THE UNITED STATES AND JAPAN: A BROAD VIEW TO ACHIEVING ECONOMIC AND SECURITY INTERESTS IN THE ASIA-PACIFIC REGION

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93 5 25 170
**Title:** The United States and Japan: A Broad View to Achieving Economic and Security Interests in the Asia-Pacific Region

**Author:** COL Lynnford S. Wilson

**Type of Report:** Study Project

**Time Covered:** From _______ to _______ 93-04-14

**Page Count:** 40

**Abstract:**

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Japan, under the Yoshida Doctrine and the U.S., successfully "containing communism at any economic price," have together shared security and economic success in the Pacific Basin. The collapse of the ideology of international communism has provided the opportunity for changing alliances. This paper examines the options open to the U.S. to improve security in Asia in the changed international arena. The analysis argues this is best done through an inevitable broadening central coalition, with the U.S. continuing its close relationship with a stronger Japan and built on a common goal of economic prosperity for the region.
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USAWC MILITARY STUDIES PROGRAM PAPER

THE UNITED STATES AND JAPAN:

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AND SECURITY INTERESTS IN THE ASIA-PACIFIC

REGION

AN INDIVIDUAL STUDY PROJECT

BY

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14 APRIL 1993

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Japan, under the Yoshida Doctrine and the U.S., successfully “containing communism at any economic price,” have together shared security and economic success in the Pacific Basin. The collapse of the ideology of international communism has provided the opportunity for changing alliances. This paper examines the options open to the U.S. to improve security in Asia in the changed international arena. The analysis argues this is best done through an inevitable broadening central coalition, with the U.S. continuing its close relationship with a stronger Japan and built on a common goal of economic prosperity for the region.
In the aftermath of the latest U.S. presidential elections, it is realized a strong position in favor of protectionism may have been good opposition party politics but is ultimately poor government policy.¹ “The Clinton administration is becoming more protectionist and the Japanese are no longer passive. They have come out swinging. Trade friction is really heating up.”² The U.S. recognized a 43.7 billion dollar trade deficit with Japan in 1992 and in the first few days after Clinton took office several flashpoints with Japan emerged. U.S. car manufacturers and the U.S. Trade Representative, Mickey Kantor, have demanded a 1000% increase in tariff on imported Japanese mini-vans and have accused the Japanese of dumping steel in the U.S..³ Foreign Minister Watanabe, in response, warned that Japan would take “appropriate steps,” in self defense.⁴ The U.S. and Japan are walking a tightrope supported on one end by economic conflict and at the other by a bilateral security alliance.

If Japan continues to be the linchpin of U.S. security interests in Asia, how can the U.S. reduce economic friction with Japan? The U.S. has four basic security options, surrounded by a surging economic environment, from which to choose; Pax Americana, Japanese Hegemony, U.S.-Japanese Hegemony, Pax Concertia. This paper will examine the options by looking at the general background and recent trends affecting the region; U.S. and Japanese mutual and specific interests with particular regard to understanding Japanese culture; and finally a discussion of the four choices presented to the U.S..
GENERAL ASIA-PACIFIC BACKGROUND

The Asian basin has historically been a curious phenomenon (from the days of Marco Polo) and an economic prize (since the days of Portuguese parochial and trade exploitations). The U.S. has placed high value on this region for generations dating from the times of gunboat diplomacy to the present. The literature, media and official public statements continue to emphasize the importance of this maritime region to the U.S..

The U.S. has fought three major wars in the region since 1941. Containment of international communism has been a major geopolitical interest, and until the recent decade, far exceeded geo-economic imperatives. U.S. imperialistic decisions have benefitted the region and have also rewarded the U.S. security posture. However, the economic disadvantages resulting from “containing communism at any economic price” now appear to outweigh the politico-military advantages of continuing defense goals to the exclusion of all others. Additionally, the collapse of communism has caused economic impulses to outweigh ideologic imperatives. It is progressively clear economic interests run deeper and spread broader across all ideological-political borders as opposed to more narrow and limited military options. Along with the rise in the surging economic importance of the region, U.S. military commitment remains significant. The two are strongly interdependent. The direct U.S. military commitment has decreased as recommended by the Nunn-Warner recommendations and the East Asia Security Initiative.
(EASI), but economic interests continue to grow as shown by U.S.-Japanese efforts through the Structural Impediments Initiative (SII). Many trends are changing the Asia-Pacific region.

I. INTERNATIONAL TRENDS

Military Trends

The region contains one half the world's surface, seven of the world's ten largest military forces, more than one-third of the earth's population and one fourth of world productivity. Since 1989 an increasing perception of a political void has developed in the region. U.S. forward presence and power projection have been called upon to fill the balance of power vacuum created by the collapse of the U.S.S.R.. 9 North Korea has increased nuclear instability by building nuclear facilities and refusing adequate international inspections. Military equipment purchases in the region have increased as a result of the heightened insecurity as powers in the region seek to fill the leadership role anticipated by feared premature U.S. departure.10 Chinese and Taiwanese high performance fighter aircraft purchases are an excellent example.11 LTG Corns, speaking as CG U.S. Army, Pacific, stated Malaysia reflected the feeling of many when it asserted the U.S. must stay in the region to fill the vacuum; U.S. presence was not only needed but welcomed.12 Former JCS Chairman Admiral (Retired) Crowe, emphasized Russia could well return to fill the vacuum it created by default and would do so with rightist forces. He points out Yeltsin's approval rating is 17% and a small 20% of deputies are true supporters.13 Thurow emphasizes the U.S., as a recognized strong
nation and leader, must continue to make heavy investments in both military and economic areas. In sum, there is no nation other than North Korea demanding the U.S. depart this important region with changing trends.

Defense Technology Trends

The U.S.-Japan bilateral relationship has been critical to U.S. interests in maintaining peace and stability in the region. Now, U.S. domestic pressures make the relationship increasingly important. The U.S. is faced with serious erosion of the military industrial base and Japan has needed technologies of critical importance. The U.S. has a declining ship building industry. Candid and sobering facts such as the U.S. inability to cast tank turrets at more than one foundry force U.S. dependence. International dependencies, especially those involving Japanese technology, become obvious for the future. Witness the dramatic adverse response from the U.S. to Toshiba's sale of computer technology to the U.S.S.R.

Reconstitution, surge ability and technological advancement all require dependence on bilateral treaties which are particularly unique and dominant in Asia. The U.S. Base Force Concept and supporting pillars require the U.S. to generate the forces of sustainment and reconstitution. Economy of resources and money require this not be done unilaterally. The U.S. cannot continue "bankrolling" the world's defense. The dictates of the market and competitive advantage require the U.S. sacrifice low profit industries to less developed allies. There is little indication this trend will cease despite efforts to control erosion of the U.S. industrial base.
Weapons Proliferation

Another troublesome and potentially devastating trend is the proliferation of weapons, especially nuclear capability, in the region. China has long possessed nuclear weapons and North Korea will probably have this capability in the near future. Japan has increased its acquisition of plutonium for “peaceful purposes,” but this remains to be guaranteed and is alarming to North Korea and others. Despite repeated International Atomic Energy Agency (IAEA) efforts to inspect North Korean nuclear sites, that country has consistently prevented inspection, particularly at the Yongbyon facility (where grid/power distribution networks are missing). In reciprocity the U.S. has delayed further U.S. troop reductions on the Korean Peninsula. Weapons proliferation is spilling over to the Middle East, where “Weapons States” have been procuring advanced long range Scud missiles from China and North Korea as they look for bargains while China and Korea maximize economies of scale in their defense industries.

