

Japan's international cooperation to Latin America and the Caribbean in the changing development landscape

La cooperación internacional del Japón para América Latina y el Caribe en el cambiante panorama del desarrollo

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ABSTRACT

Japan has been a proactive contributor to development cooperation, ranking among the top five OECD donors worldwide. Latin America and the Caribbean have been traditional recipients of Japan's ODA due to their long-standing relationship. However, the U.S. interests, and recently, the rise of China, have influenced Japan's aid to the region.

This paper aims to study how the influence of foreign interests, especially those of the U.S., and the rise of China as a nontraditional donor has challenged Japan's ODA to Latin America and the Caribbean during the 21st century. Since this is hermeneutical research, the analyzed documents were selected based on impact criteria, and the contents were grouped following a chronological evolution. The findings unveil that even though Japan's ODA has been influenced, at some periods, by pre-established U.S. guidelines, in other cases, it has relied on different reinterpretations to those suggested by the U.S. This dynamic turns into a set of ideas and concepts that, des-

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pite seeming unrelated, have Japan's national interests as the fundamental principle and translate into diverse strategies of Japan's ODA to the region.

Japan's approaches to global and regional contexts bring a strategic debate on how the elements that characterize its ODA were adapted to the needs in the period under study. This debate is still unfolding and allows Japan's ODA not to lose its identity. Thus, even though China has taken the lead in some developmental initiatives in Latin America and the Caribbean, the core elements of Japan's ODA remain valid. .

Keywords: Japan – Development Cooperation – Official Development Assistance (ODA) – Foreign Aid – Latin America and the Caribbean (LAC).

RESUMEN:

Japón es un contribuyente proactivo a la cooperación para el desarrollo, ubicándose entre los mayores donantes de la OCDE. Latinoamérica y el Caribe han sido receptores tradicionales de la AOD del Japón debido a sus relaciones de larga data. Sin embargo, los intereses de EE.UU., y recientemente el ascenso de China, han influenciado la AOD del Japón para la región.

Este artículo estudia cómo la influencia de los intereses estadounidense y el ascenso de China como donante no tradicional, han desafiado la cooperación del Japón en Latinoamérica y el Caribe durante este siglo. Debido a que esta es una investigación hermenéutica, los documentos analizados fueron seleccionados con base en criterios de impacto, y los contenidos se agruparon siguiendo un orden cronológico.

Los hallazgos revelan que aunque la AOD del Japón ha estado influenciada, en algunos períodos, por lineamientos preestablecidos de los EE.UU.; en otros casos, esta se ha basado en reinterpretaciones diferentes. Esta dinámica se materializa en ideas y conceptos que tienen el interés nacional del Japón como principio fundamental y se traducen en diversas estrategias de AOD para la región. Los enfoques del Japón para enfrentar el contexto global y regional traen consigo un debate estratégico sobre cómo los elementos que caracterizan su AOD fueron adaptados en el período de estudio. Este debate aún está en desarrollo y permite a la AOD del Japón no perder su identi-

dad. Así, aunque China haya tomado el liderazgo en algunas iniciativas para el desarrollo en Latinoamérica y el Caribe, los elementos centrales de la AOD del Japón para la región mantienen su vigencia.

Palabras Clave: Japón – Cooperación para el Desarrollo – Asistencia Oficial para el Desarrollo (AOD) – Ayuda Externa – América Latina y el Caribe.

INTRODUCTION

The greatest desideratum facing the world population, especially developing countries, is to achieve sustainable development. Diverse development cooperation initiatives are driven by actors, such as international organizations, developed and developing countries; however, there are still gaps to close.

Among the most relevant modalities for promoting development cooperation initiatives is the Official Development Assistance (ODA), defined as:

A voluntary transfer of public resources, from a government to another independent government, to an NGO, or to an international organization (such as the World Bank or the UN Development Program) with at least 25 percent grant element, one goal of which is to better the human condition in the country receiving the aid (Lancaster, 2007, p.7).

Although Asia is the first destination of Japanese aid disbursements, ODA to Latin America and the Caribbean (LAC) has increased steadily (Tuman et al., 2001). Moreover, after the United States (the U.S.), Japan, at times, especially during the 1990s, accounted for the second-largest amount of net aid to the region,

exceeding the amount given by other OECD donors.

At this point, it is necessary to highlight that according to Orr, Jr. (1990) and Potter (2015), Japan has not aimed to take a preponderant role in LAC since the region is seen as the closest U.S. sphere of influence. Consequently, the U.S. has had to some extent, an important role in shaping Japan's aid focus on the region. This dynamic exemplifies what Keohane and Nye (1989) defined as trans-governmental relations. Therefore, Kahn (2016) emphasized that Japan's relations with LAC countries have established a diverse and continually evolving partnership that encompassed more than trade and included interdependencies and relations that involved governments, peoples, and corporations.

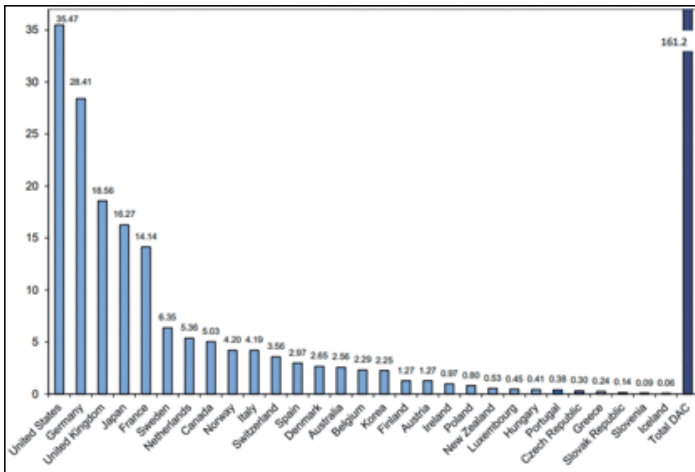
Japan's Development Cooperation policy to LAC is reflected in the ODA Charter (2015) and the White Papers on Development Cooperation annually published by the Ministry of Foreign Affairs of Japan (MoFA). It is observed that Japan's ODA's purpose is to contribute to closing the gaps in the sustainable development of Latin American and the Caribbean nations while considering the presence of Nikkei communities in the region as a

catalyst to foster cooperation processes between Japan and LAC.

For Asplund and Soderberg (2017), foreign aid donors are facing new challenges in the changing development architecture, and the political component influences the allocation and distribution of these resources, which affects not only recipients but also relationships between countries that in the new world architecture are allies and strategic partners, or competitors and rivals in some regions of the planet. Thus, it is recognized that the affinity of interests and a shared vision of the world between governments attract cooperation.

In this context, Asplund and Soderberg (2017) also suggested that Japanese foreign aid provides an extremely interesting case through which regional and even global changes in development cooperation may be understood. Japan plays an important role due to its long history as one of the leading countries in development cooperation, being today one of the OECD countries with the highest donation of ODA globally (\$16.27 billion in 2020), just behind the U.S., Germany, and the U.K. (OECD, 2021).

