The Enduring Relevance of Japanese ODA in a Rapidly Changing Global Order

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Abstract

This article examines the enduring relevance of Japan's Official Development Assistance (ODA) in a rapidly changing global order. It argues that Japanese ODA has evolved from a postwar instrument of reconstruction and diplomatic rehabilitation into a multilayered and flexible form of statecraft serving diplomatic, economic, and security objectives. Initially shaped by reparations and Japan's regional focus on Asia, ODA contributed to rebuilding trust, securing natural resources, supporting economic growth, and developing regional production networks. Since the introduction of the Free and Open Indo-Pacific (FOIP) vision under Prime Minister Abe Shinzō, these functions have become increasingly integrated into Japan's strategic policy. ODA now supports regional connectivity, quality infrastructure, economic resilience, maritime security, and the maintenance of a rules-based international order. The article further highlights the growing interaction between ODA and Official Security Assistance (OSA). It concludes that Japan's adaptive use of ODA remains strategically valuable, enabling Tokyo to advance national interests while addressing the developmental needs of partner countries.

Keywords: Official Development Assistance; Free and Open Indo-Pacific; Security; Government; international order.

Resumo

A relevância duradoura da Ajuda Pública ao Desenvolvimento (APD) japonesa numa ordem global em rápida transformação

Este artigo analisa a relevância duradoura da Ajuda Pública ao Desenvolvimento (APD) do Japão num contexto de rápida transformação da ordem global. Argumenta-se que a APD japonesa evoluiu de um instrumento de reconstrução pós-guerra e reabilitação diplomática para um instrumento de ação estratégica multifacetado e flexível, orientado para objetivos diplomáticos, económicos e de segurança. Inicialmente marcada pelas reparações de guerra e pela concentração regional na Ásia, a APD contribuiu para reconstruir a confiança, assegurar recursos naturais, promover o crescimento económico e desenvolver redes regionais de produção. Desde a introdução da visão de um Indo-Pacífico Livre e Aberto (FOIP), durante o mandato do Primeiro-Ministro Abe Shinzō, estas funções foram progressivamente integradas na política estratégica japonesa. A APD apoia atualmente a conectividade regional, infraestruturas de qualidade, resiliência económica, segurança marítima e manutenção de uma ordem internacional baseada em regras. O artigo destaca ainda a crescente articulação entre APD e Assistência Oficial à Segurança (OSA), sublinhando o seu valor estratégico para o Japão.

Palavras-chave: *Ajuda Pública ao Desenvolvimento; Indo-Pacífico Livre e Aberto; Segurança; ordem internacional.*

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Introduction

Under the second Trump administration, Official Development Assistance (ODA) faced unprecedented criticism in the United States. At the center of these critiques, which rapidly spread beyond the United States and resonated with populist movements in other high-income countries, was the claim that ODA – defined by the OECD's Development Assistance Committee (DAC) as government support provided to developing countries to promote economic development and welfare – had become an instrument primarily serving progressive political agendas rather than the broader national interests of donor states. Most notably, the United States Agency for International Development (USAID), the central institutional pillar of U.S. development cooperation, was effectively dismantled in 2025 by the Department of Government Efficiency (DOGE) under Elon Musk's leadership. Musk publicly described USAID on the social media platform X as a "criminal organization" and "a viper's nest of radical-left Marxists who hate America," arguing that the agency should be "fed into the wood chipper."[1] Consequently, the total U.S. ODA budget was cut by 56.9%, affecting not only the U.S. but the global aid environment. Total OECD ODA expenditures, compared to 2024 levels, decreased by 23.1%, the largest annual contraction on record, abruptly ending many projects around the world (OECD 2026). Those developments brought fundamental questions about the *raison d'être* of ODA.

