



# The Changing U.S.-Japan Alliance: Implications for U.S. Interests

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## Summary

Since the late 1990s, and particularly since 2000, the U.S.-Japan alliance has undergone significant changes. During the first term of the Bush Administration, converging U.S. and Japanese objectives in confronting North Korea's nuclear and missile programs and Japan's participation in U.S. operations in Iraq and Afghanistan reinforced the notion of the U.S.-Japan alliance as one of the central partnerships of U.S. foreign policy, particularly in Asia. By 2007, political developments in Japan and diverging policy approaches to North Korea created some distance in the relationship, but defense officials in the Obama Administration continue to work on implementing significant agreements to upgrade the alliance.

As U.S. personnel and facilities in Japan are realigned as part of the broader Pentagon strategy of deploying a more mobile force, Japan is expected to take an active role in contributing to global stability. However, political turmoil in Tokyo has led to considerable uncertainty about Japan's future security policies, including its stance towards U.S.-Japan defense cooperation. Japan's main opposition party, the Democratic Party of Japan (DPJ), is widely expected to gain seats in the August 30, 2009 Lower House of parliament elections, and it may achieve its goal of replacing the Liberal Democratic Party as Japan's governing party. The election is widely seen as a potential watershed—should the LDP lose its grip on power, which it has held since the 1950s with only a brief interruption, it is unclear whether its successor would be as supportive a security partner for the United States. Some observers say that alliance transformation could ultimately be de-stabilizing if regional powers feel their own security is threatened by a more assertive Japan, or if Japan fails to live up to U.S. expectations.

Changes to the U.S.-Japan alliance are of interest to Congress because of the range of U.S. security interests in East Asia. Those concerns include the development of North Korea's nuclear weapons programs, the presence of militant Islamic groups based in Southeast Asia, the possibility of conflict with China over Taiwan, and the overall ascendance of China as a potential challenger to U.S. influence in the region. For its oversight and budgetary responsibilities, Congress has an interest in how the alliance might change under current proposals.

After a brief historical review, this report examines policy changes that have driven actual and proposed shifts in the alliance. Key features of the proposals include a reduction in the number of U.S. Marines in Japan, the relocation of a controversial Marine air base in Okinawa, expanded cooperation in training and intelligence sharing, and command structure changes. The proposed changes would create new roles and missions in the alliance, with an emphasis on interoperability, joint missile defense, and more Japanese participation in international operations.

Some of the most prominent operational, budgetary, legal, and societal challenges to upgrading the alliance are discussed in this report. The dynamic nature of the alliance and the strategic environment in northeast Asia present a number of challenges for U.S. policy, including containing North Korea's nuclear ambitions, dealing with a rising China, sustaining political alignment with Tokyo, managing the U.S.-South Korea relationship, and considering the nuclear future of the region.

The report concludes with a number of potential options for U.S. policymakers to protect U.S. security interests in the Asia Pacific. Those options include further bolstering Japan's military, reducing the U.S. military presence in the region, encouraging Japan to focus on international peacekeeping and reconstruction operations, developing trilateral defense cooperation, and creating a security forum in northeast Asia.

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## Introduction

The U.S.-Japan alliance, forged in the U.S. occupation of Japan after its defeat in World War II, provides a platform for U.S. military readiness in Asia. Under the Treaty of Mutual Cooperation and Security, about 53,000 U.S. troops are stationed in Japan and have the exclusive use of 89 facilities throughout the archipelago.<sup>1</sup> Okinawa, hosting 37 of the facilities, is the major U.S. forward logistics base in the Asia-Pacific region.

The security landscape of East Asia is changing, driven by China's ascendance. With the organizing principles of the Cold War obsolete and a resurgence of nationalism in countries with a history of conflict, uncertainty is increasing. The Bush Administration designated the U.S.-Japan alliance as the fulcrum of American presence in the region. Obama Administration officials have stated their desire to continue this approach. Yet this policy holds both promises and risks. Some strategists see a strong advantage to employing Japan's help as part of a containment strategy to deter China from asserting itself in ways hostile to U.S. interests. In addition, the Japanese SDF may alleviate some of the burden on the U.S. military by expanding its role in non-combat missions overseas.

On the other hand, Japan's neighbors harbor historical distrust of Tokyo's ambitions. Japan's relations with Beijing and Seoul reached a low point under former Prime Minister Junichiro Koizumi (2001-2006), leading to concern that regional rivalries could become destabilizing. Although relations have improved under Koizumi's successors, China and South Korea remain wary of any sign of Japanese ascendance. As Japan under successive Liberal Democratic Party (LDP) leaders has considered taking a more active role in contributing to global stability, perhaps through increased coordination with the U.S. military, leaders in Beijing and Seoul have expressed concern that the Japanese military will benefit from enhanced capabilities and challenge their own sense of security.

Further, after enjoying a period of extremely close relations, the U.S.-Japan relationship slipped somewhat when the Bush Administration adjusted its policy on North Korea. As the Bush Administration moved aggressively to reach a deal on denuclearization with North Korea in the Six-Party Talks, distance emerged between Washington and Tokyo. The Obama Administration has subsequently sought to reassure Tokyo that the United States remains committed to the bilateral alliance. Political uncertainty in Tokyo calls into question how robustly alliance reform efforts will proceed. Specifically, the opposition Democratic Party of Japan (DPJ) appears poised to take over the government in August 30 Lower House elections. As discussed below, members of the DPJ have objected to an active role in coordination with the U.S. military. Thus, political changes, both in and between Washington and Tokyo, could undermine a regional security strategy that depends on unwavering ties.

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<sup>1</sup> According to U.S. military figures, about 39,000 U.S. military personnel are stationed onshore and about 14,000 afloat in Japan. Source: U.S. Forces Japan at <http://www.usfj.mil/welcome.html>.

## **Historical Review of the Alliance**

### **Post-World War II Occupation**

Following Japan's defeat in World War II, the Allied Powers, led by the United States, occupied the archipelago from 1945-1952. Occupation officials initially set distinct goals of thoroughly demilitarizing Japan. The Japanese constitution, drafted by Occupation officials and adopted by the Japanese legislature in 1947, renounced the use of war in Article 9, stating that "land, sea, and air forces, as well as other war potential, will never be maintained." However, as confrontation with the Soviet Union materialized, the goals of the occupation shifted to building Japan up as a strategic bulwark against the perceived Communist threat. After the outbreak of the Korean War in 1950, U.S. officials pressed for the establishment of a Japanese national police force, which in 1954 became the Self-Defense Forces (SDF). Debate about whether the SDF, in practice a well-funded and well-equipped military, violates Article 9 remains today. Japan regained its sovereignty in 1952 after the signing of the San Francisco Peace Treaty, which officially ended the conflict and allocated compensation to Allied victims of Japanese war crimes.

### **Bilateral Alliance Establishment**

During the Cold War, the United States increasingly viewed Japan as a strategically important ally to counter the Soviet threat in the Pacific. A Mutual Security Assistance Pact signed in 1952 was replaced by the 1960 Treaty of Mutual Cooperation and Security, in which Japan grants the U.S. military basing rights on its territory in return for a U.S. pledge to protect Japan's security. Unlike other defense treaties with allies, this pledge is not mutual: Japan does not extend such a pledge if the United States is attacked. A military aid program during the 1950's provided equipment deemed to be necessary for Japan's self-defense, and Japan continued to expand the SDF and contribute more host nation support (HNS) for U.S. forces. Under Prime Minister Shigeru Yoshida's leadership (1946-47 and 1948-1954), Japan essentially ceded its foreign policy and security concerns to the United States and focused on economic development. The so-called Yoshida Doctrine was controversial: as U.S. officials pushed for further Japanese rearmament, many elements of Japanese society resisted the obligations of the agreement.