Figure 1: ODA Grant Equivalent – USD billion (2020)



Source: Organization for Economic Cooperation and Development (2021).

Nevertheless, the rise of China has challenged development initiatives in the economic and political fields promoted by traditional donors,

including Japan. China's foreign aid allocated to LAC increased from 5% to 20% of its total budget from 1990 to 2016 (Maggiorelli, 2017). In this sense, according to Gelvez and Gachúz (2020), the cooperation between China and LAC has been increasing significantly in the last few years.

Amidst this changing reality in the development landscape, this paper aims to answer the following questions: Have foreign countries' interests, especially those of the U.S., influenced Japan's development cooperation initiatives to Latin America and the Caribbean during the 21st century? Does China's increasing involvement as a nontraditional donor country in the region challenge Japan's strategic interest?

The answers to these questions unveil how and to what extent the U.S. interests and the rise of China as a non-traditional donor have influenced Japan's development cooperation in the region during this century, but also how the country has adapted its approach to not lose its identity and remain as a relevant donor to LAC countries.

To advance in this direction, the researcher, when considering which authors incorporate in this work, following the recommendation of Gisbert and Panes (2009), decided to use the "impact factor" from Clarivate, which assesses the value of a Journal in a given area of knowledge, and the "h index" proposed by Jorge Hirsch, and provided by Scopus, which measures both the scientific productivity and the impact of a scientist.

The use of these criteria facilitated the decisions about selecting, or not, certain authors and their contributions, as well as to have a better understanding of the current debate on Japan's ODA, its evolution and validity, to provide greater objectivity and transparency to the investigative process.

In this way, the approach to impact indexes and recent bibliometric studies constituted a useful and objective tool that facilitated a better understanding and evaluation of the research activity of the selected authors.

JAPAN'S AID AND FOREIGN INFLUENCE

Foreign pressure on Japan is a long-standing issue. The contemporary history of Japan's geopolitics reflects that in 1954, as a consequence

of the extension of the Cold War to Asia, Japan joined the Colombo Plan, which marked the beginning of its economic cooperation with developing

countries. Since then, Japan became a strategic ally of the U.S. against the Soviet Union, Communist China, and North Korea. The initial period of Japan's ODA was characterized by the quest to generate economic growth. During the initial years, the policies promoted by the Japanese Government focused on prioritizing exports of Japanese products to Asian countries, intending post-war reparations.

During the 1970s and the 1980s, Japan increased and diversified its development cooperation initiatives not only in East Asia but around the world. This dynamic led Japan to surpass the U.S. to become the world's largest donor, with Japan's net ODA disbursements reaching \$8.97 billion in 1989 (MoFa, 2014).

However, Hiroshi et al. (2016) highlighted that during the Persian Gulf Crisis of 1990-1991, Japan's economic contribution to solving the conflict was perceived by the international community as "too little, too late" (p.76). Even though the Gulf Crisis was the trigger, Japan was already being criticized for the orientation of its aid. Among the most critical voices was the U.S. Government. In the U.S. view, Japan was showing reluctance to play a prominent role in the world, despite having the status of an economic giant.

By the end of the last century, Orr, Jr (1990) pointed out that the levels

of interaction between the U.S. and Japan on aid policy correspond with the concepts of 1) bureaucratic coalition building, 2) preemptive aid package, and 3) direct pressure from the U.S. on Japan. He also emphasized that Japan's ODA purpose is not limited to economic development but that policymakers, especially in the MoFA, have other objectives as well. In this sense, the MoFA acknowledges that the U.S.-Japan relationship is at the heart of its foreign policy.

Nevertheless, the author defended the idea that the U.S.-Japan relationship regarding ODA is mainly based on influence and bargaining between the actors rather than unilateral pressure from the U.S.

Similarly, Miyashita (2001) argued that foreign pressure is often much exaggerated and that the Japanese policymakers are far more proactive and autonomous than the reactive State thesis proposed. Then, Japan's activism has taken place largely in areas where it does not challenge American hegemony or undermine American interest.

In this context, the 1992 ODA Charter was considered to be an effective conflict-solving measure. The ODA Charter announced that Japan's basic Aid Philosophy was to assist developing countries' "self-help" efforts. The goal was for countries to achieve self-reliance. For this, Japan's

aid policymakers prioritized modern infrastructure building. At the same time, Japanese policymakers fully recognized the importance of social stability in attracting foreign investors.

Despite Japan's efforts, some Development Assistance Committee (DAC) members still had some criticism of the Japanese model. Given this situation, the Japanese government promoted a series of reforms intending to increase the effectiveness and transparency of aid, which resulted in the issuance of a new ODA Charter in 2003. It emphasized the relevance of Japan's security and prosperity while highlighting the importance of promoting Human Security and poverty reduction.

Regardless of the reforms, the revised charter did not impress foreign observers, unlike the original version of 1992. Authors like Lancaster (2007) affirmed that there was unclear what real changes in ODA policy were made.

Tsunekawa (2014) attributed the inconsistency and criticism of Japan's Development Assistance to its philosophy since it has historically fluctuated between a wide variety of objectives ranging from poverty reduction in developing countries and promoting peace at the international level to guarantee Japan's economic development through aid programs.

As a result, it led to a series of internal and international criticisms, which argued that Japan had no clarity in the purpose of the ODA or its philosophy. Therefore, it always ended up responding passively to the trends promoted by multilateral organizations like the World Bank.

In order to maintain its relevance in the international arena and respond to internal and external criticism since the beginning of the second administration of Prime Minister Abe Shinzo (2012-2020), development cooperation became an important means of ensuring the country's security. Hence, in 2015, the ODA Charter was revised, emphasizing the role of ODA as a catalyst for other actors engaged in the process and the promotion of peace, stability, and prosperity.

The Charter contains three basic policies of the development cooperation of Japan, which are:

1. Contributing to peace and prosperity through cooperation for non-military purposes.
2. Promoting human security.
3. Cooperation aimed at self-reliant development through assistance for self-help efforts as well as dialogue and collaboration based on Japan's experience and expertise.

Table 1: Japan's ODA Guidelines

Instrument/ Year	ODA Charter 1992	ODA Charter 2003	ODA Review 2010	ODA Charter 2015
Distinctive features	<ul style="list-style-type: none"> -Environmental conservation. -Non-military use. -No support to countries with large military expenditures. -Values such as: democracy, market economies, human rights, and freedom. 	<ul style="list-style-type: none"> 1) Broad consensus from various groups related to ODA. 2) Two-tier system: -Pursuing a national interest in security and prosperity. -Providing public goods in the areas of human security and governance. 	<ul style="list-style-type: none"> -Japan's interest in sharing its knowledge, technology, and institutions to promote development. -Support Sustainable Development by focusing on environment, infrastructure, and legal system. 	<ul style="list-style-type: none"> -Emphasis on comprehensive development through self-help and quality growth.