To be clear, skepticism toward ODA is not a new phenomenon; it has long been the subject of criticism (see Easterly 2007; Moyo 2009). However, the Trump administration's criticism differed from earlier critiques in important respects. Whereas much of the traditional debate focused on the neocolonial implications of aid or its effectiveness in fostering development, the Trump administration reframed the issue as a matter of national interest, arguing that ODA served solely liberal-internationalist and progressive priorities rather than American strategic or economic objectives. This criticism was quickly adopted by populist forces in other high-income countries, elevating doubt about the domestic utility of foreign aid into a widespread global narrative, influencing many governments' attitudes towards bilateral and multilateral ODA (Haug, Novoselova, and Klingebiel 2025). Against this backdrop, the status and future of ODA in Japan, as the leading donor in Asia, become particularly interesting and relevant.

To better understand the contemporary role of ODA in Japan's foreign policy, this article first traces the diverse functions that development assistance has served since the end of the Second World War. It then examines how ODA has

1 https://x.com/elonmusk/status/1886098373251301427; https://x.com/elonmusk/status/1886307316804263979

been incorporated into the Free and Open Indo-Pacific vision (FOIP) advanced by Prime Minister Abe Shinzō in 2016. The analysis concentrates on three primary foreign policy dimensions: diplomacy, economy, and security. For analytical clarity, these aspects are treated separately; however, it is important to emphasize that, in practice, these dimensions are often interconnected and overlap (see Govella 2021).
The basic argument of this article is that Japan's ODA has progressively adopted new functions throughout its postwar history, making it what it is today: a multi-layered and flexible instrument of statecraft capable of adapting to the constantly changing needs of Japan and recipient countries.
By highlighting the range of functions ODA continues to serve for Japan, this article challenges the prevailing perception of development cooperation as an exclusively liberal instrument, arguing instead that it can equally serve the donor's interests. In an era when traditional aid paradigms are increasingly contested, the Japanese case offers important insights into how ODA can be reimagined and reconfigured to remain politically, economically, and strategically relevant, serving the interests of both donors and recipients.

Foundations of Japanese ODA

Understanding the origin of Japan's ODA is central, as it has laid the ideological foundation that continues to influence how the country understands and uses it. Compared with other DAC members, poverty alleviation played only a marginal role in the Japanese government's ODA-related policies and narratives. The reason is that Japan's ODA disbursements began not as a choice but rather as a necessity.
Its origins can be traced to its defeat in the Second World War, culminating in its capitulation on 15 August 1945. In the postwar settlement agreed in the San Francisco Peace Treaty of 1951, Japan was obliged to provide reparations to signatory countries it had occupied or harmed during the war, upon request. This was the case of Burma, the Philippines, Indonesia, and South Vietnam. Although entitled, Cambodia and Laos did not request reparations. On the other hand, Japan provided reconstruction assistance to Thailand, the Republic of Korea (South Korea), Singapore, Malaysia, and Micronesia, even though they were not parties to the peace treaty and, in principle, not eligible. As such, the assistance to those countries was labeled "quasi-reparation" (Hoshiro 2023, 676).
While the reparations Japan provided under the San Francisco Peace Treaty were not ODA in the narrow sense, they laid the conceptual and institutional foundations for it. Due to the lack of capital after the war, reparations were mainly provided in the form of goods and services to support the construction of large economic infrastructure projects (Kato, 2025, pp. 122-123). Four defining features emerged during

this period and continue to exert a strong influence on Japan's ODA. These include a demand-driven approach that emphasises assistance only upon request, a reluctance to impose political conditionality on recipients, a pronounced focus on economic infrastructure as the foundation of development, and a regional concentration on Asia (Fujikura and Nakayama, 2016, pp. 42-44).

The official beginning of Japan's ODA is marked by its accession to the Colombo Plan on 6 October 6 1954, which promoted the economic and social development of Asia and the Pacific. This important day, which marked the beginning of Japan's role as an ODA provider, has been designated by the Government of Japan as "International Cooperation Day." A few years later, Japan joined the first working groups of the Development Assistance Group (DAG), the forerunner organization of the DAC, which was established in 1960 and to which the country was a founding member. Notably, Japan became a member of the DAC four years before becoming an OECD member in 1964 (Führer, 1994, pp. 9, 11).