U.S.-Japan defense relations then entered a period of uncertainty because of U.S. President Richard Nixon's so-called Guam Doctrine of 1969 (which called on U.S. allies to provide for their own defense), the normalization of relations between China and the United States, and the U.S. withdrawal from Vietnam. One major irritant was resolved when Prime Minister Eisaku Sato and Nixon signed a joint communique that returned administrative control of the Okinawa islands to Japan in 1972, although the United States has continued to maintain large military bases on the territory. The establishment of the bilateral Security Consultative Committee in 1976 led to greater defense cooperation, including joint planning for response to an attack on Japan.

### **Post-Cold War Adjustments**

In the post-Cold War period, Japan was criticized by some in the international community for its failure to provide direct military assistance to the coalition during the Persian Gulf War in

1990-1991, despite its contribution of over \$13 billion toward U.S. military costs and humanitarian assistance.<sup>2</sup> After passage of a bill in 1991 to allow for participation in United Nations (U.N.) peacekeeping operations, the Japanese Self Defense Forces were dispatched to Cambodia, Mozambique, East Timor, and the Golan Heights. Increasing concern about tensions over North Korea and the Taiwan Strait contributed to a revision of the defense guidelines in 1996-1997 by President Clinton and Prime Minister Ryutaro Hashimoto that granted the U.S. military greater use of Japanese installations in time of crisis and vaguely referred to a possible, limited Japanese military role in “situations in areas surrounding Japan.” Those areas were assumed to be referring to potential U.S. conflicts in the Taiwan Strait and the Korean peninsula, although military officials insisted that the phrase was “situational” rather than geographic. The launch of a long-range Taepodong missile over Japan by North Korea in 1998 galvanized political support for undertaking joint research with the United States on ballistic missile defense.

## **Bush Administration Policy**

### **The Koizumi Years**

Policy toward East Asia under the Bush Administration took a decidedly pro-Japan approach from the outset.<sup>3</sup> Several senior foreign policy advisors with extensive background in Japan took their cues from the so-called Armitage-Nye report (the lead authors were Richard Armitage and Joseph Nye), the final paper produced by a bipartisan study group before the 2000 U.S. presidential election. The report called for a more equal partnership with Japan and enhanced defense cooperation in a number of specific areas. With this orientation in place, Japan’s response to the terrorist attacks of September 11, 2001, reinforced the notion of the U.S.-Japan alliance as one of the central partnerships of U.S. foreign policy, particularly in Asia. Under the leadership of former Prime Minister Junichiro Koizumi, the Japanese legislature passed anti-terrorism legislation that allowed Japan to dispatch refueling tankers to the Indian Ocean to support U.S.-led operations in Afghanistan. In February 2004, Japan sent over 600 military personnel to Iraq to assist in reconstruction activities—the first time Japan had sent soldiers overseas without an international mandate since World War II.<sup>4</sup> The ground troops were withdrawn in 2006. A Japanese SDF air division remained until 2008, when U.N. authorization for multinational forces in Iraq expired.

### **Post-Koizumi**

Shinzo Abe, Koizumi’s hand-picked successor, came into office in September 2006 promising to further strengthen Japan’s national security apparatus. He succeeded in upgrading the Defense Agency to a full-fledged ministry, and pledged to create Japanese versions of the National Security Council and pass a permanent deployment law to allow the government to dispatch SDF troops without a U.N. resolution. Abe’s weak performance and eventual resignation a year after taking office coincided with a Bush Administration decision to actively pursue negotiations with North Korea over their nuclear weapons program. Tokyo appeared to feel that their largest

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<sup>2</sup> “‘Great Japan’ Turns Inward Over Gulf Response,” *The Boston Globe*. March 26, 1991.

<sup>3</sup> For more information on U.S.-Japan relations, see CRS Report RL33436, *Japan-U.S. Relations: Issues for Congress*, coordinated by Emma Chanlett-Avery.

<sup>4</sup> The SDF operated under restrictions in Iraq: no combat unless fired upon, no offensive operations, and protection was provided by Dutch and Australian forces.



priority in the negotiations—resolution of the issue of several Japanese citizens abducted by North Korea in the 1970s and 1980s—was largely disregarded by Washington. Former Prime Minister Fukuda, elected in September 2007, was considered a friend of the alliance, but more cautious in security outlook than his predecessors. He also faced an empowered opposition party – the DPJ – that temporarily forced Japan to end its naval deployment of refueling ships to support U.S.-led operations in Afghanistan. Like Abe, Fukuda resigned within a year. He was succeeded by current Prime Minister Taro Aso in September 2008. Aso, who served as Foreign Minister in the Abe Cabinet, is considered a defense hawk but has been largely unable to pursue a more active military role for Japan due to his precarious political position. The Aso government was, however, successful in producing a law that allows Japanese Maritime Self-Defense Force vessels to engage in antipiracy missions in the Gulf of Aden and other international waters.

## **Policy Changes in Tokyo and Washington: 2000-2009**

### **Changes to Overall U.S. Military Posture**

In 2004, the Pentagon put forth the Global Posture Review, a series of proposed changes to how the U.S. military structures its forces overseas. As envisioned, the program would bring 70,000 U.S. military personnel currently stationed in Europe and Asia back to the United States and rearrange the configuration of foreign bases. Former Defense Secretary Donald Rumsfeld stated that the changes are in line with the transformation of the military to become a more agile force, capable of deploying quickly to conflicts worldwide. In East Asia, the position and number of U.S. troops in South Korea also are scheduled to be adjusted and a build-up in Guam is anticipated. The transformation of forces in Japan was considered and negotiated against this regional backdrop. Defense Secretary Robert Gates has continued the process of military transformation and has launched a new round of negotiations with Tokyo to implement plans for the realignment of U.S. forces based in Japan.

### **Internal Changes to Japan's Defense Policy**

Under Koizumi, Japan undertook significant revisions of its security stance, as seen in two overlapping official reports, the Araki Commission Report and the 2004 National Defense Program Guidelines (NDPG).<sup>5</sup> Both documents retain a self-defense-oriented policy, but call for a more integrated security strategy and a military that employs “multi-functional flexible defense forces” to deal with the changing security environment. The reports emphasize the need to make the U.S.-Japan alliance more robust and credible, and single out missile defense, intelligence exchange, and operational coordination as areas for cooperation. This framework presents a shift from considering the alliance as only a means to defend the territory of and areas surrounding Japan to adopting a global perspective that views the security of Japan and the region as linked with international stability. Further, the 2004 NDPG specifies that Japan and the United States would improve operational coordination “in areas surrounding Japan,” a clause interpreted to refer to the Korean peninsula and the Taiwan Strait. Under Abe, the Japanese Defense Agency

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<sup>5</sup> The Council on Security and Defense Capabilities, an advisory committee established by the Prime Minister's office, produced the Araki Commission Report to recommend a new approach to Japan's security policy. The tenets of the Araki report were adopted into the National Defense Program Guidelines (NDPG) for FY2005, which outlined the official policy.

was upgraded to a full ministry for the first time since the end of World War II, but his plans to create a Japanese NSC faltered. The Ministry of Defense is currently preparing a revised NDPG that will take into account regional and global security developments since 2004.

