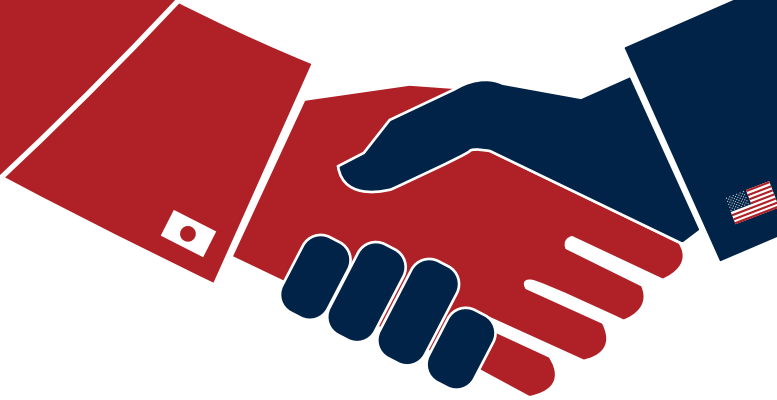


James L. Schoff



UNCOMMON
ALLIANCE
for the
COMMON
GOOD



The United States
and Japan After
the Cold War

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As an editorial note, Japanese names in the text are written in the Western convention, with the family name appearing second.

LIST OF ACRONYMS AND ABBREVIATIONS

ACM	Alliance coordination mechanism
ADB	Asian Development Bank
AI	Artificial intelligence
AIIB	Asia Infrastructure Investment Bank
APEC	Asia-Pacific Economic Cooperation
ASEAN	Association of Southeast Asian Nations
ATLA	Acquisition, Technology, Logistics Agency
BCM	Bilateral coordination mechanism
BISC	Bilateral Information Security Consultations
CFP	Common Fisheries Policy
DPJ	Democratic Party of Japan
DPRI	Defense Policy Review Initiative
DTT	Defense Trilateral Talks

EAS	East Asia Summit
EASR	East Asia Strategy Report
EEZ	Exclusive economic zone
EU	European Union
FAO	UN Food and Agriculture Organization
FDI	Foreign direct investment
GDP	Gross domestic product
GNP	Gross national product
G7	Group of 7 nations
G20	Group of 20 nations
IAEA	International Atomic Energy Agency
IMF	International Monetary Fund
ISR	Intelligence, surveillance, and reconnaissance
JDA	Japan Defense Agency
JICA	Japan International Cooperation Agency
JSP	Japan Socialist Party
LDP	Liberal Democratic Party
METI	Ministry of Economy, Trade, and Industry
MITI	Ministry of International Trade and Industry
MOD	Ministry of Defense
MOFA	Ministry of Foreign Affairs
MOSS	Market-oriented, sector-selective talks
NAFTA	North American Free Trade Agreement
NATO	North Atlantic Treaty Organization
NDPG	National Defense Program Guideline
NIC	National Intelligence Council
NISC	National Center of Incident Readiness and Strategy for Cybersecurity

NSC	National Security Council
OECD	Organization for Economic Cooperation and Development
PACOM	Pacific Command
PKF	Peacekeeping force
PKO	Peacekeeping operation
PPP	Purchasing power parity
PSI	Proliferation Security Initiative
RMC	Roles, missions, and capabilities
ROK	Republic of Korea, South Korea
SACO	Special Action Committee on Okinawa
SCC	Security Consultative Committee
SDCF	Security and Defense Cooperation Forum
SDF	Self-Defense Forces
SIASJ	Situations in areas surrounding Japan
SMA	Special measures agreements
SOFA	Status of Forces Agreement
SSC	Security Subcommittee
TPP	Trans-Pacific Partnership agreement
UN	United Nations
UNC	United Nations Command
UNDP	UN Development Program
UNPCC	UN Peace Cooperation Corps
UNTAC	UN Transitional Authority in Cambodia
USAID	U.S. Agency for International Development
USFJ	U.S. Forces Japan
USTR	U.S. Trade Representative
WTO	World Trade Organization

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SUMMARY

THE THREE DECADE-OLD U.S.-Japan alliance faced a major turning point in 1990, as the Cold War wound down and a central pillar of the relationship—containment of the Soviet Union—began to fall away just as bilateral trade competition was peaking. Despite this, the allies deepened security cooperation throughout the next quarter century, in addition to broadening collaboration in economics, technology, and diplomacy. At the current juncture of global uncertainty and diversified threats to prosperity, the allies should work to incorporate their full range of cooperation in more direct service of comprehensive national strategies, recognizing the unique ways that their alliance supports global stability and serves mutual interests. The start of a new U.S. administration is an opportune time to recalibrate alliance interaction to keep it relevant and productive.