The Functional Evolution of Japanese ODA

The following three sections trace the shifting priorities of Japan's ODA, adopting an evolutionary perspective before assessing its centrality in FOIP. They examine how Japanese ODA has gradually come to incorporate diplomatic, economic, and security functions. For conceptual purposes, the functions are presented separately; in reality, however, they overlap and are often inseparable.

ODA as Diplomatic Statecraft

The diplomatic function represents the first layer of Japan's ODA and played a particularly important role in the immediate postwar period, beginning with the conclusion of the San Francisco Peace Treaty. By joining the Colombo Plan and the DAC, Japan aimed to demonstrate its commitment to peaceful engagement to the international community and to reestablish itself as a responsible global actor. In the postwar context, ODA was a key instrument in shaping the global view of Japan as a "civilian power," which refrains from using military force in its foreign policy (Maull, 1990).

Additional efforts were needed to reestablish and stabilize its diplomatic relations with neighboring countries, where Japan's image was negatively shaped by the colonial and wartime atrocities, cruelty, and oppression (Singh, 2002, pp. 280-281). For Japan, as an island nation with no significant natural resources, building good relationships with neighboring countries was a precondition for its postwar reconstruction and economic growth. Southeast Asia played a particularly important role for Japan, as ties with China were completely cut following the war (Tarling, 2013, p. 110).

Japan used ODA as an important instrument for restoring its international reputation, presenting itself as a peaceful and reliable partner rather than a resurgent regional power. This approach reflected a keen awareness of lingering sensitivities in Southeast Asia regarding Japan's wartime occupation and postwar economic expansion. The persistence of wartime memories and concerns about Japanese economic dominance became evident during Prime Minister Tanaka Kakuei's tour of Southeast Asia in 1974, which was met with widespread protests in several countries. Tanaka faced large-scale protests, especially in Thailand and Indonesia, where demonstrators accused Japan of acting as an "economic animal," prioritizing its own commercial interests while disproportionately benefiting from the region's resources and markets. The large-scale protests reflected broader concerns that Japan's growing economic presence resembled a new form of domination, even if it lacked the military dimension of prewar imperialism. The protests served as an important reminder that economic engagement alone was insufficient to secure regional goodwill. Consequently, Japan had to consistently ensure that ODA was mutually beneficial and that it respected the interests and autonomy of its partners. This approach was later reinforced by the 1977 Fukuda Doctrine, which pledged that Japan would pursue a "heart-to-heart" relationship with Southeast Asia based on equality, trust, and peaceful cooperation (Lim and Nguyen, 2024; Koga, 2017, pp. 1-5; Singh, 2002, pp. 279-283).

Japan addressed regional concerns by adopting, as noted above, a request-based approach to aid provision and by generally refraining from attaching political or economic conditions to assistance. Recipient governments often viewed Japan's emphasis on loans for economic infrastructure as a credible development model because it reflected the country's own postwar experience. Japan had relied extensively on World Bank loans to finance major infrastructure projects during its period of rapid economic growth. These included landmark projects such as the Kurobe No. 4 Hydroelectric Power Station and the Tōkaidō Shinkansen connecting Tokyo and Osaka, both of which became symbols of Japan's successful economic transformation (Fujikura and Nakayama, 2016, pp. 39-41).

Technical assistance constituted another important component of Japan's ODA strategy. Having drawn heavily on technical cooperation to support economic reconstruction at home, Japan emphasized the training of local officials, students, and workers in recipient countries, thereby creating durable human connections that contributed to a more positive perception of Japan (Hansen, 2015).