Leadership Changes

Contests over ownership of the Spratley Islands in the south and the Kuriles in the north continue. There is no assurance changing of the “old guard” that the Pacific will become more moderate or cooperative, particularly regarding China and North Korea, in dealing with territorial disputes. In the past, Asia has leaned heavily on hierarchal control to provide stability. Change is more threatening to the more autocratic Asian societies. Uncertain winds continue to lift the sails of Asian
sovereign ships of state and invite instability.

Peacekeeping Progress Based on Stability

Both Koreas have been accepted into the U.N.. Peacekeeping forces are making slow, volatile progress in Cambodia. Vietnam has drawn closer to the U.S. following the departure of the Soviet fleet from Cam Ranh Bay demonstrating greater cooperation on the prisoner of war issue. Economic relations could be established in the future. The remarkable feature about these initiatives is each requires continued stability in the region and each supports a continued U.S. presence. The majority of the forty Asian nations are aware the U.S. can no longer police the world. But they realize the U.S. can continue to patrol and pick winnable fights and initiatives. Asian nations need proof their region is important and will not be abandoned.

Primacy of Economics

Economic trends perhaps represent the greatest imperative for continued U.S. presence in the region. The U.S. is inextricably linked to the Asian economies, some more than others. Japan and the U.S. produce 40% of world GNP.24 The Bretton Woods Agreements following WWII and the U.S. decision to ensure peace and contain communism through strong economic partners and outposts (Japan, Germany and West Europe) have worked well. As a “wise imperialist,” the U.S. selectively rebuilt Europe and Japan and made economic development the long range goal for success in containing communism.25 Correctly, U.S. leadership realized political liberty was not long separated from economic freedom and achievement.26
President Bush said at Yale University in June 1991, “You can’t import foreign goods while stopping foreign ideas at the border.”

A blanket of insurance is needed to preclude catastrophe. Wealthy businessmen carry umbrella insurance policies to prevent catastrophic and irreversible losses. Wealthy nations and regions need added insurance. The more one has to conserve, the more conservative one becomes. The trend towards wealth in this region requires, at least for the immediate future, the strong stability and protection of the U.S. military presence.

Supranationalism

Supranationalistic changes are a new and arguably long term trend. Supranationalism, in the form of multinational conglomerates, the U.N., world wide religious movements, or economic blocks, has the common denominator of causing decreased state sovereignty. The U.S. can balance supranationalism. The U.S. has traditionally represented stability in this maritime region of great diversity and, with the exception of the stalemate in Korea and the loss in Vietnam, is highly respected. Even with present domestic and social challenges, U.S. prestige remains favorable following success in the Gulf War. The U.S. is a known “supranational” and trusted entity, a proven cow, and can provide the cohesion and stability needed in the region until the newer supranationals can prove or disprove themselves.

Religious Issues

Religious movements represent a threat to sovereignty from an external level and can present a consequential domestic threat. From most appearances world wide Islamic movements are growing and are
probably regrouping following the debacle in Iraq and guarded success in Arab-Israeli peace talks. This religion is the second largest in the Asian region. Should the relative extremism shown in other areas (Middle East or Eastern Europe) spill into the Pacific Basin, this troublesome trend could require action by a U.S. force to preclude serious conflict or degradation in the region. On the other hand, working with the moderate Muslims of Indonesia (88% of its 190,000,000 people; by population the forth largest country in the world) and Malaysia could lead to solutions with the less than moderate groups elsewhere. Continued U.S. efforts dealing with Asian Muslim nations builds confidence in dealing with Muslim movements elsewhere.

Summary of Trends

In sum, the absence of the cohesive influence of the world communist threat has been replaced by the threat of change in this very populous, diverse and large geographic region undergoing dramatic economic and supranational turmoil. Simultaneously, the single remaining cohesive bond and valid military force, the U.S., is tempted with premature departure. Communism, although greatly attenuated, remains in the region in the unpredictable and isolated “hermit” state of North Korea and three other states (Laos, China and Vietnam). The Russian Navy remains, island ownership debates continue, economic challenges abound. Change and technology are extremely fast moving and any actions which provide balance and stability to the region’s two incomplete powers, Japan and China, must be continued. There are those saying, “the military would garrison the moon to defend against Mars,” and find a parallel
argument in those who demand a strong U.S. military presence in the Pacific, even after the fall of communism. Indefinite presence is not proposed, rather continued presence until others can prove themselves and, or Japanese leadership can become more accepted. But there are inherent conflicts in the U.S. continuing to lead.

II. THE CONFLICT: ECONOMIC VS MILITARY STRENGTH

Domestic problems have dramatically affected and will continue to modify U.S. policy from a ways and means perspective. The U.S. has two remarkable characteristics which single it out from the other leading industrialized nations; in absolute terms, it is the world’s largest debtor nation and, at the same time, the world’s singular true superpower. Moreover, its main creditor is also its chief economic competitor, Japan. At the same time, Japan is the unidirectional recipient of an improperly termed mutual defense treaty and is the key to U.S. (and world) security in the Pacific Basin. Japan is our strongest (monetarily and economically) long term ally. It is natural there should be friction for world powers competing economically while complementing militarily. Books recently in vogue demonstrate the conflict through their titles: Sharing World Leadership, Japanese Rage, The Coming War With Japan, A Cold Peace, Selling Our Security, Head To Head, Yankee Samurai, Japan Thrice Opened, The Sun Also Sets, and Pacific Destiny.

It appears U.S. economic sacrifices in containing communism and leading in Asia are responsible, in part, for a serious negative balance of trade. The Japanese are the leading Asian benefactor and greatest exporter to the U.S. Japanese success has become the immediate target
of U.S. complaints.

U.S. containment strategy was antiquated by the demise of international communism. Troop reductions are taking place under the East Asia Security Initiative (EASI). Overnight the Asian basin has decreased in security significance while its economic successes are drawing anger from the West, particularly the U.S.. In 1964 President Lyndon Johnson proclaimed, "We are the richest nation in the history of the world. We can afford to spend whatever is needed to keep this country safe and our freedom secure. And we shall do just that." Perhaps in 1993 this is no longer true and the U.S. won't and can't use its power.

The U.S., like other Sovereign states, seeks to insure important interests. Relative power is the mechanism used by the nation-state to protect its interests. This has been true since the 1648 Treaty of Westphalia. Power is dependent upon a nation's ideological, political (demographic, geographic, social, etc.), economic, and military strength. For short periods each of these can make a nation dominant but in the long run, in the Darwinian sense, it is the shifting balance of relative strengths which encourages survival of the fittest nation. Only in balance does a nation have real flexibility, options, and adaptability to survive "independent selection." The nation-state having the power to create favorable situations gains comparative advantage and can better survive politico-economic challenges.