PRESSURES AFTER THE COLD WAR

- Broadly speaking, Washington and Tokyo seek stability, openness, and access around the world, with access defined as an ability to secure the first two goals, particularly in the Asia-Pacific region. Their post-Cold War vision for the alliance combines hard security cooperation—bilaterally and with others—with a wide range of coordinated economic, technology, and diplomatic activities to support these basic objectives.

- In the wake of the Gulf War, both countries desired greater Japanese contributions to global security, reinforced later by North Korea's nuclear development and China's military modernization. The growing threat from terrorist networks in fragile states was another prompt for what became Japan's steady series of legal changes to allow its armed forces to participate in a wider range of overseas missions and to provide more robust national defense. The alliance is better able to respond to potential crises, but Japan has little room left to expand military engagement under its current constitution.
- The United States and Japan have also collaborated to try preventing security and economic challenges before they manifest, through infrastructure investment in the Asia-Pacific region, development assistance, support for global healthcare and the environment, and promoting good governance and institution building. While useful, most of these grand alliance endeavors have devolved into a collection of disjointed programs with only marginal strategic impact.
- Meanwhile, the acceleration of globalization is increasing pressure on what has been a productive and open international system for managing economic and diplomatic affairs since the end of World War II, a system the allies pushed to expand in the post-Cold War era through various trade, finance, and technology standardization initiatives.
- China's future economic and political evolution is one of the most consequential variables for the allies, but even though the U.S. and Japanese relationships with China feature strong economic interdependence and growing areas of common interest, there are still frequent instances of zero-sum competition, limited mutual trust, and conflicting world views that hinder collaboration and provide dry tinder for a destructive clash.
- One way for the allies to balance China positively is to help build a strong, stable, and prosperous Southeast Asia along China's periphery that is relatively open and able to cooperate effectively to protect shared interests. The purpose is not to contain China or minimize Chinese influence in Southeast Asia but to foster the growth of a region where outside nations have equal access and vital resources are protected sustainably.

STEPS FOR THE ALLIES IN 2017 AND BEYOND

- Conduct a five-step alliance strategy consultation early in the Donald Trump administration that combines top-down strategic direction on common priorities with bottom-up interagency discussions to effectively bridge the gap between alliance vision and coordinated action in the field.
- Put China policy and support for balanced development in Southeast Asia at the top of the allies' consultation agenda, followed by use of trilateral diplomacy to coordinate containment of the North Korean nuclear threat and support multilateral cooperation

for common interests in the Asia region. Environmental protection and fisheries management in the South China Sea could be a productive focus for sustained and strategic engagement.

- Patiently but ambitiously implement the 2015 defense guidelines, a process that began in 2016 but will require multiple years of planning, training, and tinkering by the allies to make the most of new opportunities for more integrated security cooperation. North Korea and East China Sea contingencies should be the primary focus in the near term.
- Reinvigorate engagement among the governments of Japan, the United States, and Okinawa to pursue additional measures for U.S. military footprint and overall impact reduction over the long term for political sustainability, even as the allies move forward with current plans for reduction and relocation of U.S. Marines stationed there.
- Elevate one or two areas of strategically important science and technology collaboration for more significant and sustained investment by the allies, not only from a technical perspective but also in terms of associated policy development at a global level. The field of artificial intelligence is a good candidate, given how impactful and potentially disruptive this technology could be in economics, politics, and security.

