nations Transitional Authority in Cambodia (UNTAC) and UN-supervised elections to restore the normality in Cambodia (Chittiwatanapong, 1996). Furthermore, Japan for the first time sent its troops to Cambodia on behalf of the United Nations peace keeping operations and played much more positive role (Tadamichi, 2014). Furthermore, the reason why Japan steadily avoided military use in the region was due to Japan's awareness regarding to the region's stability and security (Khamchoo, 1991). By guaranteeing the stability of those countries, Japan could maintain its economic aid as its foreign policy. In other words, Japan's economic aid has the same effect as military aid since such assistance. One could summarize that all (politics-economics-military) had linkage.

The fact that Japan possessed capabilities to gain hegemony had been supported by numerous actions performed by Japan in the region. Japan has succeeded, as well, in creating dependency in the region over Japan that described to be a hegemon; it was not always all about being a strong nation. In fact, a strong nation without a "fans/followers" or in this case was the members that supported the strength of that nation would be no use (Ikenberry, 2001).

Let's take a look at the examples of Japan's attempt to create bonding with the countries when Japan became the mediator for Indonesia-Malaysia confrontation (1960-1964) under Prime Minister Ikeda Hayato. According to Kurasawa Aiko (2016) in her book "September 30 Incident: Japanese Perception and Response", Japan had played very substantial role in the

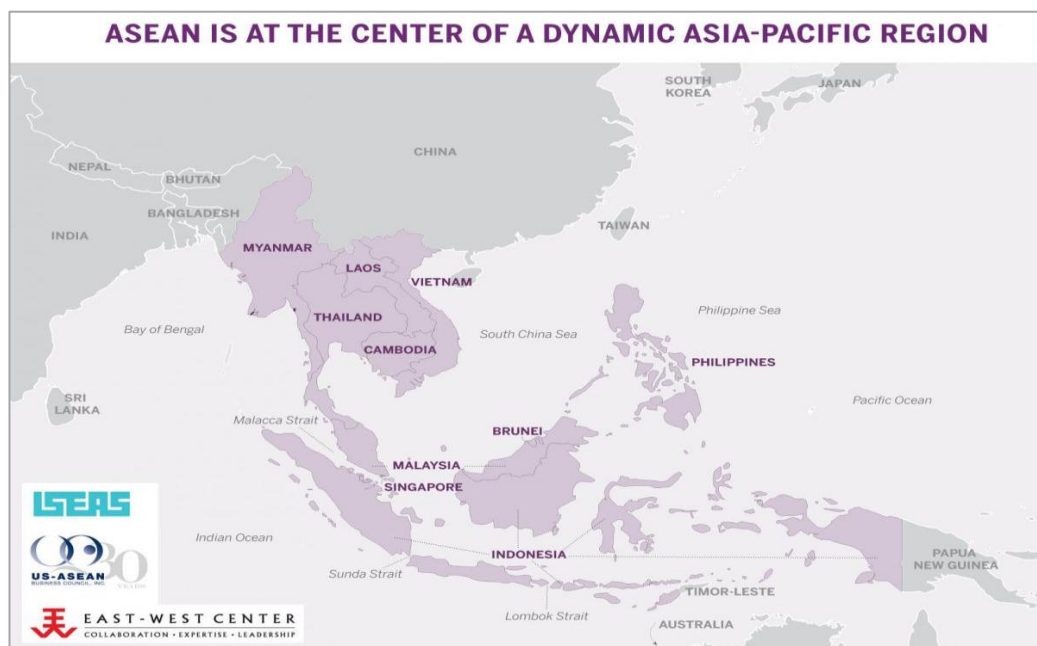
settlement of Indonesia-Malaysia confrontation in the peaceful way in which Ikeda promised to control and lead Soekarno.

B. The Importance of Southeast Asia for Japan

Southeast Asia region was marked by Japan as a region that might have great influence in international system since this region had its own regional organization, the ASEAN that was remained stable although it was only steered by a number of the developing countries. Therefore, Japan remained its assistance to the region even though it had done its obligation about war reparations to the region in the late 1970s.