Source: Elaborated by the author based on Katada (2020).

In Katada's (2020) view, Japan has gone through different transformations, and its development cooperation strategy has taken a hybrid path. Nowadays, even though Japan keeps relying on the business sector to promote development cooperation, the mercantilist approach of the past has

disappeared. Likewise, the government has become more transparent in its aid priorities, emphasizing human security, the rule of law, and institution building for a better business environment in recipient countries.

U.S. REGIONAL INTEREST AND JAPAN'S INITIATIVES TO LATIN AMERICA AND THE CARIBBEAN

Japan's cooperation initiatives with LAC countries date to the early 20

century. It started as development assistance programs to support Japanese

immigrant communities settled mainly in Brazil, Peru, and Paraguay, providing economic support to build essential infrastructure, foster agriculture, and small businesses (Inter-American Development Bank, 2013).

Since the end of World War II, the U.S. and Japan have been strategic allies, with the first playing a relevant factor in the formulation of the foreign policy of the second. Because of this partnership, Orr, Jr (1990) and Katada (1997) suggested that the U.S. had been a defining factor influencing Japan's aid flows to LAC. The relationship between these two aid donors, at times, benefited all three regional actors: Japan, the U.S., and LAC, but the division of labor arrangements between Japan and the U.S. made LAC recipients' bargaining position weaker.

Katada (1997) stressed that Japan's motivation to provide aid to LAC comes from two sources: its desire to pursue political and economic benefits; and its reaction to external and internal demands. In this sense, Japan's interest in the region took various forms. For example, it may be seen in the Japanese private sector investing in LAC, the large number of Japanese immigrants to the region, the importance of U.N. diplomacy, and members' votes in favor of Japan.

The allocation of Japanese aid is also influenced by the U.S. presence

and its political and economic interests in LAC. When the U.S. has strong political interests against the country's government, that country gets less Japanese aid. Contrarily, if the U.S. has substantial economic interests, the country receives more economic support from Japan. This is how Japanese policymakers aim to collaborate with the U.S. in the region, especially in the sphere of political and security issues, while improving the U.S.-Japanese relationship by fostering U.S. interests in the region (Katada, 1997).

Likewise, Tuman et al. (2001) argued that since the mid-1990s, the U.S. has sought to coordinate Japanese and U.S. aid programs in LAC to help promote market-oriented reform, democratization, and poverty reduction.

Nevertheless, their study reflected that the U.S. and Japan also pursue different goals in the region. While seeking to improve human rights, the U.S. has used aid in LAC to contain communism, and more recently, socialist regimes, safeguard its strategic interests, and promote market-oriented reform. By contrast, Japan's ODA aimed to protect the interests of Japanese financial institutions, guarantee market access for Japanese firms, and reduce poverty.

LAC has been a traditional recipient of Japan's foreign aid, and despite a lapse in the relationship-building

in the 1980s and 1990s, Myers and Kuwayama (2016) claimed that the region has returned to Japan's list of economic and foreign policy priorities. Nowadays, LAC nations are viewed as essential political partners as Japan promotes its cooperation model.

LAC has also been a priority region for the Japan International Cooperation Agency (JICA). At different times through the 21st century, Japan has ranked as the top foreign donor for Antigua and Barbuda, Costa Rica, Dominica, Grenada, Panama, Saint Lucia, Saint Vincent, Mexico, Brazil, and Peru (Myers & Kuwayama, 2016).

However, it is also important to highlight the fluctuation of Japan's ODA during this century. For example, in 2010 and 2012, Japan's net aid to the region was negative, reflecting larger repayment of outstanding yen loans rather than new aid initiatives. Based on Potter (2012), it can be said that one of the reasons to explain this fluctuation could be the 2009 House of Representatives election that took the Democratic Party of Japan to power and led to a series of reviews of government programs in the name of cutting wasteful spending. Nonetheless, the author emphasized that the review promoted by the Democratic Party of Japan refined but not largely changed the basic direction of the post-Cold War aid policy.

In this context, in 2014, Prime Minister Abe Shinzo launched the "Together" strategy to enhance bilateral relations with LAC countries. This strategy is based on three guiding principles:

1. To progress together in connectivity of economies by enhancing a free and open international economic system.
2. To lead together towards the connectivity of values supported on a rule-based multilateralism.
3. To inspire together in connectivity of wisdom with the aim to achieve the Sustainable Development Goals (SDGs).

(MoFA, 2021)

Thus, the new ODA Charter states that:

Japan will provide assistance to foster an environment more conducive to economic development through trade and investment, among others, and to extend necessary cooperation against a backdrop of internal disparities which exist even in countries that have achieved considerable progress in development. Consideration will be given to the presence of ethnic Japanese ("Nikkei") communities in the region, which serves as a strong bond between Japan and the region. (MoFA, 2015, p.8)

Additionally, the White Paper on Development Cooperation (2017) showed how Japan has undertaken different initiatives in areas such as disaster risk reduction, environmental issues, climate change, economic and infrastructure development, medical

and healthcare, education, peacebuilding, among others.

Consequently, Table 2 shows a comparison of Japan's ODA allocation per country during 2014-2018:

Table 2: ODA disbursement to LAC region (2014-2018) (Unit: Millions US\$)

2014		2015		2016		2017		2018	
Country	Total General Exp.	Country	Total General Exp.	Country	Total General Exp.	Country	Total General Exp.	Country	Total General Exp.
Brazil	117.15	Brazil	92.70	Brazil	84.86	Costa Rica	55.74	Brazil	67.73
Peru	84.58	Costa Rica	65.22	Costa Rica	45.73	Brazil	48.12	Peru	58.89
Costa Rica	27.03	Peru	49.15	Peru	43.79	Peru	37.23	Costa Rica	48.74
Haiti	22.98	Argentina	42.91	Paraguay	32.02	Cuba	35.72	Cuba	47.48
Dominican Republic	16.51	Haiti	23.47	Nicaragua	22.57	Paraguay	23.29	Haiti	43.33
Honduras	15.42	Paraguay	18.78	Haiti	21.45	Colombia	18.07	Paraguay	39.50
Bolivia	15.20	Nicaragua	16.47	Cuba	20.48	Haiti	15.38	Guatemala	21.38
Nicaragua	13.11	Ecuador	15.02	Ecuador	19.18	Nicaragua	15.31	Honduras	16.42