INTRODUCTION

A LITTLE MORE than a quarter century has passed since the Cold War ended. At that time, Germans tore apart the Berlin Wall, the Soviet Union imploded, and a broad-based geopolitical reality around which governments had oriented their foreign policy for decades suddenly changed. Amid this great transition the leaders of the United States and Japan resolved in January 1992 to create “a Global Partnership . . . to help build a just, peaceful and prosperous world and to meet the challenges of the twenty-first century.”¹ I had the vantage point then of a graduate student in Washington, DC, studying U.S.-Japan relations while working part-time at an international trade law firm, after three years living in Japan and elsewhere in Asia. One of my first class assignments was to assess the significance of this bold, global partnership announcement by then president George H. W. Bush and prime minister Kiichi Miyazawa, to consider its potential to assist the developing world, protect the global environment, and otherwise expand the scope of alliance collaboration beyond its defense and trade foundation.

As someone who saw strong mutual value in the alliance, it seemed to me a natural and productive step in providing new purpose for bilateral cooperation beyond the traditional grand bargain that offered an affordable U.S. military presence in the region in exchange for ensuring regional stability and Japan’s protection. Little did I understand at the time that it would take about twenty-five years for the United States and Japan to be truly ready to launch an effective global partnership that serves the strategic interests of both countries

and the global commons. This manuscript is a story about why it took so long, what has been accomplished in the meantime, and how the allies can make the most of this delayed opportunity for a better future in the face of new geopolitical challenges and political change in the United States.

It was the collapse of the Berlin Wall in late 1989 that prompted me to leave my tropical Pacific lifestyle in Saipan, where I enjoyed a ridiculously easy job of marketing the nearby island getaway to Japanese tourists flush with gains from a bubble economy and strengthening yen. For me, it was the right job at the wrong time. Prospects for the United States and the future of the world were poised to change from these historic events, I believed, and I wanted to be a part of this transition (even if it meant giving up swims along the coral reefs before breakfast).

The end of the Cold War was a major turning point for many countries, no less so for the U.S.-Japan alliance. Japan was a potentially powerful partner for Washington in addressing a variety of global challenges that had been overshadowed or twisted by Cold War politics. These included poverty, weak political and economic development across different regions, environmental degradation, disease, illegal weapon and drug trafficking, and fossil-fuel dependency, among others. The nonmilitary nature of these challenges offered new ways for Japan to be a bigger global player, and I aimed to make a contribution to my own country by helping it collaborate with Japan on these shared interests.

What I found in Washington, however, was a complex (and often contradictory) intermingling of partnership and competition within the alliance. Trust and suspicion existed side by side, along with mutual appreciation and resentment, and there were significant gaps in how the two countries perceived and prioritized various global challenges. Cooperation was still useful, but it always seemed to fall short of its initial promise, and it gradually faded in importance under the bright light of bilateral “trade wars,” the Asian financial crisis, and counterterrorism needs. Moreover, Washington’s enthusiasm for Japan’s new global reach ebbed quickly following the nation’s underwhelming personnel contributions to the Gulf War and its economic stagnation after Japan’s asset bubble burst in the early 1990s. Japan started that decade as the world’s largest foreign aid donor, for example, but it steadily slipped and currently ranks fifth.² The new agreement, the U.S.-Japan Global Partnership Plan of Action of 1992, sputtered out of the gate and never gained momentum.³

U.S. fortunes have also shifted since the Cold War’s end, starting with unparalleled military preeminence in the world coupled with steady economic growth averaging 3.8 percent from 1992 to 2000 (and declining budget deficits), but being followed by a decade with less than half that average growth, rising government deficits, and costly and inconclusive wars overseas. Washington has been obsessed with combating terrorism since the dawn of the new century, after the 2001 attacks in New York and on the Pentagon, and the continuing threat will weigh heavily on U.S. strategic thinking for years to come.