Figure 4.3

ASEAN Map as the Center of a Dynamic Asia-Pacific region



Source: <https://amti.csis.org/atlas/>

To make it simply, there are several sectors that explained how important Southeast Asia in the eye of Japan that might be fancifully advantageous for Japan. Firstly, Southeast Asia in the terms of trade and investment that was reflected when Japanese Prime Minister, Fukuda Takeo held visitation to the members of Southeast Asia in 1977, it remarked the new era bilateral relations between Japan and those countries in region. Japan's effort in building new era of bilateral relations was then maintained and continued in the era of the next Prime Minister, Yasuhiro Nakasone in 1983 (Narongchai Akrasanee, 2003). Since then, Japan's involvement in trade and investment began. These sectors, trade and investment, were associated with Japan as industrial country which produced Japan's sense as "East Asian miracle" (Japanese ODA to Asian Countries: "An Empirical Study of Myanmar Compared with Cambodia, Laos, and Vietnam", 2012).

Table 4.2

List of Japanese Companies in the Southeast Asia Region

No	Companies' Name	Production Item	Country
1	A & K Door Indonesia	Wooden Door	Indonesia
2	Banshu Electric Indonesia	Wiring Harness	Indonesia
3	Dai Nippon Printing Indonesia	Printing	Indonesia
4	Fuji Technica Indonesia	Die and Stamping	Indonesia
5	Fukoku Indonesia	pulley, cushion rubber	Indonesia
6	Jawa Perdana Bicycle Industry	Bicycle	Indonesia
7	Kyouraku Blowmolding	Automotive Parts	Indonesia

8	Aicello Malaysia SDN BHD	Polyethylene Bags	Malaysia
9	Lacto Asia M SDN BHD	Cheese products and dairy ingredients	Malaysia
10	Lion Eco Chemicals SDN BHD	Methyl Ester Sulfonate (MES)	Malaysia
11	Brother International (Malaysia) SDN BHD	Machines and office equipment, such as laser printer, etc.	Malaysia
12	Saden Air Conditioning (M) SDN BHD	Evaporates and multi-flow condensers for auto AC	Malaysia
13	World Steel Pallet Co. Ltd.	Wood and plastic pallets for logistic and warehouse	Thailand
14	Siam Rajathanee Corporation Co., Ltd.	Pump company	Thailand
15	Siam Toyodansen Co., Ltd.	Aluminum gravity	Thailand
16	JX Nippon Oil and Energy (Thailand) Co., Ltd.	Import and export lubricating oil	Thailand
17	Mort Co., Ltd.	Manufacture sales, and repair conveyor system	Thailand
18	Hitachi Powdered Metals (S) PTE. Ltd.	Powder metallurgy products	Singapore
19	DNP Singapore PTE. Ltd.	Decorative printed papers, metal panels,	Singapore
20	Idemetsu Lube (Singapore) PTE. Ltd.	Distributor of top grade automotive	Singapore
21	SMK Electronic Singapore	Electronic components	Singapore
22	Marubeni Philippines Corporation (MPC)	Offshore trade, build-operate transfer project, etc.	Philippines
23	Fujifilm Corp.	Digital cameras, projectors, surveillance cameras, etc.	Philippines
24	Murata Manufacturing Co., Ltd.	Electronic components	Philippines
25	Canon Inc.	Printers	Philippines
26	Shwe Japan Co., Ltd.	Real estate and consulting	Myanmar
27	Sumimoto Corp.	General trading companies (metal, construction, transportation, etc.)	Myanmar
28	Panasonic Corp.	Electronic products	Myanmar
29	Minebea Co. Ltd.	Machinery components and electronics devices	Cambodia

30	Toyota	Automotive manufacturer	Cambodia
31	Nikon	optics and imaging products	Laos
32	Toyota Boshoku	business sites manufacture and sell automotive-related components such as automobile interior components and exterior	Laos
33	Sapporo	Beer	Vietnam
34	the brewer	Beverages	Vietnam
35	Mizuho	Banking	Vietnam
36	Unicharm	disposable hygiene products, household cleaning products, specializing in the manufacture of diapers for both babies and adult incontinence, feminine hygiene products and pet care products	Vietnam