Mexico	12.18	Honduras	14.40	Colombia	13.21	Mexico	12.07	El Salvador	15.73
Paraguay	12.18	El Salvador	12.88	Honduras	12.75	Ecuador	11.78	Nicaragua	12.54
El Salvador	10.34	Bolivia	10.75	El Salvador	11.88	Bolivia	10.75	Colombia	9.38
Argentina	8.77	Dominican Republic	9.49	Bolivia	10.99	Honduras	9.48	Bolivia	9.20
Ecuador	8.55	Mexico	7.72	Dominican Republic	10.14	El Salvador	9.18	Mexico	7.46
Colombia	8.18	Guatemala	7.72	Mexico	9.51	Guatemala	7.92	Panama	7.44
Guatemala	6.56	Colombia	7.69	Panama	6.78	Argentina	7.05	Ecuador	7.11
Panama	6.25	Cuba	4.96	Guatemala	6.16	Dominican Republic	6.82	Dominican Republic	5.27
Cuba	5.31	Jamaica	3.58	Saint Lucia	5.59	Panama	6.45	Argentina	4.11
Chile	3.88	Chile	3.56	Antigua & Barbuda	5.14	Jamaica	5.78	Jamaica	4.09
Guyana	3.55	Saint Vincent	3.50	Grenada	4.34	Saint Lucia	4.19	Dominica	2.33
Jamaica	2.96	Panama	3.17	Argentina	3.95	Chile	3.69	Antigua & Barbuda	2.17

Grenada	2.07	Saint Lucia	3.06	Saint Vincent	3.74	Saint Vincent	2.23	Suriname	1.97
Venezuela	1.93	Uruguay	2.04	Chile	3.25	Antigua & Barbuda	2.22	Saint Lucia	1.83
Uruguay	1.69	Belize	1.88	Jamaica	3.14	Uruguay	1.87	Guyana	1.66
Saint Lucia	1.77	Antigua & Barbuda	1.53	Dominica	2.91	Belize	1.53	Belize	0.85
Belize	1.30	Grenada	1.20	Uruguay	2.29	Guyana	1.13	Venezuela	0.74
Dominica	1.08	Guyana	1.11	Belize	1.20	Venezuela	0.92	Saint Vincent	0.31
Antigua & Barbuda	0.51	Venezuela	0.53	Guyana	0.66	Grenada	0.21	Grenada	0.13
Saint Vincent	0.13	Dominica	0.46	Venezuela	0.63	Dominica	0.16		
Surinam	0.13	Suriname	0.09	Suriname	0.27	Suriname	0.11		
For multiple countries in Latin America	22.2 88	For multiple countries in Latin America	11.03	For multiple countries in Latin America	16.23	For multiple countries in Latin America	14.79	For multiple countries in Latin America	10.92
Total	434.23	Total	437.76	Total	428.94	Total	372.45	Total	452.46

Source: Elaborated by the author based on MoFA (2015, 2016, 2017, 2018, 2019)

Based on the dynamic explained above and the patterns of allocation of Japan's ODA in table 2, it can be observed that Japan prioritized its ODA to Brazil, Peru, and Costa Rica (green highlighted cells). The first two countries are host nations for the largest Japanese communities in the LAC region, with around 1.9 million Nikkei people living in Brazil and about 100,000 Nikkei people living in Peru (JICA, 2018). Likewise, Japan has a strong economic interest in these countries, Brazil has the second-largest number of Japanese companies in the region, only behind Mexico (JETRO, 2019), and Peru is one of the few countries that have an Economic Partnership Agreement with Japan in the LAC region (MoFA, 2020).

Japan's ties with Costa Rica have a different orientation; these two countries are partners that share basic values such as peace, democracy, and human rights. In addition, the protection of the environment plays a central role in the bilateral relation. Therefore, Japan proactively promotes its best practice to achieve sustainable development in Costa Rica. Moreover, Japan considers Costa Rica as a key partner to promote triangular cooperation and achieve economic integration of the LAC region (Embajada del Japón en Costa Rica, 2021).

Japan's interest in the region can also be analyzed in the disbursement to Colombia (yellow cells) and Venezuela (included in red cells). These two countries have similar socio-cultural identities, share one of the most dynamic borders in Latin America, and form economies of medium-high income, with high inequality rates.

Despite these similarities, Colombia and Venezuela differ in their relationship with Japan. The successful relationship between Japan and Colombia is visible through the investment of Japanese companies since 2011, when the Japanese Government signed the Agreement for the liberalization, promotion, and protection of investment with the Republic of Colombia, to cooperate on issues such as sustainable economic growth, environmental problems or disaster prevention and the achievement of peace. The amount of non-reimbursable financial cooperation until the 2018 fiscal year was \$114 million, \$275 million in yen credits, and \$305 million in technical cooperation. Besides, 5,206 Colombian officials have been trained in Japan, and 422 Japanese experts have been sent to Colombia. (Embajada del Japón en Colombia, 2019).

Japan has also engaged in initiatives led by the U.S. government in Colombia. For example, as part of

Colombia's peace agreements, former President Obama announced that the U.S would launch, with the cooperation of Norway, a Global Demining Initiative to help this country meets its Ottawa Convention commitment to being mine-free by 2021. Several other countries, including Japan, joined this initiative (The White House, 2016).

In contrast, although the relationship between Venezuela and Japan has been traditionally good, in recent years, it has been limitedly developed in the areas of natural resources and energy, maintaining an economically complementary relationship. In this sense, the Japanese Embassy in Caracas reported that from 1999 to 2017, just \$3,667,117 has been disbursed to Venezuela, focused on Non-Refundable Financial Assistance for Community Projects of Human Security. For 2020, a maximum donation corresponding to 10 million yen per project was planned, equivalent to approximately U.S.\$ 90,000 in ODA.

Nevertheless, backing up the U.S. approach to address the large number of Venezuelan migrants in the region, which mainly consist in the allocation of funding (\$1,654,586,880 from 2017 to 2021) by the U.S. government to different LAC countries (USAID, 2021), Japan has as well provided economic support to different

countries in the region. For example, in June 2019, the Japanese Embassy in Brazil signed a cooperation agreement with the UN Refugee Agency, assigning \$ 3,6 million to promote the registration and documentation of people coming from Venezuela, multisectoral communitarian assistance, psychological support, sanitary services, and child protection in the states of Roraima, Amazonas, and Pará (UNHCR, 2019). In the same way, on March 10, 2020, the Japanese government decided to extend Emergency Grant Aid of \$ 13 million for the displaced Venezuelan people who live in difficult conditions and the affected neighboring countries of Venezuela. The grant was to provide humanitarian assistance through the UNHCR (MoFA, 2020).

Also, the Japanese government has participated in different coordination conferences regarding the topic, such as the International Donors Conference in Solidarity with Venezuelan Refugees and Migrants in the Countries of the Region amid Covid-19, in May 2020, and the High-Level Coordination Meeting on Venezuela, led by the U.S government, in February 2022. (European Union, 2020; U.S. Department of State, 2022).

These Japan's particular relationships with Colombia and Venezuela coincide with the fact that Colombia is a natural ally of the U.S in the

region due to its political and economic affinity, while the Venezuelan government maintains an open

political confrontation with the U.S. government.

THE RISE OF CHINA'S FOREIGN AID TO LATIN AMERICA AND THE CARIBBEAN

China had been conceived historically as a recipient country. Moreover, during the 1980s and the 1990s, China was the principal recipient of Japan's ODA. However, in 2010 China replaced Japan as the second-largest economy in the world and has become a major competitor in providing foreign aid across the world, including LAC.