## **North Korea's Role in Changing Japan's Defense Posture**

After the Cold War threat from the Soviets receded, many analysts questioned if the pacifist-leaning Japanese public would support a sustained military alliance with the United States. The shared threat from North Korea—particularly acute to the geographically proximate Japanese—appeared to shore up the alliance in the late 1990s and into the next century. North Korea's 1998 test of a Taepodong missile over Japan consolidated support to develop ballistic missile defense with the United States. The sinking of a North Korean spy ship that had entered Japan's exclusive economic zone in 2001 by the Japanese Coast Guard again publicly raised the specter of the threat from Pyongyang. The incident also led to Japan's assertion of its right to pursue and fire upon intruding ships and to the training of a commando team to deal with future threats. Perhaps most importantly, the admission by Kim Jong-il in 2002 that North Korea abducted several Japanese citizens in the 1970s and 1980s shocked the Japanese public and led to popular support for a hardline stance on North Korea, which in turn gave rise to hawkish political figures like former Prime Minister Abe. In 2003, Japan launched its first spy satellite in order to track North Korean threats without relying on others' intelligence.

North Korea's test-launch of several missiles in July 2006 and its test of a nuclear device in October 2006 bolstered Abe's case to develop a more robust Japanese military. Broad public and political support emerged for the government's imposition of harsh unilateral sanctions and the pledge that Japan would assist the U.S. military in stopping North Korean cargo ships for inspections, as called for in the U.N. Security Council resolution 1718 condemning the North Korea nuclear test.<sup>6</sup>

A recent round of North Korean saber-rattling has led to additional Japanese measures to pressure the regime. In April and July of 2009, North Korea conducted long and medium range missile tests, and Pyongyang also conducted its second underground nuclear test in May 2009. In response, the Aso government worked closely with the Obama Administration to draft U.N. Security Council Resolution 1874, which permits a new set of economic sanctions as well as maritime interdiction operations to control the flow of weapons from North Korea.

## **Bilateral Reviews of the Alliance**

Concurrent with Japan's internal reviews, U.S.-Japan bilateral initiatives reinforced the new and expanded commitment to security cooperation by establishing common strategic objectives, outlining major command changes, explicitly identifying the stability of the Taiwan Strait and the Korean peninsula as common priorities in the Pacific region for the first time, and calling on China to make its military modernization more transparent. These unprecedented agreements and statements emerged first through the working-level Defense Policy Review Initiative (DPRI), launched in 2002, and later at the cabinet level through the Security Consultative Committee

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<sup>6</sup> See CRS Report RL33709, *North Korea's Nuclear Test: Motivations, Implications, and U.S. Options*, by Emma Chanlett-Avery and Sharon Squassoni.

(SCC, also known as the “2+2” meeting), composed of the U.S. Secretaries of Defense and State and their Japanese counterparts.<sup>7</sup>

The October 2005 “2+2” report outlines the major command changes agreed to by Japanese and U.S. officials. One would shift 300 American soldiers from the 1<sup>st</sup> Army Corps headquarters from Washington State to Camp Zama (25 miles southwest of Tokyo) to establish a forward operational headquarters. (The headquarters were opened in December 2007.) The Ground Self Defense Forces (GSDF) would also base a rapid-response headquarters at Camp Zama. A bilateral and joint operations center will be built at Yokota U.S. Air Base (about 23 miles northwest of Tokyo) to enhance coordination between the Japanese and U.S. air and missile defense command elements. The headquarters of the 3<sup>rd</sup> Marine Expeditionary Force, meanwhile, would be moved from Okinawa to Guam, reducing the number of Marines by about 8,000.

Despite reports of frustration on the part of negotiators because of the slow process,<sup>8</sup> the DPRI talks led to more joint contingency planning and provided a mechanism to sort through bilateral issues, particularly those involving the bases in Okinawa (see later section). According to U.S. and Japanese officials at the time, the DPRI also led to increased coordination between the Japan Defense Agency (JDA), the Ministry of Foreign Affairs (MOFA), and the Prime Minister’s Cabinet office, which had been problematic in the past. Alliance managers consider cooperation in the inter-agency process crucial to implementing further security cooperation.

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<sup>7</sup> The SCC released three separate documents: the February 2005 statement set out the common strategic objectives of the United States and Japan as the rationale for the alliance; the October 2005 “Transformation and Realignment for the Future” report called for specific command changes; and the May 2006 “Roadmap for Realignment Implementation” outlined the steps to be undertaken to both strengthen the alliance and reduce the burden of hosting U.S. bases on local communities.

<sup>8</sup> Tatsumi, Yuki. “The Defense Policy Review Initiative: A Reflection,” *PacNet Newsletter* 19. April 27, 2006.

Figure I. Map of U.S. Military Facilities in Japan



## Okinawa as Focus of Realignment Efforts

The reduction of Marines from about 18,000 to 11,000 on Okinawa seeks to quell the political controversy that has surrounded the presence of U.S. forces in the southernmost part of Japan for years. Public outcry against the bases has continued since the 1995 rape of a Japanese schoolgirl by an American serviceman, and was renewed after a U.S. military helicopter crashed into a crowded university campus in 2004. Though constituting less than 1% of Japan's land mass, Okinawa currently hosts 65% of the total U.S. forces in Japan. Okinawan politicians, along with

the opposition Democratic Party of Japan, have called for a renegotiation of the Japan-U.S. Status of Forces Agreement (SOFA) and a reduction in U.S. troop strength. The U.S. and central Japanese governments have opposed revising the SOFA, but Japan has increasingly pushed the U.S. to alleviate the burden of its military presence in Okinawa.<sup>9</sup>

The DPRI review identified friction between the U.S. forces stationed in Okinawa and the local population as a key obstacle to a durable alliance. In addition to the 1995 rape conviction, complaints about noise pollution from the air bases and concern about safety issues after the crash of a helicopter in August 2004 convinced alliance managers that the burden on Okinawa's urban areas needed to be reduced in order to make the alliance more politically sustainable. As part of the realignment of U.S. bases, U.S. officials agreed to move most aircraft and crews constituting the Marine Air Station at Futenma (a highly populated area) to expanded facilities at Camp Schwab, located in a less-congested area of Okinawa. The challenge of replacing Futenma had dogged alliance managers for years: since 1996, both sides had worked to implement the Special Action Committee on Okinawa (SACO) Report, which called for the return of 12,000 acres of land to the Japanese, provided that appropriate replacement facilities were arranged. In addition to the Futenma agreement, the United States agreed to relocate the Okinawa-based III Marine Expeditionary Force (III MEF), which includes 8,000 U.S. personnel and their dependents, to new facilities in Guam. In return, Tokyo promised to pay \$6.09 billion of the \$10.27 billion estimated costs associated with the move. With the DPRI review and the revitalized alliance, new momentum led to a tentative agreement in 2006.

However, implementation of the agreement has been slow and reflects the long-standing struggle between the Okinawan and central Tokyo governments. Public opposition and cost overruns threaten to further stall the Futenma relocation plan. Nevertheless, some progress has been made in the Guam relocation initiative. In February 2009, Secretary of State Hillary Clinton and Japanese Foreign Minister Hirofumi Nakasone signed a new agreement on implementing the Guam relocation plans by 2014.

## **Alliance Transformation: Roles and Missions**

Although resolving the base realignment issues is anticipated to consume the bulk of bilateral efforts in the short term, U.S. and Japanese officials envision sweeping changes to the entire defense relationship. The "2+2" reports of recent years outline a new alliance approach to both enhance the defense of Japan and to move beyond traditional realms of cooperation. Areas specifically mentioned for cooperation include air defense, ballistic missile defense, counter-proliferation, counter-terrorism, maritime security operations, search and rescue efforts, intelligence and surveillance, humanitarian relief, reconstruction assistance, peace-keeping, protection of critical infrastructure, response to weapons of mass destruction (WMD) attacks, mutual logistics support, provision of facilities for a non-combatant evacuation, and the use of civilian infrastructure for emergency purposes. Joint efforts in several of these areas have existed for decades, whereas other programs are in their infancy. Security and regional analysts have offered a range of opinions on which areas are most appropriate for further development of joint capabilities.<sup>10</sup> Below are some of the most notable aspects of bilateral cooperation.