National security became increasingly important to Japan as well, given China's military expansion and North Korea's nuclear weapon and missile development. These kinds of traditional security issues have come to dominate high-level U.S.-Japan government consultations ever since conflict with North Korea nearly erupted in 1994. In many ways, security-alliance strengthening has been the dominant theme of U.S.-Japan relations in the post-Cold War era, and it became an important feature of the U.S. "rebalance to Asia" under the administration of former president Barack Obama.⁴

But here, too, a gap has opened up in the alliance on the security front. Washington, hoping to ease its own burden, is encouraging Japan to become a more capable and proactive partner in coalitions to maintain global stability, while Tokyo mainly wants to ensure national defense from growing threats at relatively low financial and political costs. These are not insignificant and include allowing the United States flexible use of bases in the country, providing substantial host-nation support, and standing together with the United States in countries like Iraq and Afghanistan. But the overall purpose of accepting these costs is arguably the preservation of national security and deterrence credibility, as underwritten by U.S. economic and military power, and continued access to America's top leadership.⁵ Tokyo sees these contributions as the most it can do, while Washington often sees them as the least Japan can contribute, given the benefits it receives from the alliance.

Thus while each country views the other as critical for its own national security and for global welfare, the stakes today are much higher than they were a quarter century ago, given North Korea's nuclear weapons and China's rise, and each country is vigilant for any sign of wavering by its partner. At the same time, however, U.S. and Japanese economic interests have aligned like never before, evidenced by their agreement on the equivalent of a bilateral free trade relationship within the framework of the Trans-Pacific Partnership (TPP) arrangement, even if Congress failed to approve the overall multilateral deal in 2016. Shared strategic interests have also brought them closer together in a wide variety of meaningful and cooperative initiatives, carried out bilaterally and in collaboration with other countries.

Some of these initiatives—such as the Extended Deterrence Dialogue launched in 2010, the new Guidelines for U.S.-Japan Defense Cooperation (also known simply as the defense guidelines) finalized in 2015, and trilateral information sharing and military-training agreements that the allies concluded with South Korea and Australia—continue the theme of security-alliance strengthening noted above. Others echo the allies' post-Cold War ideals and strategy of applying alliance resources to nonsecurity cooperation (or at least to nontraditional security issues).

For example, in 2010 the two nations established a Dialogue on the Internet Economy through which they began to formulate common positions on cybersecurity and data privacy issues. In 2014 they opened the U.S.-Japan Development Dialogue, reaffirming

their commitment to supporting the developing world in a collaborative way, and they have also coordinated efforts to boost maritime surveillance capacity building in Southeast Asia. Still, abandonment fears persist in Tokyo and require constant U.S. reassurance, while Washington keeps pushing for Japanese contributions to help address a wider range of global problems, including security challenges in the Middle East.

An underlying U.S. policy assumption since the Cold War's end is that Japan will continue to expand its military contributions to the alliance in meaningful ways over time, and the U.S. government has made significant efforts to support this objective. Japan has largely delivered in incremental steps, but always after contentious political debate and with results far less dramatic than initial ambitions. Meanwhile, grand alliance initiatives on economic, diplomatic, and environmental issues, such as the Global Partnership or the Common Agenda of the 1990s, have been overshadowed by the security focus, and they have devolved into a disjointed list of cooperative initiatives with marginal political commitment and strategic impact.⁶ The result appears to be unfulfilled hope on the security front and an underdeveloped diplomatic and economic policy agenda for cooperation.

Are U.S. expectations of Japan too high for more substantive security collaboration going forward? Scholars and policymakers have debated this question for years, but we should revisit it again as the modern age of globalization appears to be intensifying certain security challenges and broadening their impact. Even as conservatives in Japan regained political control via a December 2012 election with an agenda for bolstering defense and loosening post–World War II legal constraints, accomplished in part via new security legislation in 2015, structural societal and political factors may limit Japan's actions in the near to midterm. The new U.S. administration of Donald J. Trump will want to take advantage of these security cooperation opportunities as efficiently as possible without pushing too hard in unproductive areas. It will need to consider quickly where best to invest in the alliance.

The U.S. interagency policymaking process vis-à-vis Japan often operates with an overweighted defense bias, which can hinder development of a more comprehensive strategy for the alliance. Both U.S. and Japanese policymakers tend to underappreciate Japan's potential to be a valuable enabler of foreign policy initiatives that serve shared interests, usually because they do not have time to assess past efforts or to fully consider current synergies that could support broader strategic objectives. Of course, the strategic payoff for these kinds of foreign aid, infrastructure development, and related initiatives often defy short-term evaluation, and they often become less efficient when more players are involved, so the default focus comes back to traditional security.