China's development cooperation differs from those provided by OECD members (Kragelund, 2019). For example, in China's statistical yearbook, development assistance comprises both foreign aid and government-sponsored investment activities.

Also, China rarely uses the terms aid, donor, or recipient, preferring instead to speak of South-South cooperation. Thus, "the dominant rhetoric from the Chinese side is that it is engaging with the recipients of its aid and other resources as a partner rather than being involved in a donor-recipient relationship" (Stallings, 2016, p.73).

Therefore, China's cooperation combines resources traditionally

categorized as ODA with other official flows, which are defined as official sector transactions that do not meet ODA criteria.

Harris and Arias (2016) highlighted that since the 1990s, China and LAC's economic and political relations have expanded and intensified, mainly because of the "remarkable growth of China's socialist market economy" (p.3).

Chinese aid has gained relevance in the region in the past two decades for several reasons explained by Lum et al. (2009):

- China's aid is quick and easy, without political conditionality, safeguards, and bureaucratic procedures that traditional donors, especially OECD donors, typically impose.
- China often promotes economic projects in countries, areas, and sectors that traditional donors have avoided because of difficult conditions.
- Many Chinese projects abroad, such as national cultural centers, stadiums, and highways, are highly visible and provide tangible, short-term benefits.

- Development initiatives driven by China are often announced at bilateral summit meetings with great fanfare, powerfully symbolizing the friendship between China and other developing countries.

Nonetheless, Lum et al. (2009) emphasized that “China’s growing engagement with LAC lacks the deep historical ties it has with Southeast Asia or the legacy of its Cold War friendship with African nations” (p.13). In this context, China’s growing interest in the region appears linked to its objective of access to natural resources and agricultural commodities, such as oil, ores, and soybeans. Additionally, the Chinese Communist Party seeks to obtain political support for its position of One-China Policy to isolate Taiwan and foster China’s diplomatic presence in the region. Other goals include creating new alternative markets and opportunities for Chinese goods and investment.

Similarly, Gallagher and Irwin (2015) emphasized that Chinese finance in LAC is motivated by the goals of a developmental state. Consequently, China is securing many natural resources, but without taking a significant loss. China is also projecting soft power by focusing on infrastructure and industrialization versus the development paradigms launched by the World Bank and the Inter-American Development Bank.

In the face of a new regional dynamic, characterized by the emergence of new cooperation initiatives driven by non-DAC donors, especially China, authors such as Jörn and Goodman (2012) and Potter (2015) pointed out that even though Japan has been a traditional source of foreign aid to the region, the more that other Asian States took an interest in LAC, the weaker Japan’s economic and political presence became.

Concerning China’s increasing presence in the U.S. proximity, Ellis (2012) believed that its involvement in the region does not represent a serious threat to the U.S, and he predicts that “China’s economic presence in and political impact on LAC will remain a permanent fixture of the hemisphere, alongside that of the European Union, India, and other extra-regional actors” (p.13).

Wise and Myers (2016) considered that although “China has displaced the U.S. as the top trade partner for Brazil, Chile, and Peru, the region still represents just a small slice of China’s “going out” strategy in the bigger scheme of things” (p.9). They argued that China’s intentions are developmental, and these do not represent a threat to the U.S. authority in the Western Hemisphere.

Dominguez and Fernandez (2016) highlighted that China expanded political opportunities for LAC countries

on the world and regional stages, but it did so mainly through trade-created prosperity, not by countering the U.S. interests in the region.

Contrarily to the previous positions, Nugent and Campell (2021) sustained that now, with Biden's administration, the battle for influence is likely to emerge once again. It can be seen in high-ranking officials of the U.S. administration who openly express their concern about China's presence in the region (Serbin, 2021). In this respect, Otero (2021) suggested that the growing rivalry between the U.S and China placed LAC countries in a complicated situation since "the Biden administration insists on continuing the confrontation with China that started in the form of a trade war by the Trump administration, making it now more encompassing as a contest between democracy and autocracy" (p.23).

Amidst this confrontation, Chada (2021) emphasized that Japan aims to play a more significant role in the LAC region through political consultations, infrastructure development, and the promotion of a rule-based order. However, Japan must elaborate a more comprehensive policy for the region, prioritizing trilateral partnerships with the U.S. under Biden's leadership to ensure a significant presence and relevance in the post-pandemic era.

In this direction, President Biden and former Prime Minister Suga expressed, in a statement, their commitment to jointly advancing universal values and promoting inclusive economic prosperity, whether at home, in the Indo-Pacific region, or other regions in the world, including LAC. (The White House, 2021).

Other important actors to take into consideration, even though these are not the primary focus of this paper, are the European Union and Russia.

Latin America and Europe address and understand the world, sharing the same values, the same beliefs in a rule-based world order, in multilateralism, in free trade, in the peaceful resolution of conflicts, and in many other values and aims that strengthen this compatibility (Llorente & Vallejo, 2022, p. 7).

However, Jung (2021) explained that there is a growing conception of irrelevance about the LAC region in the European Union, which can be perceived in the reduction in the budget allocation for the region in the Union's 2021-2027 financial framework. Therefore, he stated that:

A geopolitical foreign policy of the European Union that competes with China and the U.S. in LAC shall concentrate on shared values with the region, committing with

multilateralism and regional integration, public policies and social market economy, the rule of law, and social and territorial cohesion as guarantee for stability and condition for a green and digital recovery that is sustainable and inclusive (Jung, 2021, p.1).

Consequently, even though there is a decrease in the budget allocation of European resources to the LAC region, the European Union can still be considered as an alternative to the region to promote partnerships based on shared values amidst the scenario of the China-U.S. confrontation.

Regarding Russia, Ramani (2021) pointed out that the strong support of the Kremlin for Cuba, Nicaragua, and Venezuela underscores its great power aspirations in Latin America. In recent years the Russian government has aimed to take advantage of opportunities where countries have been disadvantaged, rejected, or declined by state or private international financial institutions, presenting itself as an alternative and reliable partner (Gurganus, 2018). Nevertheless, it is worth mentioning that Russian cooperation in the region does not primarily focus on development cooperation; instead, it prioritizes arms sales, trade, energy agreements, and political cooperation.

In this context, although China is likely to emerge in the next few years

as the world's largest supplier of capital, no Latin American country is among the top ten destinations. "Still, the \$106 billion that China has already invested in LAC is significant, and the cooperation initiatives are certain to grow substantially in upcoming years" (Dollar, 2017, p.3).

China's cooperation initiatives have been targeted to LAC through investments in left and center-left oriented countries with political ideas closer to the Chinese models, which have also been accused, mainly by the U.S. and its allies, of poor governance and lack of the rule of law, for example, Argentina, Bolivia, Cuba, Ecuador, Nicaragua, and Venezuela (Alvaro & Minay, 2015). Similarly, China has promoted cooperation on a minor scale to other less aligned countries such as Colombia, led by more conservative, pro-U.S. regimes.