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<sup>9</sup> For more on the Okinawan bases, see Sheila Smith, *Shifting Terrain: The Domestic Politics of the U.S. Military Presence in Asia*. East-West Center, March 2006.

<sup>10</sup> See "CSIS Japan Chair Study Group, New Roles and Missions: Transforming the U.S.-Japan Alliance." *Japan Chair* (continued...)

## **Ballistic Missile Defense<sup>11</sup>**

Many analysts see U.S.-Japan efforts on missile defense as perhaps the most robust form of bilateral cooperation in recent years. In December 2003, Koizumi announced that Japan would jointly develop and deploy missile defense capabilities with the United States. Similar to and interoperable with U.S. missile plans, Japan will acquire upper and lower ballistic missile defense systems, including the sea-based AEGIS combat system and an SM-3 interceptor missile. The decision has led to defense industry cooperation between Japanese and American firms. Developing the system requires that Japan improve its joint operations capability and upgrade its command and control networks to allow timely decisions. Further cooperation will require that Japan lift or relax its ban on exporting arms, as Japanese defense officials have urged in order to further develop U.S.-Japan research and development coordination. The test-launch of several missiles by North Korea in July 2006 accelerated plans to develop missile defense. In December 2007, the missile defense program got a boost when a Japanese destroyer successfully intercepted a missile in a test exercise near Hawaii. Japan mobilized its land- and sea-based missile defense systems for the first time in response to the North Korean missile tests in April 2009.

## **Emphasis on Interoperability**

The “2+2” proposals envisage greater integration of the U.S. and Japanese militaries, and several of the areas mentioned will depend on the success of efforts to make the forces more interoperable. A bilateral coordination center at Yokota Air Base will focus on missile defense cooperation, while a new SDF “Central Readiness Force Command” will be established at Camp Zama to create a joint operations facility with the U.S. Army command. The co-located headquarters, due to be completed by 2012, are anticipated to facilitate both greater U.S.-Japan cooperation as well as overall SDF “jointness.”

As part of its effort to improve its own capability as well as work more closely with U.S. forces, Japan has created a joint staff office that puts all the ground, maritime, and air self-defense forces under a single command. Under the previous organization, a joint command was authorized only if operations required multiple service participation, which had never occurred in the SDF’s history. In July 2005, an amendment was made to the law establishing the SDF that required the Joint Chief of Staff to counsel Japan’s defense chief on all SDF operational matters and that all military orders will be given through the JCS in both peacetime and during contingencies. The need for smoother coordination with the U.S. joint command was one of the primary reasons for adopting the new organization.<sup>12</sup>

The 1997 guidelines outlined rear-area support roles that Japanese forces could play to assist U.S. operations the event of a conflict in areas surrounding Japan. The passage of special legislation since 2001 has allowed Japanese forces to take on roles in Iraq and in the Indian Ocean under the category of international peace cooperation activities. Further, SDF participation in operations has led to substantial interaction and cooperation with U.S. forces, from logistics training in Kuwait

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(...continued)

*Platform*. July 12, 2006.

<sup>11</sup> For background on U.S.-Japan missile defense, see CRS Report RL31337, *Japan-U.S. Cooperation on Ballistic Missile Defense: Issues and Prospects*, by Richard P. Cronin.

<sup>12</sup> Noboru Yamaguchi, “U.S. Defense Transformation and Japan’s Defense Policy,” draft of paper prepared for Japan-U.K. Security Cooperation Conference, June 2006.

before dispatching to Iraq to working together on disaster relief operations following the December 2004 tsunami in the Indian Ocean. Bilateral interoperability was also tested in June-July 2006 as North Korea was preparing to test-launch a missile. Ballistic missile defense coordination was carried out again under real threat circumstances during the 2009 North Korean missile launches.

### **Strong Maritime Defense Cooperation**

The Japanese Maritime Self-Defense Forces (MSDF) have particularly strong capabilities and defense cooperation with their U.S. counterparts.<sup>13</sup> U.S. Navy officials have claimed that they have a closer daily relationship with the MSDF than any other navy in the world, with over 100 joint exercises annually. Honed during the Cold War, the U.S. Navy and JMSDF developed strong combined anti-submarine warfare (ASW) cooperation and played a key role in containing the Soviet threat in the Pacific. The services developed joint operations in order to protect key sea lines of communication (SLoCs). The most significant help extended by Japan since 2001 in the support of U.S. operations has come from the MSDF: deployment of an oil tanker and an Aegis destroyer in the Indian Ocean in support of the campaign in Afghanistan, the dispatch of several ships, helicopters, and transport aircraft to assist in disaster relief in the Indian Ocean tsunami, participation in the Proliferation Security Initiative (PSI) multinational exercises,<sup>14</sup> and the deployment of MSDF vessels for antipiracy missions off the coast of Somalia. Similar equipment and shared technology contribute to the strong interoperability between the Japanese and U.S. militaries.

Japanese and U.S. naval officials have some concerns that the overall cost of transforming the alliance will come at the expense of MSDF procurement plans. Priorities for new Aegis ships, submarines, patrol aircraft, and a next-generation helicopter-carrying destroyer may be at risk given the need to trim the overall defense budget and pay for realignment costs.

Operationally, the MSDF faces considerable restrictions. In the past, defense officials have said that it is not clear constitutionally if the MSDF can go beyond Japanese waters, although recent legislation permitting the antipiracy mission has extended the reach of MSDF operations. Earlier in the decade, some restrictions were removed in response to two crises in Japan's waters: the intrusion of a North Korean spy ship in 2001 and the detection of a Chinese submarine in 2004. After the North Korean vessel took the MSDF by surprise, an order was put in place that allowed the MSDF to engage without convening a Japanese Security Council meeting to secure permission; the order was then invoked in response to the submarine sighting.<sup>15</sup> Adjustments to Japan's system of military command indicate a trend toward a more streamlined process, but also highlight the existing gaps in U.S. and Japanese operational doctrine.

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<sup>13</sup> For a discussion on the strategic thinking of the Japan MSDF, see Toshi Yoshihara and James R. Holmes, "Japanese Maritime Thought: If Not Mahan, Who?" *Naval War College Review*: Volume 59; Issue 3. July 1, 2006.

<sup>14</sup> Japan's Coast Guard is the lead agency in the PSI, but a 2004 Diet bill allowed the MSDF to take place in later rounds of the multilateral exercises.

<sup>15</sup> "Suspected Chinese Nuclear Sub Triggers Security Alert in Japan," *The Times*. November 11, 2004.

## **International Peace and Humanitarian Operations**

Because of the dispatch of Japanese troops to Iraq, to Indonesia in the wake of the tsunami, and to several U.N. missions around the world, the SDF has gained experience in peace-keeping, humanitarian relief and reconstruction, and disaster relief operations. Some prominent Japanese defense specialists have argued that non-combat missions—considered more politically acceptable to the Japanese public—are the most promising areas for development.<sup>16</sup> Japan played a leading role in establishing an information sharing center in Singapore that will combat piracy threats in the Strait of Malacca shipping lanes. SDF participation in non-traditional security cooperation activities may prove valuable to the United States: the 2006 U.S. Quadrennial Defense Review (QDR) emphasizes the use of allies to improve the fight against terrorist networks, or to operate in areas where the United States is not welcome.<sup>17</sup>

## **Challenges to a More Robust U.S.-Japan Alliance**

Despite the accomplishment of reaching agreement in the “2+2” talks during the mid-2000s, a variety of challenges—domestic, bilateral, and regional—remain to upgrade the alliance to the extent envisioned in policy documents. This section outlines some of the most prominent operational, budgetary, legal, societal, and geopolitical challenges.