Still, if Washington does inflate expectations for traditional security components of its alliance with Japan and puts most of its alliance effort in the military area, this could be pushing its alliance policy out of productive balance. Consequently, the United States might

be underinvesting in regional economic and diplomatic cooperation, where better use of Japan's nonmilitary strengths could yield higher returns for both U.S. and Japanese policy objectives in the long run, particularly in South and Southeast Asia. Reallocating resources and attention, however, is a complex issue and must be thought through carefully.

Investment in the alliance can take many different forms. One example is the financial cost of maintaining some 50,000 U.S. military personnel in Japan. Just as important an investment is the political capital required to sustain that presence, sometimes in the face of local opposition and especially in Okinawa Prefecture. Beyond these traditional measures, alliance investment can also be gauged by how much time U.S. leadership in the government and military allocates to Japan issues, as well as the number and level of government personnel dedicated to U.S.-Japan initiatives. The structure of alliance dialogue and bilateral meeting agendas, as well as the crafting of the precious few lines that address Japan in official speeches and strategy documents, also give insight into how the United States evaluates its relationship with Japan.

As U.S. and Japanese policymakers look to strengthen the alliance and implement new bilateral defense guidelines, they need to think strategically and consider what kinds of additional investments will have the biggest long-term impact in support of their interests. In particular, their strategic assessment needs to be as forward looking as possible and include both traditional and nontraditional security considerations. Too much focus on traditional security aspects of the alliance (that is, those designed to address problems downstream, after they have emerged) might not provide the best return in the medium to long term. Instead, a more balanced effort channeling increased bilateral energy into strategic challenges further upstream through select foreign policy initiatives could pay valuable dividends in today's world. At least, this is what two years' working on Japan and Korea alliance cooperation issues in the Office of the Secretary of Defense impressed on me, reinforced by my subsequent research.

Japan will remain a critical ally for the United States, but that does not mean the recent U.S. strategy for leveraging the alliance—one that allows security issues to dominate and promotes a more assertive Japanese military role in the world—is the best way to protect U.S. policy interests. This report tests U.S. assumptions and examines options for the most productive balance within the U.S.-Japan relationship that can broaden alliance cooperation but still preserve its vital deterrence role and reassure Tokyo. The point is not to subtract from current security cooperation, which remains vital to maintaining regional stability and mutual prosperity, but rather to better prepare for emerging threats by expanding security cooperation with Japan to include other nations and by bolstering other (nonsecurity) areas of bilateral collaboration.

The first part of this report explores the post-Cold War evolution of the U.S.-Japan alliance, including how policymakers in both countries have tried to reorient its purpose and adapt

to changing geopolitical and global economic developments, within the confines of domestic politics. It has been a remarkable journey that produced a much more capable alliance despite losing its original reason for being. I am especially interested in what this experience reveals about whether Japan can (or will) become a more direct contributor to multilateral security coalitions along the lines of Washington's expectations, because it is a determining factor in the success of any alliance strategy that assumes Japan will become a more normal military power. This basic question has been studied by numerous historians, sociologists, and political scientists with no clear answer to date, but in these pages I look for clues by examining Japan's track record since the Gulf War and analyzing current trends.

The second part considers the prospects for alliance strengthening in nonsecurity (or nontraditional security) arenas, explaining in more detail the concept of upstream versus downstream alliance collaboration and how this might complement more-traditional defense cooperation for today's world. The complexity of security interests within the constantly evolving process of globalization is an important dynamic in this regard. This part of the report also includes a detailed look at a few initiatives that are potential upstream candidates, such as broader foreign policy cooperation along China's periphery in Southeast Asia, expanded use of trilateralism in the region, and certain technology initiatives—as a way to assess the relative merits of allocating more alliance resources in these areas. After all, the United States and Japan already cooperate in a variety of nonsecurity areas throughout the Asia-Pacific, and rebalancing alliance investment only makes sense if some kind of higher-level bilateral collaboration in particular areas has a reasonable chance of providing an improved return.

Consistent with this theme of investment, it can be useful to think about the U.S.-Japan relationship as a strategic alliance in a corporate context. There, a strategic alliance is an agreement between businesses to work together in a manner that goes beyond normal company-to-company dealings yet falls short of a merger or full partnership. Companies coordinate on strategically significant and mutually beneficial objectives. Such collaborations involve interdependence between companies that may otherwise be competitors and may have vastly different operating styles and cultures—aptly describing the United States and Japan.