Chinese banks have arisen as alternative sources of financing for countries such as Argentina, Ecuador, and Venezuela, which because of their large foreign debts, have faced difficulties accessing financial resources from traditional institutions such as the International Monetary Fund, the World Bank, the Inter-American Development Bank, and other private lenders in the U.S., Europe, and Japan.

China's commitment to the region reached a milestone on July 17th,

2014, after the conclusion of the Sixth Summit of the BRICS held in Brasilia, when President Xi Jinping and the quartet of the CELAC formally established the China-CELAC Forum. In this sense, Garcia (2020) indicated that China has preferred to engage with LAC countries in this way, which does not include Japan or the U.S.

Likewise, China's engagement in the region was reinforced at the first ministerial meeting of the China-CELAC Forum, held in Beijing, on January 8th and 9th, 2015. On that occasion, President Xi Jinping established a \$500 billion goal in trade with the region and \$250 billion of direct investment between 2015 and 2019. This plan relied on a "1+3+6" framework, which aimed to achieve inclusive growth and sustainable development through "three engines" (trade, investment, and cooperation) in "six" fields: energy and resources, infrastructure, agriculture, manufacturing, technological innovation, and information technologies. (Dussel, 2021).

This new multilateral framework represented a significant development to reinforce the economic, social, and political ties between China, Latin America, and the Caribbean, as well as a major initiative in South-South cooperation between China and the region. (McKelvey, 2014).

China's development cooperation policies to the region are reflected in its Policy Paper on LAC. It states that:

Based on equality and mutual benefit, the comprehensive and cooperative partnership between China and LAC is oriented towards common development. China is committed to building a new relationship with LAC with five salient features, namely, sincerity and mutual trust in the political field, win-win cooperation on the economic front, mutual learning in culture, close coordination in international affairs, as well as mutual reinforcement between China's cooperation with the region as a whole and its bilateral relations with individual countries in the region (The State Council of the People's Republic of China, 2016).

Furthermore, the document established several fields to promote cooperation initiatives between China and the region. Among them: Political, economic, social, cultural and people-to-people, international collaboration, peace, security, and judicial affairs.

Additionally, according to a Baker McKenzie (2020) report, although Chinese investment abroad has generally decreased in recent years, investment into Latin America has increased. Since 2017, when LAC countries began joining the Belt and Road Initiative (BRI), new opportunities for

China - Latin America infrastructure cooperation have taken place. Currently, nineteen LAC countries have signed agreements under the BRI: Antigua & Barbuda, Barbados, Bolivia, Chile, Costa Rica, Cuba, Dominica, the Dominican Republic, Ecuador, El Salvador, Granada, Guyana, Jamaica, Panama, Peru, Suriname, Trinidad & Tobago, Uruguay, and Venezuela (Nedopil, 2021).

It is important to highlight that there is no easy way to measure Chinese development cooperation in the LAC region. Unlike international financial intuitions and OECD members, Chinese institutions do not regularly publish detailed figures regarding financial activities (Gallagher & Irvin, 2015).

However, some estimates calculated that in numbers, Venezuela had

received Chinese investments and contracts for US\$62.2 billion between 2005 and 2020; Brazil received the second-largest amount, approximately US\$29.7 billion during the same period. Ecuador and Argentina received the third- (US\$18.4 billion) and fourth- (US\$17.1 billion) largest amounts of Chinese investments, and Bolivia received the fifth-largest amount (US\$3.4 billion). Jamaica and Mexico received US\$2.1 billion and US\$1 billion, respectively. The Dominican Republic and Suriname received only US\$600 million and US\$580 million (Gallagher & Myers, 2021).

These financial flows have two main components: grants and interest-free loans, managed by the Ministry of Commerce (MOFCOM), and concessional loans handled by the Eximbank (Stallings, 2016).

Table 3: Type of China's Aid

Grants	Interest Free Loans	Eximbank's concessional loans
<ul style="list-style-type: none"> * Support small-scale social infrastructure * Human Resources development * Technical Cooperation * Emergency humanitarian aid 	<ul style="list-style-type: none"> * Construction of public facilities 	<ul style="list-style-type: none"> * Economic infrastructure

Source: Elaborated by the author based on Stallings (2016)

The third source of financial cooperation from the Chinese Government is the Chinese Development Bank, which mainly supports China's macroeconomic policies, focusing on eight areas of development: electric power, road construction, railway, petroleum and petrochemical, coal, postal and telecommunications, agriculture and related industries, and public infrastructure (Gallagher & Irvin, 2015).

Although due to the COVID-19 pandemic, China has slowed down the development of the BRI in LAC, and for the first time since 2006, neither the China Development Bank nor the Export-Import Bank of China finalized any new loans or credit lines with Latin American governments, the country has increased the significance of the Digital Silk Road, bringing new opportunities through the so-called Health Silk Road. In this sense, many LAC nations have received sanitary and medical equipment from China. Similarly, these countries are using China's digital solutions to address the pandemic. For example, different companies such as Alipay and Tencent have developed health apps

that generate QR codes indicating a user's health status, and Alibaba is already offering its cloud services to model regional COVID-19 outbreaks and connect patients to health professionals (Malena, 2021).

Moreover, since the beginning of the pandemic, China has donated nearly \$215 million in supplies to the region, ranging from surgical gloves to advanced thermal imaging technologies, and has offered \$1 billion in loans for vaccine purchases (Wilson Center, 2021). Likewise, by mid-May 2020, China had exported more than 250 million Covid-19 vaccine doses globally overall, or 42 percent of its total production, being the LAC region the recipient of more than half of China's total exports, around 165 million doses (Stuenkel, 2021).

Nevertheless, aid to the region has been unequally distributed, centered mainly in Venezuela and Cuba. By total value, aid to Venezuela has far outpaced aid to other countries in the region, totaling over \$100 million. (Ray et al., 2021).

CURRENT CHALLENGES FOR JAPAN'S ODA TO LATIN AMERICA AND THE CARIBBEAN

China's increasing presence in the region has overshadowed Japan's advances in recent years. Since 2000,

China surpassed not only Japan but also the U.S. as a top trade partner for certain LAC nations. Thus,

China's rise in the region benefited several countries while providing new opportunities for both Chinese and international trading firms.

To face China's advancement as a major foreign aid provider in LAC, Japan, besides promoting bilateral and multilateral cooperation throughout its traditional scheme (figure 2), promote two types of cooperation

through JICA. First, triangular cooperation involves collaboration between Japan and a former aid recipient in assisting a current aid recipient. Second, South-South cooperation in the way of the provision of aid by a former aid recipient to a third country based on lessons and skills transferred to the former recipient by prior Japanese aid projects (Potter, 2015).

Figure 2: Japan's ODA



*This excludes Grant Aid which the Ministry of Foreign Affairs will continue to directly implement for the necessity of diplomatic policy.