On the other hand, extreme advocacy for any specific element of power can and probably will reduce the effectiveness of the other elements of power. Some to the point of complete atrophy. This is clear in the case of Athens whose undefended but wealthy commercial society
yielded to Sparta. Spain's preoccupation with Catholicism lost the Americas to British trade. More recently, Russia collapsed under the Reagan economic challenge. Although political, ideological, military and economic strength are important in proportion, it appears that economic strength is more capable of sustaining the other three than vice-versa.

Once political and military stability have been achieved, economic strength becomes the force which sustains the former two and permits the flourishing of ideology. Kennedy discusses this thoroughly, "Victory has repeatedly gone to the side with the more productive flourishing base." A wealthy nation becomes a powerful nation and it must choose protection and production in balance to pursue its interests. Each nation, particularly each industrialized country, is faced with choosing the proper balance. The U.S. is now facing this unavoidable choice. As the U.S. chooses among the four options (Pax Americana, Japanese Hegemony, U.S.-Japanese Hegemony, Pax Concertia), it must do so with clear understanding of the dynamics operating in Japan and Asia. What are U.S. and Japanese interests in the region?

III. U.S. AND JAPANESE INTERESTS

U.S. Interests

U.S. interests in Asia have changed. Containment of communism since 1975 is passé and desires to balance the budget have become preeminent. Generally, however, U.S. worldwide interests for the 90's remain valid. They are:

1. Survival as a nation (defense of homeland)
2. Economic growth (well being)
3. Maintenance of vigorous alliances
4. Stable and secure world (world order)

In Asia, specific U.S. interests remain:
1. Stability in Asia
2. Favorable U.S. influence and access
3. Burden sharing while economizing U.S. forces

The Chairman of the Joint Chiefs of Staff plans security to be achieved through:
1. Strategic deterrence and defense
2. Forward presence
3. Crisis response
4. Reconstitution

Furthermore, the U.S. plans to employ the strategic principles of:
1. Readiness
2. Decisive force
3. Arms control
4. Maintenance of superiority in space
5. Strategic agility
6. Collective security
7. Power projection
8. Technological superiority

The underlined items are critically dependent on Japanese interests, abilities and contributions.

Japan guards the western flank of the U.S. and serves as the first
line of defense against the world's largest communist nation. Japan is extremely wealthy, technologically advanced and since WWII has been a close ally of the U.S. U.S. bases in Japan, especially since the loss of Philippine bases, are critical to defense of the region and South Korea. Japan is recognized as the linchpin for U.S. security interests in Asia.34

Japanese Interests

Japan's interests in Asia have not changed dramatically concerning the U.S.S.R. because Russia continues to control Japan's Northern Islands (Kuriles) and Russia's naval and nuclear weapons remain a proximal threat. With the exception of START II, bilateral talks have yielded few tangible results. However, Japan's foreign policy will probably, at least in the near future, remain anti-militaristic, under civilian control and designed to protect human values as presented in the U.N.'s Houston and London conferences. Japan's constitution (MacArthur Constitution) references peace and security, freedom and democracy, open markets, stable international relations dependent on dialogue and specifically (Article 9) renounces belligerency as an instrument of power.

A comprehensive white paper authored by The Japanese Institute of International Affairs asserts Japan: promotes peace, supports the U.N., and recognizes the importance of diplomacy, arms control and reduction. Japan seeks to avoid power vacuums, while recognizing military force is the ultimate force ensuring national security and states repeatedly the U.S.-Japan Alliance is key to its military power.35 Japan declines, at least for now, to again become a military power and requires self defense military forces to be under strict civilian control. Japan supports the three "non-nuclear principles" of nonpossession, nonproduction and
nonharboring of nuclear weapons on Japanese territory. Her basic defense policy supports the U.N., develops self defense and meets external threats through the U.S. alliance.

Mutual Interests

Roosevelt spoke of the four fundamental freedoms; speech, religion, freedom from want and freedom from fear in the 1941 State of the Union Speech. The latter two are arguably universal ambitions. The Japanese Constitution, in article 13, articulates the supreme consideration to always be entertained in legislation and other government affairs will be the people's right to life, liberty and the pursuit of happiness. In sum, U.S., Japanese and U.N. values and interests are remarkably compatible. A common ways and means to continue sharing these ends is essential. This must be done through greater understanding and the U.S. must lead the way; not dominate the way. Japan has not yet gained the trust and experience to lead, and even were this not so, the Japanese government and political process is excessively slow in reacting to international challenges as was demonstrated in the Gulf War. However, the U.S. must understand Japan better in order to lead.

IV. CULTURE AND HISTORY OF JAPAN

A look at the past can help us to understand the trends and strong international currents and intermittent political winds in which we set the sails for mutual security interests. After all, the Pacific Basin has been a maritime interest of world trade for hundreds of years. Japan's history and culture can be succinctly defined around three
terms: Confucianism, isolationism and mercantilism. Isolated by water from China and the mainland, the Japanese people had natural military barriers to their enemies but were not so distant that the strong cultural influences of China did not prevail, much as the European continent influenced England. Ideas of oriental supremacy, the feudal war-lord system and Confucianism were cast upon Jih Pen (Japan---Chinese which means land where the sun comes from) from Chinese shores.

Japan, when faced with foreign economic and political threats, has isolated itself twice, the last around 1615 and lasted almost 250 years. Following this, the Japanese samurai assumed the economic leadership through families called zaibatsu (later the Mitsui’s, Mitsubishi’s, etc.) and created the controlled infrastructure of modern industrial Japan. This was done with characteristic “missionary zeal.”

Like Great Britain, Japan followed a policy of avoiding balance of power struggles on the mainland while moving with the powerful nations (at times allied with China, later Korea and then Great Britain in WWI and Germany in WWII). Japan selected her alignments not based on ideology but on the practicality of the situation. Japan understood the concepts of sovereignty and state power extremely well. She sided with the country or alliance felt to be the strongest or most likely to win. Japan has taken this approach in the past, and will likely follow it in the future.

Confucian Japan differed greatly from western industrialized nations; individualism, private enterprise, nationalism and imperial expansion were not prized. Japan took a passive view of man and sought stability through harmony and a rigid hierarchy under the protection of national (not individual) wealth and a powerful army. Keiretsu became
more powerful in monopolized industry. The agricultural society saw a mass migration of farm workers into the cities, where companies became appropriately paternal as they sought to retain farm girls in their labor force and sought to prevent the premature departure of more independent males. They offered lifetime employment. Paternalism and continuity of employment to this day remain important competitive features of Japanese companies.

Industry became progressively successful. Japan, as is often the case following isolationism, became more nationalistic and expansionist, and looked to the littoral of China as a deserved Empire and saw in Manchuria a center of gravity for her industrial future. As the U.S. Civil War was ending, Japan came to seek leadership of a Confederation of East Asian States. At this time the Japanese rejected an American style of government as being too liberal (excessive individual rights) and instead chose a Prussian style constitution and a German model General Staff with direct access to the Emperor. By the turn of the 20th century, Japan had a new constitution providing greater central control under the Emperor. She won a major war with China and rapidly allied with Great Britain (nagai mono ni maka reyo; align with the stronger against the weaker). Japan's paradigm for the future.