### **Domestic Japanese Factors**

#### **The DPJ's Opposition**

The U.S.-Japan alliance has historically benefited from strong political leadership on both sides of the Pacific. However, Japan is facing a potential political realignment that may have significant implications for the bilateral alliance. Much will depend on the August 30 national elections for Japan's Lower House of Parliament, the more powerful in Japan's bicameral legislature (called the Diet). As of mid-July, the opposition Democratic Party of Japan (DPJ) was leading in most polls. A DPJ takeover of the Lower House would oust the current Aso Cabinet and would amount to a political earthquake. Except for a ten-month period in the 1990s, Japan has been ruled by the conservative-leaning Liberal Democratic Party (LDP) since 1955. Although most members of the DPJ are broadly supportive of the U.S.-Japan alliance and the general thrust of Japanese foreign policy, many features of the alliance may come under greater questioning if the DPJ, which has called for more “equality” with the United States, wins the Lower House. Specifically, the party has:

- opposed the February 2009 U.S.-Japan Guam accord that pledges to implement the transfer of 8,000 U.S. Marines from Okinawa to Guam. The DPJ opposes the associated relocation of U.S. Marine Corps Air Station Futenma to Nago. In April 2009, the DPJ-led Upper House voted against the accord.

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<sup>16</sup> See Noboru Yamaguchi, “Thoughts about the Japan-U.S. Alliance after the Transformation with a Focus on International Peace Cooperation Activities,” *The National Institute of Defense Studies News*. January 2006.

<sup>17</sup> QDR can be found at <http://www.defenselink.mil/pubs/pdfs/QDR20060203.pdf>.



- opposed the SDF deployment to the Indian Ocean to refuel allied ships involved in Operation Enduring Freedom in Afghanistan. (However, the DPJ has reportedly modified its position on the Indian Ocean operation in the run up to the Lower House elections.) Some in the DPJ support the dispatch of civilian and/or noncombat troops to the Afghanistan theater.
- said it would seek to reduce host nation support for U.S. forces stationed in Japan.
- proposed revisions to the U.S.-Japan Status of Forces Agreement (SOFA) in order to make the alliance more “equal.”

It is not clear how much DPJ stances to these initiatives were tactically driven to create obstacles for the LDP, or how some DPJ positions might soften if it becomes the ruling party after August 30.

### **Japanese Budgetary Pressure**

There is concern among U.S. officials that Japan will face severe budgetary constraints to fully implement the “2+2” plans. Japanese leaders are under pressure to stem government spending overall, and many ministries face budget cuts as part of ongoing fiscal reform. According to U.S. defense officials, Japan should expect to pay up to \$20 billion for the realignment costs alone. Japan’s defense budget at \$45 billion is the fifth-largest in the world after the United States (\$421 billion), China (\$63 billion), Russia (\$62 billion) and the United Kingdom (\$51 billion).<sup>18</sup> Defense spending in Japan has traditionally been capped at 1% of GDP; most leaders are wary of surpassing that symbolic benchmark, although the cap is not a law. If costs of the realignment come from the defense budget, some analysts say that Japan’s military could face degraded capability because expensive equipment purchases will have to be forgone. In interviews, U.S. military officials have voiced concerns that the SDF ran the risk of becoming a “hollow force” because of its insufficient procurement system. Funding is also needed from the Japanese in order to increase the amount of joint training with U.S. forces. The government, especially if it is led by the DPJ, may be compelled to cut the amount of host nation support traditionally provided to the United States if the public perceives Japan to be contributing more actively to the alliance. Budget pressure is likely to remain high in Japan due to the demographic reality of an aging and shrinking population with a shortage of workers.

### **Japan’s Constitutional and Legal Constraints**

There are several legal factors that could restrict Japan’s ability to cooperate more robustly with the United States. The most prominent and fundamental is Article 9 of the Japanese constitution, drafted by American officials during the post-war occupation, that outlaws war as a “sovereign right” of Japan and prohibits “the right of belligerency.” It stipulates that “land, sea, and air forces, as well as other war potential will never be maintained.” However, Japan has interpreted this clause to mean that it can maintain a military for self-defense purposes and, since 1991, has allowed the SDF to participate in non-combat roles overseas in a number of U.N. peacekeeping missions and in the U.S.-led coalition in Iraq.

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<sup>18</sup> *U.S. Military Spending vs. the World*, Center for Arms Control and Non-Proliferation, February 6, 2006. Figures are from 2004 or 2005.

The principle of “collective self-defense” is also considered an obstacle to close defense cooperation. The term comes from Article 51 of the U.N. Charter, which provides that member nations may exercise the rights of both individual and collective self-defense if an armed attack occurs. The Japanese government maintains that Japan has the sovereign right to engage in collective self-defense, but a 1960 decision by the Cabinet Legislation Bureau interpreted the constitution to forbid collective actions because it would require considering the defense of other countries, not just the safety of Japan itself. Participation in non-combat logistical operations and rear support of other nations, however, has been considered outside the realm of collective self-defense. Abe had spoken out about the need to reconsider this restriction, but efforts to alter the interpretation stalled after his resignation.

During their deployment to Iraq, the interpretation prevented Japanese forces from defending other nations’ troops.<sup>19</sup> Some Japanese critics have charged that Japanese Aegis destroyers should not use their radar in the vicinity of American warships, as they would not be allowed to respond to an incoming attack. As the United States and Japan increasingly integrate missile defense operation, the ban on collective self-defense also raises questions about how Japanese commanders will gauge whether American forces or Japan itself is being targeted. Under the current interpretation, Japanese forces could not respond if the United States were attacked.

U.S. officials have, over the years, criticized Japan’s legal interpretation of defense policy. In 2004, then U.S. Secretary of State Colin Powell told the press that he supported Japan’s bid to become a permanent member of the U.N. Security Council, but added that “if Japan is going to become a full active member of the Security Council and have the kind of obligations that it would pick up as a member, then Article 9 would have to be examined in that light.”<sup>20</sup> This followed similar comments by former Deputy Secretary of State Richard Armitage; as early as 1997, Armitage stated that “Japan’s self-prohibition on engaging in collective defense no longer is applicable—in fact, it can be harmful.”<sup>21</sup> Visiting Tokyo in November 2007, U.S. Defense Secretary Robert Gates also encouraged Japan to do more to guarantee stability and security in the region.

Despite comments by some high-level U.S. officials, some U.S. alliance managers have reservations about Japan debating Article 9, citing concern that alliance activities could actually be more restricted if the article is narrowly revised and that the current flexibility of interpretation allows for expanded cooperation. U.S. military officials label Article 9 as exerting “strong normative constraints,” making it necessary to proceed incrementally on increased coordination.<sup>22</sup>

## **Local Resistance to Troop Realignment**

Announcement of the details of realignment sparked an outcry from local communities slated to host U.S. troops and facilities.<sup>23</sup> Near the proposed relocation site of the Futenma facility,

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<sup>19</sup> SDF members on overseas missions are not permitted to use weapons if unattended Japanese nationals or foreign troops in a multilateral coalition with Japan come under attack.

<sup>20</sup> “Powell Urges Gov’t to Review Article 9,” *Nikkei Weekly*. August 23, 2004.