Source: Japan International Cooperation Agency (2021)

These types of cooperation have the following characteristics based on Japan's ODA Charter:

1. Supports for selfhelp efforts

- Japan places emphasis on dialogues and collaboration with developing countries, respecting their ownership and intentions.
- Japan builds the foundations of self-help efforts and self-reliant

development such as human resources, regulations and institutions.

2. Sustainable economic growth

- Poverty eradication through sustainable economic growth.
- Assistance for infrastructure, human resource development, legal systems, etc; improving the foundation of industry and investment environment.

3. Human security

- Pursuing the right of individuals to live happily and in dignity, free from fear and want, through their protection and empowerment.
- Focusing on vulnerable people.

(MoFA, 2022)

In this regard, the White Paper on Development Cooperation (2016) highlighted how Japan has shared its knowledge and experience in the field of disaster risk reduction. The country has provided assistance in anti-earthquake and anti-tsunami measures utilizing Japan's expertise to the countries located in the LAC region, including reconstruction in Haiti and development support to Chile, Ecuador, Mexico, and Peru.

Similarly, the White Paper on Development Cooperation (2017) showed successful examples of development cooperation initiatives with Brazil, Mexico, Chile, and Argentina. According to this document, these four countries obtained the capacity to assist other countries and achieved results in South-South cooperation.

Additionally, the paper reported that Japan worked together with Brazil to provide agricultural development cooperation for Mozambique in the form of triangular cooperation.

Japan also plans to collaborate with Argentina to assist small and medium-sized enterprises in Latin America and Africa. In Chile, Japan is conducting human resources development programs for a target number of 4,000 people through triangular cooperation to contribute to disaster risk reduction in Latin American countries.

The White Paper on Development Cooperation (2018) drew other successful examples, such as the capacitation of Brazilian technicians interested in Japan's advanced disaster risk reduction technology, which led to the installation of rainfall radars in the State of Paraná. That year, Japan also provided grant aid to Bolivia for the improvement of logistics and the development of its domestic economy. In Paraguay, an Exchange of Notes was signed to provide grant aid to enhance health and medical services through the supply of medical equipment.

Equally, the White Paper on Development Cooperation (2019) indicated that Japan provided Grant Aid to Cuba in 2018 to provide equipment related to urban environmental management, which is expected to contribute to the improvement of the disaster recovery capability of the country.

Furthermore, the paper emphasized Japan's cooperation with the Central American Integration System,

the CARICOM, and other regional organizations to formulate projects that cover the entire region in order to achieve a more effective and efficient development cooperation related to development issues that are shared throughout the LAC region.

It is important to note that all these documents highlight the historical ties between Japan and the region due to the Nikkei community numbering more than 2 million. Thus, it is emphasized that Japan has maintained stable and friendly relations with this region for a long period.

Besides, Japan has increased, at some periods, economic support for human security through aid programs implemented by multilateral organizations. For example, between 2002 and 2014, the United Nations Trust Fund for Human Security sponsored 210 projects, of which 25 were carried out in LAC, placing the region third in the world after Asia and Africa (Potter, 2015).

Another important regional organization for Japan's ODA has been the IDB. It has served as the major multilateral platform for Japan's financial engagement with LAC. In addition, this regional development bank has collaborated with JICA and the Japan Bank for International Cooperation to deliver multiple development programs in the continent (Garcia, 2020).

Likewise, the MoFA of Japan provides the bilateral Grassroots Human Security Grant program, the lone bilateral aid budget line dedicated to human security. In this program, the Japanese government allocates financial resources to projects proposed by NGOs and local administrative units through the Japanese embassies.

Regarding commercial ties, Myers and Kuwayama (2016) emphasized that although China's trade with the region far exceeds Japan's, in general, Japanese exports are less threatening to the region's manufacturers than Chinese goods. For example, "Japanese companies operating in Latin America's automobile and electronics sectors often serve domestic and third export markets, effectively boosting LAC trade balance and foreign exchange earnings" (p.6).

Similarly, Myers and Kuwayama (2016) indicated that China Development Bank and Japan Bank for International Cooperation share similarities. For example, both promote natural resource acquisition in LAC through finance to state-owned and private companies. Also, both provide finance in support of overseas mergers and acquisitions in strategic sectors such as agriculture and energy. However, Japan has focused more extensively on the promotion of research and development and technology transfer than has China.

Another important channel to promote development cooperation in the region has been the Japan Overseas Cooperation Volunteers program (JOCV). It is an international voluntary service, established in 1965, which JICA provides under the supervision of the MoFA. It has three main objectives: “1) to provide technical assistance to developing countries, 2) to promote friendship and mutual understanding with foreign countries, and 3) to widen the perspective

of young Japanese about the world” (Okabe et al. 2019, p.2).

According to official data, as of September 2020, 10.081 JOCVs have been dispatched to the LAC region. In addition to 2.206 senior volunteers and 2.089 Youth and Senior Volunteers for Nikkei Communities (JICA, 2020).

In this context, Japan allocated 412 million dollars to the LAC region during 2019, distributed as follow:

Table 4: ODA disbursement to LAC region (2019) - Unit: Millions US\$

Rank	Country/ Region	Donation				Government Loans and others			Total (Net Expenditure)	Total (General Expenditure)
		Ess... Financial Assistance	IFIs	Technological Assistance	Total	Loan Amount (A)	Collected amount from International (B)	(A)-(B)		
1	Brazil	5.4	3.82	12.57	17.61	44.18	90.66	-46.48	-28.88	61.78
2	Paraguay	6.03	-	6.77	12.80	43.20	29.29	12.91	26.71	56.00
3	Costa Rica	0.52	-	3.24	3.76	31.40	16.47	14.93	18.69	35.16
4	Peru	1.31	-	8.29	9.52	22.98	45.99	-23.01	-13.49	32.50
5	Honduras	19.50	-	4.21	23.71	0.53	-	0.53	24.24	24.24
6	Guatemala	1.39	0.47	4.85	0.24	17.08	13.02	4.00	10.31	23.33
7	Haiti	21.99	2.08	0.82	22.81	-	-	-	22.81	22.81
8	Bolivia	13.68	-	7.85	21.53	0.76	-	0.76	22.29	22.29
9	Ecuador	7.85	3.21	10.95	18.80	-	4.54	-4.54	14.26	19.80
10	Nicaragua	5.72	-	5.93	11.65	4.67	-	4.67	16.33	16.33
11	Cuba	10.72	0.75	3.50	14.22	-	-	-	14.22	14.22
12	El Salvador	1.74	-	6.99	8.73	4.27	16.62	-12.35	-3.62	13.00
13	Colombia	6.56	4.62	4.87	11.43	-	-	-	11.43	11.43
14	Mexico	0.07	0.07	8.65	8.72	-	-	-	8.72	8.72
15	Dominican Republic	1.11	-	4.63	5.75	-	3.95	-3.95	1.90	5.75
16	Argentina	0.31	-	4.26	4.56	-	16.19	-16.19	-11.62	4.56
17	Saint Vincent Vincent	3.70	-	0.33	4.03	-	-	-	4.03	4.03
18	Surinam	3.75	-	0.00	3.76	-	-	-	3.76	3.76
19	Saint Lucia	1.83	-	1.70	3.53	-	-	-	3.53	3.53
20	Panama	0.80	-	2.53	3.33	-	9.60	-9.60	-6.27	3.33
21	Jamaica	0.48	-	2.11	2.59	0.47	4.65	-4.18	-1.59	3.06
22	Guyana	2.70	-	0.13	2.83	-	-	-	2.83	2.83
23	Antigua & Barbuda	1.91	-	0.02	1.93	-	-	-	1.93	1.93
24	Belize	0.40	-	0.78	1.18	-	-	-	1.18	1.18
25	Dominica	0.06	-	0.48	0.54	-	-	-	0.54	0.54
26	Venezuela	0.25	-	0.23	0.49	-	-	-	0.49	0.49
27	Grenada	0.07	-	0.05	0.12	-	-	-	0.2	0.12
	For multiple countries in Latin America	-	-	8.38	8.38	4.76	0.40	4.36	12.74	13.14
	Total Latin America	120.50	15.03	118.03	238.53	174.30	252.29	-77.99	160.54	412.83