These partnerships are difficult to implement effectively. Studies by some consulting firms suggest that strategic alliances fail about 60 to 70 percent of the time for a variety of reasons, including inadequate senior management commitment, vague goals, poor communication or coordination among management teams, and lack of trust. The *Financial Times* found that one overarching reason for these breakdowns is “the failure to grasp and articulate their strategic intent.”⁷ Another major related reason is the “lack of recognition of the close interplay between the overall strategy of the company and the role of an alliance in that strategy.”⁸

Substitute country for company in that last sentence and you have the fundamental challenge for the U.S.-Japan alliance at this juncture: How does the alliance serve each country's national strategy? The Japanese government took a step toward answering this question in its 2013 National Security Strategy, but it will be difficult to meet its goals with available resources.⁹ Washington, for its part, does not speak with one voice on the specific benefits of its alliance with Japan, and the 2016 presidential campaign raised new questions on this point. Such dissonance is debilitating.

The Obama administration often struggled to clearly articulate its “rebalance to Asia” strategy, even as it recognized and emphasized the important role of alliances. Toward the end of Obama's second term—and benefiting from a relatively strong and stable Shinzo Abe administration as a partner—Washington and Tokyo started to find common ground on the link between national strategy and the alliance role. Their vision included a heavy emphasis on promoting the rule of law, as well as solidifying political, security, and economic norms in the Indo-Pacific region. But this policy approach was vaguely defined, it did not fully reconcile policies regarding China, and it left a gap between the overarching vision and the myriad of alliance interactions around the world. The process of reestablishing this common ground with the new Trump administration should begin immediately, and it should focus on a coordinated strategy for fulfilling a newly confirmed alliance vision.

During the Cold War, the underlying value proposition of the U.S.-Japan strategic alliance could be described as subsidized U.S. military access and Japanese diplomatic support against Communism in exchange for access to the U.S. market (that is, Japanese economic development) and security guarantees. The value proposition has evolved over time and faced some contentious renegotiation during the 1970s and through to the 1990s, but each side continued to view the relationship as beneficial and even worthy of additional investment. Today, however, it is important to consider whether the terms under which the United States and Japan consummated their alliance still fit the current business environment. It is necessary to understand what has changed, to assess challenges the allies face now (and in the near future), and to offer suggestions for how to improve the productivity of our alliance in a practical and politically sustainable way.

An overarching objective of this study is to help U.S. policymakers understand whether their underlying assumptions regarding Japan's growing security role in the alliance are accurate and how both sides can better leverage their collaboration for greater strategic benefit across a wider range of important issues. A major challenge in this regard has always been how different these two countries are and how unlikely and uncommon is this alliance of former enemies. They are countries far apart with vastly different cultures, languages, characters, and economic structures that found common purpose in complementary—not identical—interests during the Cold War (after their own brutal conflict with each other in World War II). They constructed a highly asymmetrical alliance that

resisted integration but maintained cooperation even as their competition intensified and security priorities diverged. This is part of what I mean by an “uncommon alliance,” and more on this theme is presented later in the report.

The 2016 U.S. presidential campaign raised new questions in America about the usefulness of the alliance and what should be its future direction, and the candidacy of Donald Trump in particular sparked concern in Japan that the United States might not be as dependable a partner as it was in the past. Now that Trump is president, the two governments might need to reconfirm their vision for collaboration. The U.S.-Japan alliance has delivered tremendous value to both countries for over half a century, although not without significant effort and sacrifice by each nation, and so it should not be judged quickly or casually.

At the same time, past results are no guarantee of future performance, and frequent reevaluation (and possible adjustment) of the alliance is a prudent step if it is to adapt to a constantly evolving global environment. Before the end of Trump’s 2017–2020 term, the modern U.S.-Japan alliance will have experienced as many years since the end of the Cold War as it did as a pillar of Washington’s Cold War containment strategy.¹⁰ The alliance was forged at the height of the Cold War, which also saw the construction of the Berlin Wall and the Cuban Missile Crisis, but it has a vastly different and more diverse role to play today. It is time to consider in detail how the alliance has adapted to this new era and where policymakers should steer its course for the future.