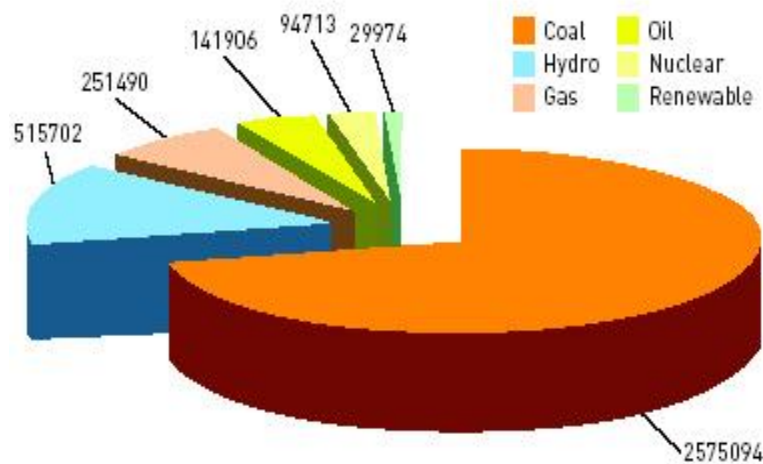
Source: <http://www.wesleynet.com>

Table 4.2 had indicated that Southeast Asia region as Japan's strategic market field in terms of trade and investment. There would be much more Japanese firms and companies that located its branches in this region. This showed how important Southeast Asia region for Japanese firms and products.

Second was the importance of Southeast Asia in terms of natural resources for Japan. Many of various wars had been squeezing out Japan's supplies of rubber, oil, iron, etc. Meanwhile, the Southeast Asia region was enriched with diverse natural resources that consisted of waters, forests, oceans, soil which provided economic activities and livelihoods for its inhabitants, long coastline (approximately 173 thousand kilometers) with abundant fresh water resources,

and 60 percent coral species are located in ‘coral triangle’ covering part of Indonesia, Malaysia, and the Philippines (Kaliappa Kalijaran, 2015).

Figure 4.4
ASEAN Natural Resources



Source: <https://sapiens.revues.org/881>

Third aspect was obtaining global prestige by colonizing those countries in the region at that time. Japanese believed that they got obligation to catch up the Western countries ability in yielding power by imitating what Western countries had done in term of colonization (Kingsberg, 2014). Thus, Southeast Asia became one of Japan’s platforms for conquering its power as Japan’s attempt to imitate Western’s behavior in the past.

To sum up, Japan had seen Southeast Asia region as a unique opportunity to reach strategic global position, whether in the world economy or in all aspects of

international community. Japan's progress in three aspects had made Japan more confident about its significant role in the international community. Later on, Japan's economic aid during the crisis had linkage to various aspects. Japan as an economic great country, would be able to contribute its financial aid using its ODA in the region that would also lead to the technological assistance and military power which would bring Japan's influences to the Southeast Asia region (Taira, Japan, an Imminent Hegemony?, 1991).

Those economy, technological, and military capabilities had represented Japan's effort to achieve its ambition to gain hegemony by willing to do so in order to gain what so called the "intangible aspect" in terms of international recognition (Morgenthau H. J., 1948). Because being a hegemon, does not merely need power in terms of tangible aspects like economy, military, and technology, but also the recognition from the international community is also important (Wajiran, 2015).

Thus, by giving the official assistance especially in terms of economy, as well as technology and military power, describes Japan's tangible power, which is Japan's means to achieve its intangible power. Japan with its capability in tangible power has the ability to establish the intangible one which is the recognition from the international community where the Southeast Asia countries, finally recognizes the hegemony of Japan and they become the members of Japan's hegemony. Eventually, Japan's tangible and intangible power could help Japan to gain its ideal in terms of hegemony.