Source: MoFA (2020)

Moreover, during the COVID-19 pandemic, the government of Japan has donated 2.7 million dollars to the Pan American Health Organization aimed to mitigate the pandemic effects. Additionally, JICA has offered short-term assistance to the region through the supply of medical equipment such as masks, gloves, and test kits, as well as through a series of webinars (Myers et al., 2021).

Finally, and contrary to the idea of competition between China and Japan, authors such as Esteban and Pérez (2017) establish that the needs for financial flows in the region are so vast that competition between Japan, China, and other traditional donors

does not make much sense. An example of this affirmation was the 1st Japan-China Third Country Market Cooperation Forum, held in Beijing, on October 26th, 2018, amidst China-U.S. tensions. As an outcome of this meeting, 52 memorandums of cooperation were concluded, aiming to promote business in third countries through public and private cooperation.

Viewed in this way, development finance, as set out by the 2030 Agenda for Sustainable Development, should not be a space for competition but, rather, for coordination and collaboration.

CONCLUSION

Historically, Japan has been a proactive actor in providing development cooperation. As a result, it led the country to be the largest ODA net donor during the 1990s and remain among the top five donors in the 21st century. This situation has placed Japan in the spotlight at some periods, being a target of severe criticism about its approaches for promoting cooperation by other traditional donors, especially the OECD.

In order to answer such criticism, comply with international standards, and provide more effective aid, Japan

has introduced three ODA Charters (1992, 2003, and 2015). Among the most relevant aspects of these charters are the use of political conditionality, encouragement of self-reliance, promotion of democratization, the market economy, basic human rights, freedom, human security, promotion of peace, stability and prosperity, and ensure Japan's national interest.

Another relevant factor taken into consideration at the time of designing Japan's aid policies is the relationship with the U.S. In this sense, the complementary relationship between

these States plays a relevant role in defining Japan's ODA allocation in LAC. Historically, after World War II, Japan has relied on the U.S. for security matters. Additionally, the political and economic relations between both countries have increased steadily to the point that Japan is the main ally of the U.S. in the Asian continent. Moreover, nowadays, with the increasing influence of China as an aid provider, not only in the East Asia region but in other regions of the world, the coordination of aid disbursement between Japan and the U.S. has gained relevance. This coordination also applies to LAC countries where China has been promoting different projects under the concept of development cooperation.

However, it is important to highlight that the OECD influence and U.S. interests in Latin America are not the only factors influencing Japan's ODA to the region. Japan's policy-makers also give great importance to Japan's immigrant population, economic and commercial interest, democratization, poverty reduction, among other factors, as can be observed in the allocation patterns between 2014-2019 when Brazil, Peru, and Costa Rica were among the primary LAC recipients.

Japan's development assistance to LAC remains of secondary importance to the country, mainly focusing on South-East Asia and Africa. However,

LAC countries still hold relevance as Japan aims to promote its development model in the international system, based on its previous economic successes, technological and infrastructure developments, disaster risk reduction experiences, and shared universal values such as freedom, democracy, respect for fundamental human rights, and the rule of law.

In this context, China has risen as an emerging donor to the region, challenging U.S. preponderance and Japan's long-established relations with LAC countries through massive capital flows. China has been promoting aid without political conditionality, which seems to be more attractive to some countries in the continent than other types of aid provided by OECD donors. Besides, China has surpassed Japan and the U.S. as the region's largest trade partner.

Nonetheless, despite the tensions between the actors, there are also opportunities for cooperation since LAC is a region full of disparities and gaps to close. Viewed in this way, international agreements, such as the 2030 Agenda for Sustainable Development, offer a road map to emerging and traditional donors to not overlap their efforts and make development cooperation initiatives more effective.

Moreover, despite the undeniable negative effect caused by the COVID-19 pandemic, it opens new

opportunities for traditional and non-traditional donors such as Japan and China to cooperate with LAC through the donation of sanitary and medical equipment, technology transfer, sharing of local knowledge, and experience handling the pandemic, among other different ways.

Nevertheless, at a moment when Japan is aiming to promote its development model globally, it is necessary to highlight that a part of the substantive discussion related to Japan's development cooperation to the region relies, to a certain extent, on the tasks that it has to face regarding its relations with China and the U.S. in the Post-Abe era, which entails strategic challenges that invite further considerations.

While it is true that, on national and regional security issues, Japan has been consistent with its alliance with the U.S., in parallel, in recent years, Japan has cooperated with China on development projects in third countries.

Amidst this situation, it is important to note that China's GDP is already three times higher than that of Japan, and the difference will continue to widen in the future. Additionally, the military balance is also breaking down. Hence, the desideratum for Japan's ODA to LAC consists in answering the questions of what kind of relations should Japan aspire to have in the present and its projection?

In a context where the differences between the U.S. and China's potentials are reducing with current economic and scientific-technological developments, and how does this influence the changing geopolitical circumstances for Latin America and the Caribbean?

To answer these questions, the starting point may be to recover the statement of Ogata Sadako (2002), former and first-female United Nations High Commissioner for Refugees, who believed that the key is whether people can develop a feeling of solidarity with others in far-off lands. Paradoxically, Japan's diplomatic relations with the U.S. and China influence, to some extent, its ODA towards LAC. Consequently, Japan's foreign policy vision of understanding the world as a system based on interdependence is ratified, in which Japan has to get involved in world affairs because alone it cannot achieve peace and prosperity.

Finally, it can be said that Japan's approaches to global and regional contexts bring a strategic debate on how the elements that characterize its ODA have been adapted to the needs in the period under study. This debate is still unfolding and allows Japan's ODA not to lose its identity. Thus, even though China has taken the lead in some developmental initiatives in LAC, the core elements of Japan's ODA remain valid.

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