While it is difficult to measure and establish a direct causal link, there are strong indications that Japan's development support through ODA across Asia, especially in Southeast Asia, had a strong positive impact on Japan's image. Many infrastructure projects supported by Japan in the past have become important symbols of modernization and have left their mark on the collective memory of many

countries. This includes, for example, the Neak Loeung/Kizuna Bridge, the first bridge over the Mekong River in Cambodia, and the Asahan Dam in Indonesia, both projects which were prominently displayed in their respective local currencies. According to *The State of Southeast Asia*, a yearly regional survey conducted by Yusof Ishak Institute (ISEAS), Japan consistently ranks as the most trusted external partner in Southeast Asia, where most of its ODA has been concentrated. In the 2026 survey, 65.6% of respondents said Japan is the most trusted partner, clearly ahead of the U.S. (44%), China (39.8%), and Europe (55.9%). The main reasons stated for the trust are that Japan is a responsible stakeholder that respects and champions international law (41.4%) and that the respondents admire its civilization and culture (14.2%) (Lin et al., 2026).

While the impact has been most significant in Southeast Asia, it has also influenced Japan's image in other regions, including Serbia. In the aftermath of the NATO bombing campaign, Japan assisted the country's postwar reconstruction by supporting the restoration of public transportation systems and other critical infrastructure (Yamamoto, n.d.). While Japan has generally been successful in using ODA to improve its image in recipient countries, notable exceptions can be found in China and South Korea, where collective memories of Japanese wartime aggression continue to play an important role in shaping national identity and perceptions of Japan. In these countries, Japanese ODA has often been viewed less as a symbol of partnership and development cooperation than as a form of compensation for wartime damage. Nevertheless, such cases are exceptions rather than the norm.

ODA as Economic Statecraft

ODA played a central role in Japan's postwar economic growth, which is the second functional layer introduced in this article and is considered the most important in the past (Arase, 1995). While initially forced to provide development cooperation under the reparations obligation imposed by the San Francisco Peace Treaty, Japan quickly came to understand the benefits of ODA in supporting its own economic needs.

In the immediate post-war period, securing natural resources was Japan's leading priority, as its economy then heavily relied on resource-intensive industries. As a resource-scarce country, Japan strategically employed ODA to ensure both access to and a stable supply of key raw materials, including minerals, oil, and gas. A notable early example of this approach is the approximately ¥18 billion loan to India in 1958, Japan's first yen ODA loan, which facilitated iron ore extraction and thereby supported the rapid expansion of Japan's steel industry. This assistance was not limited to the financing of machinery but also included transport and

energy infrastructure (Kato, 2025, p. 124). Numerous similar projects were promoted through ODA across Asia over the following decades to achieve what it failed to do in the past through military means: secure access to essential natural resources.

The importance of ODA in securing natural resource supply was once again highlighted by the 1973 oil shock, exposing Japan's vulnerability to supply chain disruptions. In response to an oil embargo by the Organization of Petroleum Exporting Countries placed on the U.S. and its allies following the Yom Kippur War, Japan expanded its ODA to the Middle East to placate Arab anger and to stabilise energy supplies (Söderberg, 2018, p. 308; Yasutomo, 1989, pp. 492-493). Vulnerability to disruptions was not limited to natural resources. Rising global commodity prices also affected food supply, prompting Japan to use ODA to diversify food sources. Using ODA, Japan backed large-scale agricultural development projects abroad, most notably the transformation of Brazil's Cerrado region into one of the world's leading soybean-producing areas (Kato, 2025, p. 132). Promoting food diversification became even more important considering that its food self-sufficiency rapidly declined after the war to less than 40% in the 1990s, the lowest among developed nations (Suzuki, 2022). In addition to the development of the Cerrado, ODA supported the development of salmon aquaculture in Chile, enhancing Japan's food supply resilience (Farina, 2023).