<sup>21</sup> Armitage gave this statement in an interview with the Japan Economic Institute in Washington on October 31, 1997. Cited in “Japan-U.S. Military Relationship Adds Muscle,” *Defense News*. May 22, 2006.

<sup>22</sup> These statements were made by U.S. diplomatic and military officials during interviews in Japan in June 2006 conducted by the author of this report.

<sup>23</sup> “Okinawa, Others Unhappy with Japan’s Approval of U.S. Military Realignment Plan,” *BBC Monitoring Asia* (continued...)

protestors staged a lengthy sit-in and blocked the government from carrying out an environmental survey for the proposed runway. A non-binding popular referendum held in Iwakuni, the site of proposed aircraft base relocation, showed that the public overwhelmingly opposed the measure. Local activists in Yokosuka campaigned against the scheduled replacement of a conventional aircraft carrier with a nuclear-powered carrier in the city's port. Although the central Japanese government has achieved some agreements with some local officials, including from local officials in Iwakuni and Yokosuka, the question of how to distribute the burden of hosting the U.S. military in Japan will likely continue to present problems for Tokyo, particularly in Okinawa.

## **Japanese Public Opinion and Rising Nationalism**

Public opinion on defense issues in Japan appears to be shifting somewhat, but the pacifism that characterized post-war Japan remains significant. Whereas in the past, Japanese public opinion strongly supported the limitations placed on the SDF, this opposition has softened considerably since the late 1990s. The Japanese public has expressed ambivalence about the value of Article 9 and the ban on collective self-defense as well. The threat of North Korea, growing trepidation about China's intentions, the fear of international terrorism, and the personal popularity of Koizumi made the Japanese public more accepting of the SDF dispatches to Iraq and elsewhere. Despite these shifts, however, some regional analysts question whether the Japanese public is ready to accept a magnified role for Japan in international security matters.

Many observers have recognized a trend of growing nationalism in Japan, particularly among the younger generation. Some Japanese commentators have suggested that this increasing patriotism could jeopardize closer cooperation with the United States: if Japan feels too reliant on U.S. forces and driven by U.S. priorities, some may assert the need for Japan to develop its own independent capability. A strategist for Japan's largest opposition party criticized Japan's China policy as being overly dependent on the U.S. approach to China, leaving Tokyo with "only a hedge policy, and no core policy" on China.<sup>24</sup> There also remains a deep fear of abandonment by the United States in the Japanese mentality, a fear exacerbated by the shift in U.S. policy toward North Korea in 2007.

## **Bilateral Obstacles**

### **Operational Military Challenges**

Despite plans to establish more joint U.S. and Japanese facilities, achieving true interoperability is a difficult task. Constitutional, legal, and normative constraints limit SDF participation in many of the operations and training that traditionally integrate different national forces. Increasing the sophistication of bilateral training requires funding and facilities, currently under pressure because of the SDF's other requirements. Language barriers, differences in military doctrine, and other factors also present challenges.

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(...continued)

*Pacific*, May 30, 2006.

<sup>24</sup> Kiyoshi Sugawa, in remarks made at a CSIS/Asahi Shimbun Conference entitled: "The U.S.-Japan Alliance in a New Era: Will Strategic Convergence Continue?" October 23, 2006.

## **Difficult Working-Level Negotiation Process**

Despite high-level praise for the alliance's progress forward, many of the U.S. officials involved in the DPRI and "2+2" process describe the negotiations with their Japanese counterparts as onerous and halting. Although strong senior leadership drove major agreements in the early 2000s, some U.S. officials privately characterize the Japanese defense establishment as resistant to change and excessively cautious. Progress can be quickly derailed by press coverage of incidents involving the U.S. military. Further operational coordination will take strong political will, which may be scarce if there is not widespread consensus among all the players involved in the alliance.

## **Regional Concerns**

China and South Korea have voiced concern about plans to bolster the U.S.-Japan alliance, largely grounded in suspicions that Japan will inch toward returning to its pre-1945 militarism. Despite recent improvements in relations, distrust of Tokyo's intentions by its East Asian neighbors limits Japan's strategic flexibility to contribute to regional stability.

## **History Issues**

Most of the tension between Japan and its neighbors focuses on historical grievances, particularly those centered around Japan's behavior during and preceding World War II. The most divisive issue involves the visits of high-level Japanese officials to the Yasukuni Shrine, a Shinto shrine that honors Japanese soldiers who died in war. Those enshrined include several Class A war criminals who were convicted by the International Military Tribunal for the Far East following Japan's defeat in World War II. Koizumi's annual visits incensed Chinese and South Korean leaders and chilled relations. Subsequent Japanese leaders have largely avoided visits to the shrine, thereby contributing to the uptick in relations with Seoul and Beijing. However, history issues have not been completely settled and many analysts anticipate that they will surface again.

Other history-related disputes involve Japan's depiction of its involvement in World War II in history textbooks for school children. China and the Koreas feel that the texts downplay the atrocities committed by Japanese soldiers against civilian populations. Seoul has claimed that Japan is legally responsible for compensating thousands of South Korean "comfort women," (women forced to provide sex for Japanese soldiers during World War II) and that consideration of the women was excluded from the agreements that established diplomatic relations. China successfully demanded payment for damage caused by chemical weapons abandoned by the Japanese imperial army on Chinese territory.

## **Territorial Disputes**

Territorial disputes—at times heated—have aggravated Japan's relations with China and South Korea. Seoul and Tokyo have sparred over the ownership of two islets in the Sea of Japan referred to as the Liancourt Rocks (known as Dokdo in Korean and Takeshima in Japanese). In April 2006, some observers thought a military confrontation was possible when Japan's Coast Guard sent ships to survey the islands and South Korea sent armed vessels in response. A few days of bad weather and a diplomatic compromise defused the standoff, but the fundamental question of ownership has not been resolved. Beijing and Tokyo also have faced a series of confrontations over the territorial rights of areas in the East China Sea, which is potentially rich in

oil and gas reserves.<sup>25</sup> Japan considers the area surrounding a group of islands (known as the Senkakus to the Japanese and Diaoyu to the Chinese) to be part of its Exclusive Economic Zone (EEZ). The SDF has detected periodic Chinese military activities in the area, including a submarine incursion in 2004 close to Okinawa and a fleet of warships near a disputed gas field in 2005.

Although Japan has held talks with South Korea and China on the disputed territories and no military crisis appears imminent, such tensions are of concern for the United States because of its treaty obligations to protect Japan. U.S. and Japanese officials have given mixed answers when questioned about whether the U.S. military would engage if armed conflict were to occur over one of the territories in question. Former Deputy Secretary of State Richard Armitage asserted that the U.S.-Japan treaty extends to the Senkaku Islands,<sup>26</sup> but official guidance from the Departments of State and Defense declare that the U.S. government does not take a position on the question of sovereignty of the islands.

## Issues for U.S. Policy

### Diplomatic Divergences with Japan

After converging for several years, some U.S. and Japanese national security interests are not as closely aligned. Until 2007, similar views on North Korea and the global war on terrorism, as well as the personal chemistry between Koizumi and Bush, facilitated agreements to strengthen the alliance. Actual and potential political differences, however, could derail efforts to build a more sound security relationship. Although ties remain strong fundamentally, the Bush Administration shift on North Korean nuclear negotiations, the July 2007 House resolution criticizing the Japanese government for past “comfort women” policies, and the apparent decision not to consider exporting the F-22 to Japan may have somewhat shaken Japanese confidence in the robustness of the alliance over the past two years.<sup>27</sup> Partly in response to these concerns, the Obama Administration has reiterated to Tokyo that the bilateral alliance remains the “cornerstone” of the U.S. strategic commitment to Asia.