Following WWI and the Treaty of Versailles (where the participants rejected the Japanese request for balanced statements of racial equality), Japan began to look for consolation throughout the Pacific Basin. She had become the preeminent power in the region. Japanese-American trade conflicts escalated dramatically and President Roosevelt proposed an Anglo-American coalition against the Japanese. Japan ultimately allied
with Germany (felt to be the strongest possible ally) and set the stage for WWII.

Japan, Germany and Italy signed the Tripartite Pact in 1940 and in September of that year Japan forcibly occupied Indochina, leading to the British-American-Dutch embargo against Japan, reciprocally followed by the Japanese attack on Pearl Harbor in December 1941. Japan was trying to establish the Great East Asian Coprosperity Sphere, but was being strangled by the U.S. and war seemed a viable option.47

Following WWII, the San Francisco Peace Treaty of 1951 made Japan one of the most favorable settlements ever afforded, but clearly placed Japan in the client state status. The Yoshida Doctrine, under Japan’s most successful Prime Minister of the same name, set Japan’s rigid course by subjugating all national interests to economic success while relying solely on the U.S. for defense. The Korean Conflict helped establish Japan as a crucial forward base of operations against communism. The Korean Conflict and Vietnam War also brought economic prosperity to Japan while she prospered under the protective “greenhouse effect” of the Japanese Constitution and American military protection.48

Summarizing, Japan, an ancient empire built on a warrior-religious code under highly practical and hierarchal Confucianism is readily adaptable to competitive international trade and expansion. Given a choice, Japan prefers a harmonious insular situation, but, that not being practical in the global world, will compromise individual privileges for the good of the nation and side with the ally perceived to be the strongest. Some would consider this dualistic approach of compromising ideals for strength to be less than straightforward. In defense, Napoleon said in 1803,
"Men are guided by nothing else [than self interest]. Those who say the contrary are hypocrites. Though young, I am old when it comes to the human heart. If I belong to a party, I am for my party; to an army, for my army; to a state, for my state. If I were black, I would be for the blacks; being white, I am for the whites. That's the only truth. The opposite you may tell to children of eighteen."[49]

Alliances built on strength satisfy this statement so that a nation compromises little of its sovereignty while insuring security through a stronger ally. This is the approach Japan has taken since WWII and should be carefully considered as the U.S. makes choices for the future.

V. U.S. CHOICES IN ASIA

U.S. choices in the Asia Pacific Basin are broad but as domestic pressures increase and regional power relationships change, could narrow. To date choices have not been relegated to restricted "knee-jerk" reactions. It appears four primary U.S. choices are available; first, a continuum of unilateral U.S. hegemony narrowing to a Pax Americana; second, Japanese hegemony; third, U.S.-Japanese bigemony; fourth, Pax Concertia.

PAX AMERICANA

Increased U.S. commitment with forward positioned forces is extremely unlikely even realizing it is cheaper to maintain land and air forces and to homeport carrier groups in Japan than in the U.S.. The military threat in Asia has always represented less than the immediate communist threat in Central Europe. The collapse of communism in Europe reduced the perceived threat in Asia proportionally.[50] Perceptions, as
opposed to reality, are paramount as the U.S. faces severe budget deficits. Inaccurate feelings that the U.S. is mortgaged to Japan (Dutch and English investment are greater) causes opposition to commitment. The U.S. Congress, as asserted by Congresswoman Schroeder, doesn’t want to continue defending Japanese creditors at American expense. However, Krauthammer points out 5.4% of GNP spent by a powerful commercial maritime trading nation is hardly exorbitant. This remains to be appreciated by the American electorate. Additionally, the U.S.-Japan trading deficit has decreased dramatically the past few years. As Rosenberger explains, the recent (1992) increase is secondary to Japan’s recession, real estate devaluation and stock market crash and her consequent inability to continue high levels of imports. The drop in U.S. exports to Japan is not due to her continued success at U.S. expense.

U.S. budgetary problems argued against continued hegemony well before the collapse of communism and caused decisions to decrease the Reagan defense budget. In 1991 the public U.S. debt was $3,502,000,000,000 or $13,992 per capita and required interest payments of $286,000,000,000 that year or 21.6% of federal outlays. Defense spending was $261,000,000,000 in 1991. Current scheduled cuts will reduce the military budget to the lowest levels since post WWII. Also, in 1991, imports exceeded exports by $16,000,000,000 (1990-$40,000,000,000) The abilities and cost effectiveness of U.S. military forward presence are increasingly problematical. Long term domestic downward pressure on the military budget is mandatory. As Hendrickson points out, the U.S. must devolve responsibility to Japan and feels the alliance against communist aggression under American military power
now represents deracinated U.S. political leadership.\textsuperscript{58} The 45 year old U.S. premise "geopolitics has priority over economic interests," is no longer accurate.\textsuperscript{59}

The U.S. has other challenges to its leadership, especially in Asian minds. U.S. budget and trade deficits have a serious detrimental effect on U.S. ability to lead. National power rests on a triad of military power, economic strength, and social cohesion; U.S. foreign indebtedness, in Asian eyes, has compromised all three.\textsuperscript{60} Some view the U.S. as a granary for Japan the way Flanders was for Poland in the 17th century.\textsuperscript{61} For these reasons, the 1988 NSC (National Security Council) was directed to look specifically at economics as a critical defense imperative of national security.\textsuperscript{62}

The U.S. can no longer use implicit military power to purchase economic cooperation as it has since the late 1960's.\textsuperscript{63} The importance of national trade imperatives has become paramount when compared to the few military threats. U.S. national consensus to continue strong military support in Asia is tenuous as emotions against internationalism and interest group based thinking subsume the national agenda.\textsuperscript{64} President Kennedy's offer to "pay any price, bear any burden," is no longer accurate.\textsuperscript{65}

Many feel U.S. policies should be reactive and not activist.\textsuperscript{66} Arguably, the U.S. should no longer pay the lion's share of world defense costs.\textsuperscript{67} Louis XIV in 18th century France was forced to redirect funds from his powerful military to build roads for commerce. Dutch Men of War were converted to trade ships in 15th century Europe as the military became too costly.\textsuperscript{68} Inclinations to give much less to 21st century American security interests in Asia have long precedent. In the long run,
the U.S. could muddle through slowly withdrawing forces, leaving a "skeleton crew." But, the U.S. is unlikely to precipitously withdraw its "over the horizon posture." Succinctly, in feudal times one chivalrous knight required four horses, six squires, and produce of eight to ten farms for support. Today, military forces continue to extract demands from the economy but the maiden is no longer in distress. Pax Americana may not be the solution to U.S. interests in Asia.

JAPANESE HEGEMONY

Of the four options, this constitutes an unlikely forfeiture of U.S. responsibility. Japan, as sole hegemon, would be presented a continuum of choices; continuing its slow grudging policies (or as some would say, non-policies) of sacrifice leading to a more aggressive Pax Japonica III (Meiji Constitution and pre-WWII being the first policies when Japan opened to the West) and finally an extreme policy of war as discussed in The Coming War with Japan.