As the Japanese economy matured, ODA was also used to actively support the relocation of labor-intensive and polluting manufacturing sectors to lower-cost countries, particularly in Southeast Asia. To support the private sector in expanding its production networks across Asia, Japan used ODA to build infrastructure, including power plants and transportation networks (Hatch and Yamamura, 1996). Japanese general contractors, engineering firms, consultants, equipment manufacturers, and trading companies (*sōgō shōsha*) profited directly from those projects as they were often "tied" to them. Consequently, they were able to expand abroad even as domestic demand was slowing (Arase 1994, 172).

The practice of tied aid remained a prominent feature of Japanese ODA until the 1990s, when Japan gradually phased it out in response to international pressure, particularly from the OECD. Although Japan's use of tied aid attracted considerable criticism because it linked development assistance to the procurement of Japanese goods and services, many ODA-funded projects nevertheless generated significant developmental benefits across Asia. Drawing on decades of experience in the region, Japanese agencies and firms developed a strong reputation for the planning and implementation of large-scale infrastructure projects. Moreover, as discussed in the previous chapter, Japanese policymakers were acutely aware of the need to avoid perceptions of renewed economic exploitation. Consequently, aid was designed to generate tangible benefits for recipient countries while simultaneously

advancing Japan's broader economic and diplomatic interests. Promoting economic growth in developing Asian countries was itself an important objective. Rising incomes expanded markets for Japanese exports and created new opportunities for outward investment, thereby linking regional development to Japan's own economic prosperity.

ODA as Security Statecraft

Security is the third and last functional layer introduced in this article. The importance of ODA to the country's security has been central in Japan, given that its constitution strictly forbids the use of military force in foreign policy, limiting it to self-defense. Recently, the use of ODA and Official Security Assistance (OSA) to enhance the country's security, as elaborated in the next chapter, has attracted significant international attention. That said, security has always been an important consideration in ODA disbursement, particularly when viewed through Japan's comprehensive understanding of security (*sōgō anzen hoshō*). Developed in the mid-1970s, comprehensive security limits security not only to military but extends it to the political and economic spheres (Akaha, 1991). Given that the U.S. has been the primary provider of military security in the past, it is no surprise that Japan focused primarily on the "softer" dimension of security.

In its early phases, using ODA to rebuild stable diplomatic relations with neighboring countries, thereby creating a favorable political environment, was critical to Japan's national security. Using ODA to contain communist expansion was an important means of demonstrating support for the U.S. strategy and thereby ensuring its continued military protection and preventing demands for increased military spending (Söderberg, 2018, p. 309). Indirectly, the use of ODA helped maintain the U.S.-Japan alliance, which has provided the military protection that has been the cornerstone of Japan's security thinking. More directly, ODA contributed significantly to the country's economic security by stabilizing and diversifying the supply chain of essential goods, resources, and food. Overall, these efforts prompted industrialization, trade integration, and regional connectivity, which certainly contributed to the regional stability on which Japan depends.

As for the more traditional understanding of security, Japan has extensively used ODA to ensure the safety and stability of critical maritime trade routes against natural and human threats. Japan has been very active, particularly in Southeast Asia, where its engagement in maritime security dates to the late 1960s. Here, different functions have been added over time. Initially, this included the use of ODA for navigational equipment and surveillance systems to prevent groundings, collisions, and polluting discharges. Threats posed by human activities, specifically

piracy, were addressed at the end of 1999, amid a growing number of incidents, when Japan supported the build-up of maritime law enforcement agencies and their capabilities. The regional coast guard's capabilities also contributed to disaster risk reduction and crisis resilience across the region, strengthening partner countries' capacity to respond to natural disasters and thereby stabilizing the broader regional environment (Bradford, 2020, pp. 87-96).