Other potential differences remain as well. Iran, upon which Japan depends heavily to meet its energy needs, and Burma, with which Japan has normalized relations, are examples of states that the United States has worked to ostracize; public differences on these and other foreign policy issues could at some point degrade the strong relations between Tokyo and Washington. In the 1980s and 1990s, differences over trade policies frayed bilateral ties; echoes of the old disputes

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<sup>25</sup> For more, see CRS Report RL31183, *China’s Maritime Territorial Claims: Implications for U.S. Interests*, by Kerry Dumbaugh, et al.

<sup>26</sup> Remarks and Q&A at the Japan National Press Club, February 2, 2004.

<sup>27</sup> For more information on the “comfort women” resolution, see CRS Report RL33436, *Japan-U.S. Relations: Issues for Congress*. As of mid-July 2009, increased production of F-22 Raptors, including a measure to explore possible F-22 sales to Japan, appears in question. President Obama has threatened to veto any defense spending bill that includes additional funds for F-22 production. On July 21, 2009, the Senate passed (58-40, Record Vote Number: 235) an amendment (S.Amdt. 1469) to the FY2010 National Defense Authorization Act (S. 1390), that eliminates funding for additional F-22 aircraft production. The House version of the defense authorization bill (H.R. 2647), however, allocates \$369 million for additional F-22 parts. A final decision on F-22 spending will take place when the House-Senate conference completes the FY2010 defense spending bill later this year. For more background information on the possible F-22 sale to Japan, see CRS Report RS22684, *Potential F-22 Raptor Export to Japan*.

were heard in Japan's ban on importing U.S. beef because of mad cow disease fears from December 2003-July 2006. Some members of Congress have indicated concern with Japan's treatment of World War II history issues, particularly the comfort women controversy and the depiction of the conflict in the Yushukan museum adjacent to the Yasukuni Shrine.<sup>28</sup> Others have at various times voiced frustration with Japan's agricultural protectionism, stalled economic reform efforts, and alleged currency manipulation.

## **Managing China's Rise**

Although the U.S.-Japan security partnership grew out of a need to contain the Soviet Union and has endured in large part because of North Korea's threat, many analysts see countering China as the primary driver of the campaign to enhance cooperation today. The U.S. approach to rising China is often characterized by observers as having two prongs that roughly correspond to the "engagement" and "containment" camps. The "engagement" approach includes the "responsible stakeholder" concept outlined most prominently by former Deputy Secretary of State Robert Zoellick, which aims to convince Beijing to contribute peacefully to the international system that has allowed its economic and political rise. The "containment" aspect of U.S. policy seeks to counter a China that could develop in ways inimical to U.S. interests. The U.S.-Japan alliance plays a role in both approaches. In the former, Japan could serve as a model of responsible multilateral engagement as well as a key economic partner for China in the region. In the latter, enhanced joint defense capabilities from neighboring Japan could deter any aggressive behavior by China's military. U.S. forward deployment in Japan plays a particularly important role in contingency strategies for a conflict with China over Taiwan.<sup>29</sup>

## **Challenges for the U.S.-South Korean Alliance**

As U.S.-Japan security ties have strengthened, the U.S.-South Korea alliance has undergone transition that some regional observers see as an indication of a weakened partnership. As part of the global repositioning of the U.S. military, the number of troops stationed in South Korea is falling from 37,000 in 2003 to 25,000 by September 2008 and a U.S. infantry division has relocated from the demilitarized zone (DMZ) on the border with North Korea to south of Seoul. In addition, alliance officials are discussing a timeline for changing the current unified military command into separate U.S. and South Korean commands. Prospects for the alliance brightened, however, with the U.S. shift in approach to North Korea, as well as the election of Lee Myung-bak in December 2007, who is perceived to be more friendly to the U.S. alliance than his predecessor Roh Moo-hyun.

## **East Asia's Nuclear Future**

Many regional experts fear that North Korea's nuclear tests in October 2006 and May 2009 could stimulate an arms race in the region. Although most commentators think that it is unlikely that

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<sup>28</sup> Former Chairman of the House International Relations Committee Henry Hyde convened a hearing on Japan's "history problem" and suggested in a letter to then-Speaker Dennis Hastert that Prime Minister Koizumi should not address a joint session of Congress unless he pledged to stop visiting Yasukuni Shrine. Source: "US Lawmaker Concerned About Japan PM Shrine Visits," *Reuters News*. May 17, 2006.

<sup>29</sup> For more information, see CRS Report RL33153, *China Naval Modernization: Implications for U.S. Navy Capabilities—Background and Issues for Congress*, by Ronald O'Rourke.

Japan would abandon its commitment to nuclear non-proliferation, the strategic implications for the United States and the region could be weighty. Some analysts predict that a Japanese nuclear weapons program could inspire South Korea and Taiwan to develop their own nuclear capability, which may in turn convince China to significantly add to its existing arsenal. Most nonproliferation experts believe that Japan, using existing but safeguarded stocks of plutonium, could quickly manufacture a nuclear arsenal.

Japan is not likely to move forward precipitously with nuclear weapons development.<sup>30</sup> Japan has abided by the self-imposed “three non-nuclear principles,” which ban the possession, production, or import of nuclear arms. With memories of Hiroshima and Nagasaki still vivid, the Japanese public remains largely resistant to arming themselves with nuclear weapons. Many Tokyo strategists may recognize that “going nuclear” could actually undermine their security by further eroding the global nonproliferation regime and reinforcing mistrust in the region. Under the terms of the U.S.-Japan alliance, Japan remains protected under the “nuclear umbrella.” Following the 2006 North Korea nuclear test, then-Secretary of State Condoleezza Rice reiterated the firm U.S. commitment to defend Japan and South Korea against any threat from North Korea. Former Foreign Minister Taro Aso had called for a discussion on developing nuclear weapons, but he and then-Prime Minister Abe later both reiterated that Japan had no intention of doing so. The May 2009 North Korea nuclear test has similarly failed to change Japan’s three principles on nuclear armaments.

## **Options for U.S. Policymakers**

The dynamic security landscape and the range of U.S. interests in East Asia demand that policymakers carefully consider their priorities as the U.S.-Japan alliance evolves. Below is a range of options, many of them non-exclusive, that U.S. policymakers could pursue to protect American security interests in the Asia-Pacific.

### **Press Japan to Strengthen its Military**

Some military strategists see Japan’s well-funded military as a key asset in managing or hedging against a rising China. These advocates argue that Japan’s development into a more assertive military force could counter China’s ongoing military modernization. Key assets that may counter Chinese military modernization include enhanced missile defense, maritime surveillance, and anti-submarine warfare capabilities. If U.S. planners felt the threat from China intensify, U.S. officials could push Japan to move forward further by exceeding the 1% threshold in defense spending, stepping up training to respond to possible conflicts with China, and developing nuclear weapons. Critics of this policy point out the potential for inadvertent conflict through a classic security dilemma scenario: if China feels acutely threatened by Japanese advancements, political tension could escalate into armed conflict in a moment of crisis.

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<sup>30</sup> For a discussion of the politics of the nuclear debate, see Andrew L. Oros, “Godzilla’s Return: The New Nuclear Politics in an Insecure Japan,” *Japan’s Nuclear Option: Security, Politics, and Policy in the 21<sup>st</sup> Century*. Henry L. Stimson Center, 2003.