The reactionary position of Japan turning to war is not only unlikely it is senseless—as it was in 1941. MacArthur said in 1950, "Neither side would benefit in the arming of Japan......neutrality would be a benefit to everyone." Even though Asia is looking for a "new ark" to keep it afloat, the geo-strategic positions have not changed dramatically; the boat cannot be a rearmed Japan. Ancient feuds are still being played out in the Pacific. Japan continues the "burden of history." Asia continues to recognize Japan as a threat and will probably do so for another generation. This is particularly true of South Korea. Current thinking gives little chance Japan will reemerge a major military power:
there is no advantage at this time for a military buildup.\textsuperscript{77} Japan gains little by building “toys of death,” when it gives up “toys of prosperity.”\textsuperscript{78}

Valid domestic reasons prevent Japan becoming a military superpower even though presently third in the world in military budget (depending on the exchange rate, 1\% of a 3 to 4 trillion GNP represents 30 to 40 billion dollars.). Even as Japan remains one of the few countries regarding Russia a major military threat, her constitution continues to be markedly pacifistic and anti-militaristic. As previously mentioned, Article 13 requires the supreme consideration in legislation and governmental affairs to be the peoples’ right to life, liberty, and pursuit of happiness. Article 9 clearly limits the ways and means to that end, restricting Japan to a defensive posture when enforcing its rights, strictly precluding belligerency as an instrument of power.

Additionally, strong domestic military aversions remain.\textsuperscript{79} Encouraged by international impetus to expand militarily as in the Gulf War and Cambodia, Japan was reluctant to do so. Finally, Japan committed money late and non-combat troops (medics and construction engineers) reluctantly. However, recent shifts and fractures in the primary party, the LDP (Liberal Democratic Party), and the rise of outspoken proponents of greater Japanese military commitment (Ozawa and Watanabe) could, in winning the next major election, indicate a dramatic change in public opinion.\textsuperscript{80}

The Japanese-U.S. alliance is the linchpin in Asia. This bears directly on Japan’s future as a military superpower. Asia has reluctantly accepted Japanese economic hegemony specifically with reassurance Japanese foreign political and military hegemony will not resurge. U.S.
alliance and presence legitimizes and insures this critical expectation.\textsuperscript{81}

There is a strong feeling in Asia that the "Yen Block" is not completely trusted.\textsuperscript{82}

Japan is unlikely to assume hegemony, but changing conditions could encourage Japan to remilitarize:

1. Continued decline of U.S. militarily and economically. Half of present day Japan was not present to remember the devastating WWII defeat of Japan at the hands of the U.S.. Myopically, they see U.S. economic decline and an incomplete U.S. victory in Korea followed by loss in Vietnam. Despite the U.S.-Japan treaty some say images of a long term economically weak U.S. do not lead to optimism\textsuperscript{83} Perceptions of a weak U.S., political vacuum, or failed bilateral alliance would force Japan, with the world's third largest defense budget, to step forward and rearm.

2. Loss of free trade (by Japanese definitions) and world instability could cause Japan again to "look for a place in the sun." Following the Yoshida Doctrine post WWII, Japan decided to wield power through economic ties and wealth. Should this lifeblood of Japan cease to flow and achieve Japan's political objectives, more aggressive medicine would be taken. The open market framework and security in sea lanes as assured by the U.S. Navy and Air Force are critical. Japan is a politically immature economic giant, an anomaly in the world.\textsuperscript{84} Japan produces 16\% of the world's GNP and loss of facile trade could be catastrophic. Importantly, "Foreign policy does not win in elections--but economics does," and market loss would lead to a more aggressive domestic political environment.\textsuperscript{85} Attempts at redressing trade obstacles and the Kuriles could be sought through more readily available military expansion as contrasted to lengthy diplomatic avenues.
3. Resurgence of Russia (or an expansionist China or reunited Korea) considering mutual fears, could lead to remilitarization. A recent Japanese survey said 41% of high schoolers felt Japan’s next war would be with Russia.\textsuperscript{86} Even with the return of the Kurile Islands, Japan would continue distrust of Russia. Its large Pacific Navy, supported by modern weapons moved east of the Urals under CFE, has increased the threat.\textsuperscript{87}

4. Domestic political insensitivity under the one party Japanese system (the LDP has never lost a major election) could lead to more militarism similar to that the pre-WWII Meiji government produced when faced with economic obstacles. Economic interdependencies lead to economic friction in democracies which demand political institutions show mature, sensible and sensitive control of capitalistic competitiveness so as to preclude extremism.\textsuperscript{88} Japan’s virtual one party political system remains in the maturation process.

5. Mounting Islamic fundamentalism in Asia such as seen in Africa and the Middle East could require Japan to remilitarize.\textsuperscript{89} Muslims across the world represent 18% of religious faiths and in Asia number in excess of 625,000,000 (exceeded only by Hindus 710,000,000).\textsuperscript{90} This likelihood is extremely remote.

6. Excessive and sudden increases in power of the multinational conglomerates could be, but probably will not be, destabilizing. Supranationals have a decentralizing and pluralistic effect on politics as they seek market share, crossing many, if not all barriers and transcending politics. As an example Ford Motor Company has 60 subsidiaries, 40 in foreign countries and 1/3 of its profits come from abroad ($2,500,000,000 in annual profits). This represents a fraction of
the estimated $300,000,000,000 controlled U.S. direct foreign investment. Toyota is larger than Ford. Honda products are made in 32 countries.\textsuperscript{91}

7. Excessive external pressure from the U.S. could offend Japanese nationalism. There are good reasons for Japan to assume greater international responsibilities. These were presented in the Gulf War.\textsuperscript{92} Also, \textit{The Coming War with Japan} argues it is natural for an economic superpower to cease being a political dwarf. Douglas MacArthur cautioned against, “the Japanese idolators of the art of war and the warrior caste.”\textsuperscript{93} The Japanese have shown a history of sudden careening changes of national course.\textsuperscript{94} The U.N. Charter yet refers to Japan as one of “the former enemy states.” The U.S. must be careful in the increasing military demands it makes of Japan--the U.S. may get what it seeks. Recent increasing dignitary visits to the Yasakuni Shrine of the Emperor and Fallen War Dead show a renewed respect for militarism.\textsuperscript{95}

8. Continued military spending by Japan’s neighbors could encourage the same anxious response from Japan. China has plans to build a bluewater navy to include “light” aircraft carriers.\textsuperscript{96} Almost all other Asian nations are increasing their defense budgets. In Asia, nationalism is a very powerful political emotion and, when coupled with fear of neighbors, easily leads to remilitarization for the wrong reasons. If Japan is to rearm it should be for reasons of commitment to leadership and world responsibility through collective systems.

9. Collapse of the world economy and markets. Japan is the number one trading partner of most nations in the region.\textsuperscript{97} The region depends on the remainder of the world for trade. Economic blocks such as the European Community and North American Free Trade Association could
exclude Japan and her Asian trading partners. It is important trading blocks become alliances of inclusion and not exclusion, e.g., Japan should be considered for NAFTA membership as the U.S. is a member of APEC.