ODA at the Center of Japan's Free and Open Indo-Pacific Vision

This final chapter is dedicated to exploring the role ODA has been playing in the Free and Open Indo-Pacific Vision (FOIP), introduced by Prime Minister Abe Shinzō in July 2016, which continues to define Japan's foreign policy at the time of this article's publication. While succeeding Prime Minister Suga Yoshihide (16 September 2020 – 4 October 2021), Kishida Fumio (4 October 2021 – 1 October 2024), Ishiba Shigeru (1 October 2024 – 21 October 2025), and Takaichi Sanae (21 October 2025 – Present) had had different foreign policy foci, they all agreed on the core principles of FOIP, namely to 1) protect vital maritime trade routes; 2) support regional economic development; 3) defend a rules-based order.

FOIP reflects Japan's concerns about the regional power transition, marked by China's advance toward regional economic and military supremacy. This foreign policy vision is distinctive in that it does not rely primarily on military balancing. Instead, it seeks to shape the regional order by various means, including ODA, to create an order based on openness, the rule of law, and the free flow of goods, capital, and people. In other words, Japan seeks to persuade regional states that a rules-based order provides the most stable and advantageous environment for economic development and regional cooperation, and that maintaining this order is in their shared interest. This chapter will not delve into the different prime ministers' different foci, but will focus more broadly on how ODA served FOIP in general.

The burst of the bubble economy led to a drastic reduction of the ODA budget. From its former peak of ¥1.1687 trillion in 1997, the ODA budget was halved to ¥550 billion in the early 2010s and has remained at that level to date (MoFA, 2026). For ODA, the 2000s were particularly marked by a period of crisis and reassessment. It was clear that the former period of almost unlimited budgets and generous ODA disbursements, resulting from large economic surpluses, was over. To ensure more strategic disbursement, structural reforms related to ODA gave the prime minister greater control over policies that had previously been dispersed among several ministries (Jain, 2016, pp. 95-99). Interestingly, it was not under the rule of the Liberal Democratic Party but under the short-lived administration of the center-left

Democratic Party of Japan from 2009-2012 that ODA faced drastic reforms, particularly affecting grants-related projects, the element considered most philanthropic in development cooperation. The objective was clear: to provide ODA that serves Japan's national interests, as articulated in the 2015 Development Cooperation Charter, which laid out guiding principles. Following the period of reassessment and reforms, Abe was the prime minister who brought ODA back to the center of Japan's foreign policy (Sasada 2019). ODA has become a key instrument for his administration and subsequent administrations to advance the diplomatic, economic, and security objectives embedded in FOIP.

As for diplomacy, Japan has continued to focus its ODA heavily on Southeast Asia to strengthen regional partnerships, particularly amid rising tensions with China. At the center of its support stand Indonesia, the Philippines, and Vietnam, as key maritime states along major sea lines of communication and thus key actors in FOIP, as will be explained later. Within FOIP, ODA has been used not only to solidify existing partnerships but also to extend support for FOIP to new regions, most notably in South Asia (India, Bangladesh, and Sri Lanka) and the Pacific Island Countries (Papua New Guinea, Fiji, and Tuvalu). To some extent, it follows the idea of Kitaoka Shinichi, former president of the Japan International Cooperation Agency, to strengthen the relationships among countries in the Western Pacific region, including Japan, Southeast Asia, and Pacific Island Countries, to create what he calls the Western Pacific Union (WPU) (Kitaoka, 2023). In addition, Japan has continued to create new political alignments in Africa by supporting the Tokyo International Conference on African Development (TICAD) and expanding its engagement with new partners in Central Asia and the Caucasus. In these contexts, ODA continues to function also as a means of diplomatic outreach and strategic positioning.

In the context of FOIP, promoting economic growth in the region has been playing a central role. As in the past, Japan has been aiming to use ODA to promote economic development, trade integration, and regional connectivity (Gaens et al., 2026). From a geopolitical perspective, economic integration facilitates deeper political integration and stability in the region. It is important to note that the ambition to promote regional growth has been closely linked to supporting the domestic economy (see Pugliese and Insisa, 2017, pp. 93-98), highlighting a continuous approach based on mutual benefit. Japanese companies providing infrastructure and technologies had been facing increasing difficulty winning overseas construction bids due to intensifying competition not only from China but also from South Korea and other new donors (Yamamoto, 2021, p. 230). In 2016, Japan labeled itself a provider of Quality Infrastructure to distinguish itself from other donors, particularly China, whose projects provided under its Belt and Road Initiative (BRI) often faced financial, implementation, and environmental issues.