## **Reduce the U.S. Military Presence in Japan**

Some analysts argue that the Cold War formula for the U.S.-Japan alliance is outdated and that the forward presence of 53,000 U.S. troops is an unnecessary burden to the U.S. military. They assert that Japan has the resources to develop into a more autonomous defense force and could cooperate with the U.S. military in areas of mutual concern on a more limited, “normal” country-to-country basis. Further, advocates argue that the eventual withdrawal of U.S. forces from Japanese soil could cement a more durable strategic partnership than the current configuration.<sup>31</sup> Opponents of this strategy argue that the large-scale U.S. military presence is necessary in a region with simmering tension and the rise of China, a power that may challenge U.S. hegemony in Asia. Some military experts argue that reducing the number of Marines stationed in Japan, while maintaining air and sea assets, could reduce some of the burden on local communities and still maintain a strong U.S. deterrence in the region.

## **Encourage SDF to Focus on Humanitarian and Peace Operations**

To deflect regional concerns that Japan is remilitarizing, the SDF could focus its activities largely on humanitarian and reconstruction activities. Japan already has participated in several international peace-keeping missions, as well as contributed to disaster relief efforts and antipiracy missions in the Gulf of Aden. U.N. endorsement of humanitarian operations makes SDF dispatches more palatable for both the Japanese public and other nations. Japanese policymakers drew upon U.N. resolutions to justify Japan’s participation in operations in Afghanistan and Iraq. The United States could encourage such participation by offering specific training for SDF troops; for example, Japanese defense officials have expressed interest in learning more about disaster relief from the U.S. military. Utilizing non-military assets, such as the Coast Guard instead of the MSDF, could reduce the concern about Japan exceeding its self-defense framework. Washington could also benefit from the presence of Japanese troops in areas where U.S. troops are not welcome; the 2006 Pew Global Attitudes Project showed that Japan was one of the world’s most favorably-viewed states as the U.S. image worldwide slipped at the time.<sup>32</sup>

To encourage Japan to play a more active role in international operations, the United States could advance its support for Japan’s bid to become a permanent member of the U.N. Security Council (UNSC). Although the Bush Administration backed Japan, it did not support the so called “G-4 proposal,” which would grant a non-veto UNSC membership to Germany, India, and Brazil. China, a permanent member of the UNSC, and South Korea also voiced opposition to Japan’s bid. The Obama Administration has so far held off declaring its position on the matter. However, Washington would likely need to extend strong diplomatic pressure to secure sufficient support from other nations. Several Members of Congress have also spoken out in favor of Japan’s bid. Japan pays more than 20% of the U.N. regular budget, the second-largest contribution.

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<sup>31</sup> See Christopher Preble, “Two Normal Countries: Rethinking the U.S.-Japan Strategic Relationship,” *Cato Institute Policy Analysis*. April 2006.

<sup>32</sup> Full Pew Global Attitude Project results can be found at <http://pewglobal.org/reports/display.php?PageID=824>.



## **Develop Multilateral Defense Cooperation**

For more traditional military operations and training, particularly in East Asia, the development of multilateral cooperation among the United States, Japan, and other regional allies may help assuage concerns about Japan's growing capabilities.<sup>33</sup> If historical and political tension can be overcome, security cooperation with the South Korean military may be particularly productive given the two countries geographical proximity, common security concerns, and shared democratic values. Some analysts have suggested reviving the Trilateral Coordination and Oversight Group (TCOG),<sup>34</sup> established in 1998 by Defense Secretary William Perry, to draw South Korea and Japan into dialogue on mutual issues of concern.<sup>35</sup> Other U.S. defense partners in the region—Australia, Thailand, Singapore, the Philippines, and, potentially, India—may also be interested in developing security ties with Japan if the United States provides cooperative frameworks. Multilateral exercises, such as the annual Cobra Gold exercise in Thailand, provide a possible arena for SDF forces to become more integrated into regional defense cooperation.

Some have suggested that military engagement with China could help ease regional tensions.<sup>36</sup> Admiral Timothy Keating, commander of U.S. forces in Asia and the Pacific, has been a proponent of renewed U.S. military ties with Beijing, with a particular focus on joint exercises in humanitarian operations. After a long hiatus because of political tensions among the capitals, in 2007 Japan and China resumed military-to-military ties with meetings of defense ministers and a Chinese naval port visit, the first since World War II. In July 2009, the JMSDF chief of staff visited Beijing for a first-of-its-kind meeting with his counterparts in the Chinese military.

## **Create a Northeast Asia Security Forum**

The February 2007 Six-Party Talks agreement includes the establishment of a working group to create a Northeast Asia peace and security mechanism. Although the Six-Party Talks are currently suspended, analysts say that such a forum could resolve outstanding territorial concerns, establish cooperation in fields like energy security, and ease the distrust that has characterized post-World War II relations. U.S. leadership would likely be crucial to forming such a mechanism. Some experts argue that such a regional organization could allow Japan to follow the example of Germany's reintegration into Europe.<sup>37</sup> To China, American leadership of a NATO-like organization in East Asia could help the United States regain its reputation as the "cork in the bottle" that prevents Asian hostilities from flaring up, as opposed to a view within some circles in Beijing that the United States is helping Japan to remilitarize.

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<sup>33</sup> For more information, see CRS Report RL34312, *Emerging Trends in the Security Architecture in Asia: Bilateral and Multilateral Ties Among the United States, Japan, Australia, and India*, by Emma Chanlett-Avery and Bruce Vaughn.

<sup>34</sup> Balbina Hwang, "Rice's Trip to Asia: Seeking Coordination on North Korea," Heritage Foundation WebMemo #787. July 8, 2005.

<sup>35</sup> Secretary Rice convened a trilateral meeting with her Japanese and South Korean counterparts in October 2006, the first trilateral meeting in over three years.

<sup>36</sup> For more information, see CRS Report RL32496, *U.S.-China Military Contacts: Issues for Congress*, by Shirley A. Kan.

<sup>37</sup> Ikenberry, G. John, "Japan's History Problem," *The Washington Post*. August 17, 2006.

## Conclusion

Expanding the U.S.-Japan defense relationship is an appealing option for strengthening U.S. security for many reasons. Japan's powerful economy and developed democratic system make it a natural and stable partner for the United States and its well-funded military can complement U.S. defense capabilities. Since the late 1990s, strategic interests in Washington and Tokyo appeared to converge on countering the threat from North Korea and hedging against China's growing influence. Bush and Koizumi's leadership and strong personal rapport pushed forward unprecedented agreements on bilateral cooperation. Military support for U.S.-led operations in Afghanistan and Iraq reinforced the notion that the alliance had developed a global reach.

Despite these advances, political developments since then may have decelerated the progress. Political turmoil in Tokyo and shifting policy approaches toward North Korea in Washington challenge the robustness of the alliance. In the short- to medium-term, some observers predict a period of downturn for U.S.-Japan relations. The experience may serve as a cautionary tale to those who saw the alliance changes as a major re-tooling of the strategic relationship.

In the longer-term, the United States must also pay heed to regional dynamics. Japan's increased assertiveness unnerved China and South Korea. In the face of regional tension, the challenge for the United States is to take advantage of strong defense cooperation with Japan without reinforcing the notion among some that Japan is remilitarizing in a way that destabilizes the region. Transforming the U.S.-Japan alliance brings the promise of delivering a stalwart and capable ally closely integrated with U.S. forces. However, closely aligning American priorities with Japan in a region with widespread unease about Japan's past behavior could limit U.S. diplomatic flexibility. Realizing the stated goals for the alliance will require not only sustained management of U.S.-Japan bilateral concerns but also careful attention to regional security dynamics as well.

Figure 2. Map of Japan and Surrounding Countries



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