10: Collapse of Japan’s domestic economy. Japan is presently facing its worst economic crisis since the oil crisis of 1973 and is doing so in a world recession already lasting for more than two years.98 Japan can alleviate domestic problems by reducing the Bank of Japan death grip and by increasing fiscal spending to place more money in circulation. Unfortunately, another historical way to increase spending is through defense investments which could lead to excessive remilitarization.

In sum, fears of Japanese military resurgence abound partly because the world is uncertain and partly because Japan remilitarized in the past. Times have changed and remilitarization to become a superpower is unlikely because;

1. Pre-WWII nationalism, a prerequisite for building the huge military, was driven by an intensive, frenetic desire to catch up with the West. Japan passed the West.
2. The buildup was elitist and driven from above in the Meiji-Prussian style government. Democracy now exists.
3. Tradition was manipulated to evoke the “Samurai” caste. The people know this.
4. The middle class was not educated. It is now—99%.
5. Japan was isolated in the 1930’s.99 Trade and communications now prevent that.100 Of course, the unlikely reversal of these trends could lead to rearmament and war.

U.S.-JAPANESE HEGEMONY (BIGEMONY)

Unequal partnerships have a great many inherent problems, so it would appear required that the U.S. and Japan become more balanced in contributions to their alliance if it is to continue. The rhetoric traversing the Pacific initially indicates a true partnership is not possible.
According to the media, the U.S. has not altered competitiveness and Japan has not improved the opportunities to compete on a level field. This is simplistic and incorrectly advocates extremist policies which are dysfunctional. Effort is required to understand the differences.

U.S. competitiveness is 10 to 15% higher than Japan's and is growing as fast or faster.\textsuperscript{10} The U.S. since 1966 has provided 16% of the world's manufactured products and has shown little change even with the rise of the newly industrializing countries.\textsuperscript{10} From 1985 until 1990 U.S. competitiveness improved based on relative unit labor (some argue as much as 60%) and exports have risen 90% since 1985.\textsuperscript{103}

Also, in rebuttal to the media, Japan feels trade practices are on "an even playing field," and explains it this way. The U.S. advocates reciprocity or international rules as the guideline for free trade. In other words, the rules in Japan, France or any other trading country should be the same. Japan, however practices 'national' trade equality; the rules existing for Japanese businessmen doing business in Japan are the same rules applied to American businessmen seeking business in Japan. So, the playing field is quite flat in Japan. However, this imposes many cultural standards and business obstacles. To Americans these are "non-tariff" barriers.\textsuperscript{104} They present different rules than U.S. businessmen (and other international traders) are accustomed to but they remain the same Japan has always used internally and present no new challenge to the Japanese businessman. There is a genuine failure to communicate this divergence. It is exacerbated by the media and the growing politics of powerful special interest groups.

Even so, American products sold in Japan cost 60% more than in the U.S. and manufacturing import penetration into Japan is 1/2 that of the
U.S. and 1/6 that of Germany. Although great differences remain there is growing evidence Japan and the U.S. are moving together despite a great deal of foot dragging, agricultural products and rice being the classic negative example. Computer chips being the recent success story.

The U.S. media insist Japan has taken unfair advantage of the U.S. defense umbrella. There is information to support this. The balance of trade, after several years of decline, is increasing and drawing attention to U.S. vs Japan defense spending. Japan’s relative poverty of contribution to its defense forces—1% of its GNP compared to greater than 5% for the U.S. stands out. However, Japan retains the world’s third largest defense budget. Japanese contributions to U.S. military spending in Japan make it less expensive for the U.S. to homeport the Midway at Yokusaka than Honolulu.

The balance of trade deficit with Japan was well on its way to balance when in 1992 the trend suddenly reversed ($43 billion). As Rosenberger points out, due to Japan’s domestic problems rather than an unfair or opportunistic reversal of policy or practice. The recession in Japan has reduced their U.S. imports and, unless the Japanese government increases spending as part of an aggressive fiscal policy this trend is not likely to change soon. The presumptive U.S. Congress passed resolutions requiring the Japanese to spend 3% of their GNP on defense and, that failing, recommended taxing imports at the difference between U.S.-Japan defense spending i.e. 5%-1%=4%. With two way trade in the $100,000,000,000 range this would be significant. Others would decrease U.S. defense spending dramatically, forcing Japan to spend more. Japan, in rebuttal, can show it now exceeds the U.S. in foreign aid and has done so since 1988 and is paying for over 50% of U.S. military operating costs in Japan. For 32 years Japan has been increasing spending
on its self defense forces. Unfortunately, Japan does not get the "bang for the buck, or Yen" the U.S. receives. This is largely due to the higher cost of labor in Japan. 108

Efforts on the part of the U.S. to support Japan's economic growth with "greenhouse" protection also served the U.S. extremely well in containing communism.109 Communism is no longer the same threat but this is not a reason to stop the attitude of cooperation. There is little to be gained by media attitudes inferring, "because something is wrong in bilateral trade, either someone is cheating or someone is incompetent."110 Cooperation and communication (not tariffs and quotas) must create a level playing field and rules for long term integration. Both nations have common interests in security, economic growth, stable and diversified energy sources, raw materials, stable and sustainable environments and decent standards of living. Both must recognize the future is domestic and global.111 It makes no sense for the U.S. to wall off its ports with tariffs and threats because the shores of Japan are rocky.

Japan, because of its culture and isolationism, in the past has had problems in dealing with equals and to a lesser degree subordinates. The paleontologist, Ruth Benedict, commissioned by the U.S. Navy in WWII to plan and predict Japanese responses to invasion and bombing of their homeland wrote extensively about Japanese reluctance, even shame, in being indebted to an inferior. Indebtedness to a superior is acceptable but the opposite is ego alien to the Japanese and leads to dishonor. Japan shuns indebtedness of any kind to a perceived inferior nation or a faltering former superior nation, as the U.S. appears to many. Hence the accusations the U.S. should get its house in order to once again be recognized as a superpower. The U.S. does have significant domestic
problems with infrastructure, education, health care, drugs, inner city values, unemployment, and public debt, but economic competitiveness is not a valid point of attack.

There are sufficient indications Japan seeks a strong U.S. and the friction now seen is consistent with that between good friends.\textsuperscript{11,2} The relationship does appear to be strong.\textsuperscript{11,3} But, with extreme rhetoric, time may not be a friend.

Sharing World Leadership lists five problems (and solutions) to achieving bigemonal leadership:

1) In the past the U.S. did not consider economics critical to defense policy.
2) Congress has become progressively involved in foreign policy.
3) The U.S. economy has become extremely politicized.
4) Interdependence has made the U.S. more dependent on foreign economies and less able to lead.
5) The U.S. economy has been in relative decline.

Solutions are straightforward:

1) Place greater emphasis on the importance of economic strength in deciding defense policy.
2) Increase burden sharing (financially, militarily, politically, and ideologically).
3) Insist Japan establishes symmetry between economic and political foreign policy.
4) Insist Japan uses U.N. Article 51 (it did this to establish self defense forces) to allow collective defense.
5) Initiative and push must come from Washington to establish new U.S.-Japan alliance.