To include Japanese companies and technologies in infrastructure projects, Japan relied heavily on tied aid through Special Terms for Economic Partnership (STEP) loans, which it had stopped using in the 1990s following international criticism (Yamamoto, 2022, p. 336). The focus of ODA has been primarily on financing infrastructure systems in energy, telecommunications, transport, and water/sanitation (Yoshimatsu, 2017, p. 494). A frequently cited example of Japan's contribution to high-quality infrastructure development is the Eastern Seaboard Development Program in Thailand. Through a combination of ODA loans, technical expertise, and private investment, Japan supported the development of ports, roads, power facilities, and industrial zones that contributed to Thailand's industrialization and its emergence as a major regional manufacturing hub. It is important to note that the infrastructure system includes not only hardware but also software. The adoption of those systems often leads to a system lock-in that requires reliance on that precise system for expansion, as well as continuous subscriptions to specific parts and maintenance, thereby making it profitable for Japan as well.

As for security, FOIP has placed particular emphasis on maritime security, which is increasingly threatened by China's growing assertiveness, particularly in the South China Sea. Consequently, countries that are claimants in the South China Sea dispute located along key maritime routes and strategic chokepoints, including Indonesia, the Philippines, and Vietnam, are of particular concern. The Abe Administration was the first to provide ODA more directly to promote the rule-based order that China challenges. He was the first prime minister to systematically support regional coast guard buildup to address China's increasing assertiveness in claiming the South China Sea (Yamamoto, 2016). This was not uncontroversial, despite coast guards being considered civil law-enforcement entities and vessels being delivered unarmed. Not only have they been on the front lines of maritime disputes in the South China Sea, but they also have bulletproof hulls, putting them in the same category as other arms. Still, as civil law enforcement entities, they were eligible as ODA under DAC rules. Given the restrictions on the use of ODA for military purposes, Japan increasingly relied on coast guard capacity building as a means of advancing its security objectives under FOIP. Assistance in the form of patrol vessels, training, and maritime surveillance capabilities enabled Japan to strengthen the maritime resilience of partner countries without violating long-standing constraints on military aid. At the same time, these programs carried an economic component, as the vessels supplied under such initiatives were typically constructed by Japanese shipyards, linking strategic assistance to support for domestic industrial interests (Yamamoto, 2024, pp. 49-55).

From a FOIP perspective, the inability to support foreign militaries posed challenges in protecting maritime trade routes and defending a rule-based order. While Japan supported regional coast guards that stood on the front line of the conflict,

it could not support foreign navies, which stand in the second line. Unable to use ODA to support foreign militaries, Japan has introduced Official Security Assistance (OSA) to extend its security cooperation beyond ODA's developmental mandate. Through the combination of ODA and OSA, Japan has expanded its capacity to contribute to regional security, marking a significant step toward a more integrated form of security-oriented statecraft (Hamada, 2025). Support for foreign militaries has significance beyond the management of maritime tensions. In the disaster-prone Indo-Pacific region, armed forces often play a crucial role in humanitarian assistance and disaster relief operations, making military capacity building relevant not only to security objectives but also to broader human-security concerns.

Despite the growing emphasis on traditional security issues, comprehensive security remains a central element of Japan's regional strategy. OSA has complemented rather than supplanted this approach by adding a more explicit security dimension to Japan's international cooperation. The continuing importance of comprehensive security was highlighted by the Hormuz crisis, which demonstrated the vulnerability of Japan and other Asian economies to disruptions in critical maritime energy routes. Given the deep integration of Asian economies through trade and supply chains, strengthening energy security and economic resilience has become an indispensable component of both regional stability and Japan's broader national security (Yamada, 2026).