Usually nations form a bilateral agreement, yielding some sovereignty, in order to further overriding mutual interests. A paradox exists in the case of Japan and the U.S. The present alliance was glued with the communist threat, now gone. The new threat is uncertainty and instability. To guard against this vague threat requires hard cash and
commitment. More than in the recent past, Americans realize excessive defense contributions can lead to loss of economic competitiveness and ultimately decreased prosperity. The new "battlefield" has become the market place. Victory is gained through successful economic competition. The Japanese have early on traded their military uniforms for business suits and are winning. This is hardly the forum in which to establish an evenly shared military relationship. Evenly shared power is not likely in the world of politicized economics with special interest group politics and media rhetoric causing all concerned to look inward.

In sum, it is more likely Japan will continue to play a critical role in Asia by promoting regional security and by stimulating U.S. commitment. Japan will seek to include the region's four socialist countries as it seeks economic hegemony. The Peterson proposal for a workable but uneven U.S.-Japan hegemony has probably passed the window of opportunity with the collapse of communism.¹¹⁴ In the past Japan has sided with the stronger nation and will continue to do so, but not as a military equal. The U.S. solution is to remain the stronger nation.

**PAX CONCERTIA**

Choices have moved from unilateral hegemony to bigemony and finally to multilateral responsibility or Pax Concertia. The track record for "concerts" is not good. In 1648 the Treaty of Westphalia made a precedent setting decision: states were sovereign in selecting their religions--states, not peoples. The anarchic structure caused by state sovereignty is the fundamental characteristic of international politics. The point is, anarchy between nations, not between peoples.¹¹⁵ In the past, international liberals (e.g., Woodrow Wilson) looked for relations
between peoples of states, as well as the states to create lasting peace.  

Reviewing the collapse of The League of Nations (it lasted less than 10 years), the characteristics leading to failure were:

1. few and weak links between the major powers
2. the recognized leader seeking isolationism/independence beyond the concert
3. absence of global economic strategy
4. absence of a unifying force (e.g., fear of war)

Conversely, the key to success should be the ideologic agreement on major unifying issues with involvement of all parties, especially recognized leaders. Global economies leading to global prosperity obviate all of the above causes of concert failure; they create links (via trade), they deter isolationism (via intercourse), and they provide a unifying force (prosperity). Therefore, priority should be given to development of a liberal and, if feasible, democratic economic strategy. This should be coupled with a security strategy, a concert. Nations must realize economic differences unharnessed by mature political systems can lead to conservative and reactionary divergences of purpose and defeat a concert. It is critical members not become isolationist, ideologically opposed and pacifistic. Communicating over economic issues precludes isolationism and reduces reactionary influences. As discussed earlier, Asia is a diverse and segmented region, much more so than Europe, and needs a unifying theme to cause communication in its diverse security interests. There is no “Evil Empire” to fight, no “Jihad” to unite Asia, no “Imperialism” to subdue, the only cause “celebre” is economic fortunes. A vision of economic success is necessary. Concerts, in the absence of a war threat, cannot seem to be visionary and proactive unless crisis
has occurred (e.g., a depression). When vision arrives late, conservatives and reactionaries prevail and push for an atavistic balance of power, not a concert or coalition. Many say economics supplants defense as the foundation of national security. The liberal trading system supported by the U.S. at Bretton Woods demonstrates this assertion through its success in preventing WWII. Again, the problem lies in communicating economic vision before special interests bring defeat.

Another challenge to an Asian concert of power is the segmented security environment which followed the collapse of communism. Again, the integrative consequences of economic interdependencies becomes critical to creating a unifying force, a rallying point. Examples are seen as Russia and China establish trade relationships and diffuse tension at their shared borders and as both begin trade with South Korea while Japan is trading with North Korea. Collective security, Pax Universalis, Pax Concertia all imply nation-states yield or fragment sovereignty in exchange for international security. Nations must agree there is a greater good. Prosperity is the dividend of peace, the “greater good.”

Many argue against an economic-political-internationalist approach to world order. Tonelson argues there is not a greater good and presents a strong argument recommending allegiance to special interest groups within the U.S.. He demands avoidance of further anachronistic internationalist policies on the part of the U.S.. He recommends “muddling along” being self centered and avoiding high expectations of the world or U.S. foreign policy. Policy, he says, should not be proactive but reactive. He implies the peace dividend is, and gives, the option to turn inward. Others point out rapid accumulation of debt will have a serious
effect on U.S. ability to play a leadership role in the world.\textsuperscript{125} They assert the U.S. should not continue policing the world when doing so has caused serious domestic problems.\textsuperscript{126} It is difficult to argue for an exhausting full court press with opinions that say the game is won.

Another major problem lies in responding to special interest groups. Special interest groups can readily become advocates of dysfunctional extremism. Reactive or reciprocal trade policies (trade wars) are an example. As some have pointed out, "an eye for an eye, tooth for a tooth society ends up with no eyes and no teeth." A more reasonable approach to trade imbalances would be to take a proactive stance, declare free trade as the overriding presumption and realize the profits generated. Briefly stated, all trading nations do better with a rising tide but unless one is altruistic and egalitarian it must be accepted that free trade benefits some more than others. But everyone does gain.

This is expanded by the economic version of the "prisoner's dilemma,\textsuperscript{127} one of the most widely studied structures in the theory of strategic interaction. Briefly stated, two countries, as examples A and J, have a choice of cooperating on free trade or defecting from free trade. Placed in graphic form:

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>J</th>
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<tbody>
<tr>
<td><strong>COOPERATE</strong></td>
<td>DEFECT</td>
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<tr>
<td>(A)</td>
<td>(J)</td>
</tr>
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<td>400, 400</td>
<td>50, 500</td>
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</tbody>
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<table>
<thead>
<tr>
<th><strong>COUNTRY A</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DEFECT</strong></td>
</tr>
<tr>
<td>(A)</td>
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<td>500, 50</td>
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</tbody>
</table>
If both cooperate, each gets a return of 400 units (dollars or yen or whatever currency); if A defects then A gets a return of 500 units and J only 50 units; if A followed by J both defect (which is the likely result) A gets only 100 units, the same as J; if J defects first then J gets 500 units and A only 50 units (but is it reasonable to expect A to not defect in retaliation, in which case 100 units for each is the result and all suffer compared to the first choice of 400 units each.)

This concept supposes comparative advantage. If country A can produce one space station for the same amount of capital it consumes to produce 200,000 automobiles then it will be to its comparative advantage to trade with country J, which can produce 400,000 automobiles with the same capital it would take to build one space station. Then country A would give up one space station and country J would trade 300,000 cars and possess one space station. Country A would realize 100,000 more cars than it could have built for the capital it invested in one space station and country J would have a space station, which would have cost it 400,000 cars to build and instead it has 100,000 cars remaining. Everyone benefits, but not everyone the same on every transaction.