Although political support for ODA is strong given its relevance to FOIP, public opinion is comparatively low and has recently declined. The low support is partly a consequence of domestic discourse at the time, in which politicians strongly criticized ODA, particularly because it was largely provided to China, which was increasingly becoming an adversary, overlooking the fact that it also brought great benefits to Japan (Yamamoto 2021). To strengthen public understanding and support, the government has invested in a variety of outreach activities, including the project achieve page *me ni mieruka saito* (Page for the Advancement of Visibility) highlighting ODA achievements, public events such as *Global Festa Japan*, and popular media campaigns featuring characters such as *ODA Man* (Lindgren 2021). However, the success of those campaigns remains limited, making Japan, as well as other countries, vulnerable to attacks from populist political forces. An example is the 2025 scandal related to Japan International Cooperation Agency (JICA) Africa Hometown Initiative that was launched following TICAD 9 in 2025. The initial idea was to strengthen grassroots exchange, human-resource cooperation, and long-term Japan–Africa ties through local-level partnerships. However, the populist party Sanseitō picked up public concerns that the initiative was an immigration or settlement scheme, politicizing the issue. The misinformation was further amplified by Elon Musk's comment on X, stating: "If this continues, there will be no Japan,

just some islands where Japanese people used to live."[2] The local governments were overwhelmed by public complaints, and for the first time, there had been public protests in front of the JICA Headquarters in Kojimachi, Tokyo. Despite the government's best efforts to deny those facts, it was unable to stop the spread of misinformation, ultimately leading to the program's end (Inoue, 2025).

Conclusion

This article has examined the evolution of Japanese ODA through a functional lens, tracing its changing roles across different historical phases. Focusing on three core dimensions – diplomatic, economic, and security –, this article has shown how ODA has been progressively adapted to serve both Japan's national interests and the evolving needs of recipient countries. Rather than undergoing a process of replacement, Japanese ODA has incorporated new functions over time while retaining earlier ones, developing into a layered and highly flexible instrument of statecraft.

As demonstrated, Japan has effectively utilized ODA across multiple domains. In diplomatic terms, it has helped rebuild trust and foster long-term partnerships. Economically, it has supported the development of regional production networks while advancing Japan's own economic interests. More recently, ODA has taken on an increasingly explicit security role, contributing to maritime stability, crisis resilience, and the maintenance of a rules-based international order. This ability to operate simultaneously across these domains has enabled Japan to deploy ODA strategically and adapt it to diverse regional contexts.

The result is a multilayered policy instrument that functions as a highly versatile toolbox. Japan can selectively emphasize different aspects of ODA depending on its own and the strategic and developmental needs of specific partner countries. For instance, ODA continues to play a central role in establishing and deepening partnerships in regions such as Oceania, Africa, and South America. Its economic dimension remains particularly relevant for rapidly growing economies, while its security-related functions have become increasingly significant in countries where maritime tensions are more pronounced.

Given its continued strategic value, it is unlikely that Japan will substantially reduce its ODA commitment, even in a global context where aid budgets are under pressure. On the contrary, ODA is likely to gain further importance as shifts in global development policy create new opportunities and challenges. In doing so, Japan not only reinforces its own regional influence but also mitigates the risk of a growing

2 https://x.com/elonmusk/status/1964370655983386636?lang=da

imbalance in China's favor. However, to do so, Japan also needs to ensure that the public understands the interconnectedness of Asia's and Japan's economies, as well as the benefits that ODA brings to both Japan and recipient countries.

Ultimately, the Japanese case demonstrates that ODA remains far more than a traditional tool of development cooperation. As a layered and adaptive instrument of statecraft, it continues to play a central role in shaping regional order and sustaining Japan's position as a trusted and influential partner in a changing global landscape.

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