Media and special interest group defeatism must be dealt with. The U.S. need not barter from an assumed position of trade weakness as the article “America's Edge” illustrates. Arguably, the U.S. does not measure GNP correctly and if all productivity were included (requires tabulation of services as well as tangible products) national productivity would be 3 to 7% higher. Productivity in the service section of the U.S. economy measures 70% of the total. Including services would add to a
negligible deficit (in 1991 less than $7 billion in a $5 trillion economy). The U.S. worker turns out more per hour than any other industrial nation's workers. U.S. banks are more profitable than Japanese and 8 of 10 of the world's largest securities underwriters are American. Since 1985 the U.S. has been the lowest cost producer of everything from steel to cardboard boxes.\textsuperscript{131}

The U.S. has long shown strong productivity; between 1986 to 1990 exports amounted to 40\% of the growth of U.S. real GDP. In 1990, 7.2 million jobs were directly supported by exports and every one of those jobs lead to the creation of two more jobs. Trade to Japan, as well as Japanese acquisitions and investment in the U.S., has been falling, but that to Mexico and Canada has been increasing at 15\% per year and now supports 540,000 U.S. jobs. Europe in 1991 accounted for two thirds of U.S. exports and as the Japanese "bubble" economy bursts this amount will increase.\textsuperscript{132}

The U.S. cannot deny all guilt. U.S. financial difficulties with embarrassing double deficits in the budget and trade columns (the latter, as previously discussed is arguable) and infrastructure problems in the environment, education, health care, substance abuse and AIDS are well publicized. Without a better energy policy, projected oil imports, alone, by 1995 could cause a $75 billion trade drain.\textsuperscript{133} Statistics showing the U.S. represents 5\% of the world's population and consumes 25\% of the oil and 50\% of the cocaine are sobering. These figures not only question U.S. ability to compete but affect the whole sense of national community and security. The U.S. must overcome these serious detractors.

Also, the U.S. cannot afford the image of a mercenary military for hire. Recent trends towards burden sharing in Europe and Asia, although
practical, have a troublesome side. Perhaps it is a matter of semantics to deny the U.S. has “armies for hire” by saying American soldiers’ salaries are not paid by Japan; only the room and board is paid. Others would agree (degradingly) in explanation, “Collective security means, we lead, we collect.” Whatever the image, the facts remain, Japan is paying in excess of $3.2 billion and South Korea $300 million by 1995 to keep U.S. forces in their countries.

As the need for “the cordon sanitaire” around the Soviet Union has disappeared so have fears increased in Asia the U.S. will go beyond the planned EASI reductions by 1995 of 40,000 troops (from 1989 total of 140,000). If the U.S. shuns collecting more “Yen” then it may choose to collect more allies through trading partners and avoid the “Fortress America” label which has much less international legitimacy. A concert in Asia must, as in Europe, be built on a common threat and common endeavor, not merely U.S. willingness and Asian funding. Presently there is not a commonly perceived threat. But there is a threat. There is little doubt the Pacific Century is arriving. In 1945 the U.K. had three times the industrial capacity of Japan. Japan has five times that of Britain and nine of ten of the world’s largest banks. Japan is the world’s largest creditor. China has increased its agricultural production 60% in the past six years. The threat, although not perceived, is instability and uncertainty and could severely interrupt trade in the region. This common threat should be communicated by all leaders.

Although former PM Hawke of Australia, supported by Japan, saw the economic threat, he proposed creating an Asian trading block which excluded the U.S. This was soundly opposed by The Association of South
East Asian Nations (ASEAN). Singapore, which has taken a positive approach, iterated the importance of the General Agreement on Tariffs and Trade (GATT) the Asian Pacific Economic Conference (APEC) and ASEAN to the region. Asian free trade within 15 years was established as a goal at the ASEAN Summits (1982). So there are constructive recognitions of the economic threat.

Japan has been a premier supporter of Pacific organizations but has consistently eschewed leadership. The highly respected former PM of Singapore, Lee Kwan Yew, feels Japan's leadership role is inevitable. When the former PM of Japan, Watanabe, proposed an active role for Japan in peacekeeping forces only China had reservations. Erlanislao, the Finance Minister of the Philippines said, with regard to Japan and WWII, “The past is the past.” ASEAN (all of whose members except Thailand were formally occupied by Japan) moved towards consensus to have Japan play a greater role in Asia’s politics and security. But Asian nations do not want Japan to remilitarize. The U.S. is recognized as the “honest broker.” Leadership in security is a credible role for the U.S. in Asia.

Security choices for the future revolve around balance of power, nuclear deterrence and cooperation through a central coalition. Two world wars resulted from a balance of power, nuclear deterrence cost the U.S and U.S.S.R. $500 billion per year and a coalition failed miserably as The League of Nations. We understand reasons for the concert of powers failing and they are correctable.

The search for new order began in 1989. The clock has been ticking long enough for the five powers, the U.S., Russia, European Community, Japan and China to look to international dependencies to provide
consensus. With less than 10% of the world's 170 nations truly homogeneous\textsuperscript{145} and almost all dependent on foreign trade and technology it seems unreasonable to return to polarity, economic blocks or continue with bilateral hegemony when multilateral and multidimensional independencies have the potential to solve major problems.\textsuperscript{146} The sovereignty of Westphalia seems to be yielding to the sovereignty of peoples.\textsuperscript{147} Concerts of power (people and nations) based on integrating interests (prosperity) represent the new choice to replace the quest for peace.

VI. CONCLUSION

The U.S. can employ the softer powers of liberal institutional approaches, liberal democratic governments and economic free markets through a concert of powers to achieve stability in Asia. Economic interests taken in the context of the "prisoner's dilemma," realizing free trade benefits all, can provide the unifying force or common denominator. The denominator can be the highest common denominator as explained and achieved through global trading. This creates the largest economic pie possible and, even if the U.S. were forced to take a marginally smaller piece of the pie, the total would be much greater than that of a much smaller pie created by special interest groups, restricted trade and narrow alliances. On the military side, a smaller portion of a much larger and growing national product would ultimately provide a sizeable military budget as one finds in Japan.

There must be a leader. When everyone is expecting someone to lead, frequently no one leads. The U.S. must pursue that role. Europe cannot, it has excessive domestic problems. Japan is insular, insecure and has a
prohibitively slow and methodical one party consensus building process. China and Russia do not have the economic backing nor power projection. If the U.S. is to lead in the world it must lead in Asia as well. The U.S. must grudgingly give up some degree of its traditional military power to others who have proven themselves. As U.S. infrastructure and economic strength recover the U.S. can share more power with a concert from a position of new strength. The concert can take many forms; NATO, APEC, U.N., OAS. The concert of powers must have a capable conductor, the U.S.

This commitment will not be popular. Only 14% of voters supported President Truman when the Marshall Plan was introduced. As he said then, "Leadership is getting people to do what they don't want to do and getting them to like it." The U.S. can expand its confident relationship with Japan to include a concert of nations and through greater mutual understanding and sharing of sovereignty with other nations, lead Asia towards collective security.
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107. Ibid., p. 122.
111. Baker, H., p. 112.
113. Ibid., p. 63.

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118. Ibid., p. 75.
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121. Aho, p. 177.
122. Ibid., p. 178.
124. Tonelson, p. 38.
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131. Levinson, p. 41-43.
134. Ibid., p. 677.
136. Coker, p. 11.
137. Simon, p. 34.
140. Crowe, C Span 2.
141. Richardson, p. 18.
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