ENDNOTES

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2. “Development Aid in 2015 Continues to Grow Despite Costs for In-Donor Refugees,” Organization for Economic Cooperation and Development, April 13, 2016, <http://www.oecd.org/dac/stats/ODA-2015-detailed-summary.pdf>.
3. The Plan of Action was a somewhat detailed agenda for cooperation within the Tokyo Declaration on the U.S.-Japan Global Partnership.
4. The “rebalance to Asia” strategy refers to a stated Obama administration goal of devoting relatively more military, diplomatic, and economic investments toward East and Southeast Asia, at the expense of the Middle East and West Asia. “Sustaining U.S. Global Leadership: Priorities for 21st Century Defense,” U.S. Department of Defense, January 2012, http://archive.defense.gov/news/Defense_Strategic_Guidance.pdf.
5. This paragraph is based on material from James L. Schoff, *Realigning Priorities: The U.S.-Japan Alliance & the Future of Extended Deterrence* (Washington, DC: Institute for Foreign Policy Analysis, 2009), 19.

6. The Common Agenda for Cooperation in Global Perspective was articulated within the allies' "Joint Statement on the Japan-United States Framework for a New Economic Partnership" (Tokyo, July 10, 1993), The World and Japan Database Project, University of Tokyo, <http://www.ioc.u-tokyo.ac.jp/~worldjpn/documents/texts/JPUS/19930710.D1E.html>.
7. Dean Elmuti and Yunus Kathawala, "An Overview of Strategic Alliances," *Management Decision* 39, no. 3 (2001): 209.
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9. "National Security Strategy," Japanese Cabinet Office, December 17, 2013, <http://www.cas.go.jp/jp/siryoushou/131217anzenhoshou/nss-e.pdf>.
10. Although the United States and Japan first signed a ten-year bilateral security treaty in 1951, Japan had little choice in the matter, so soon after the postwar occupation and with no defensive forces of its own. The modern alliance (entered into freely) is governed by the Treaty of Mutual Cooperation and Security between the United States and Japan, signed on January 19, 1960.

PART ONE

**POST-COLD WAR EVOLUTION OF
THE U.S.-JAPAN ALLIANCE**

CHAPTER ONE

END OF THE COLD WAR IN A U.S.-JAPAN CONTEXT

ALTHOUGH THE PRECISE date of the Cold War's end is debated, the quick decline—and eventual collapse—of the Soviet Union and the crumbling of other Communist governments around the world in the late 1980s and early 1990s signaled the end of a fundamental rationale for the U.S.-Japan alliance. After all, it was the rise of Communism after World War II (particularly the idea of expansionary Communism as a governing principle) that caused U.S. policymakers to reconsider their plan for Japan's occupation around 1948 and 1949. The Chinese Communist Party's victory in 1949 and North Korea's invasion of the South in 1950 hastened a “reverse course” in U.S. occupation policy away from simple demilitarization and democratization and toward strengthening the Japanese state in political and economic terms to aid Washington's containment policy. As U.S. diplomat George Kennan later wrote, “The dream of a demilitarized and militarily neutralized Japan now faded from sight.”¹ Japan had to be just democratic enough.

This meant rolling back some economic reforms that were strengthening the labor movement and weakening business conglomerates in Japan, while at the same time releasing anti-Communist political figures from prison who had been considered war criminals or were otherwise too closely associated with the wartime regime.² Nobusuke Kishi was among them, and subsequently he was elected to Japan's parliament (known as the Diet), became prime minister in 1957, and concluded a new security treaty with the Americans in 1960. Kishi later remarked that “the Cold War saved my life,” and he certainly was a

powerful symbol for how and why the alliance functioned in that era.³ U.S. policymakers had given Japan a liberal constitution and promoted egalitarianism and democracy when they could, but the overarching priority became developing Japan as a partner in resisting the Communist tide and preserving U.S. access and influence in Asia.

SECURITY AS THE FOUNDATION

The 1960 Treaty of Mutual Cooperation and Security Between the United States and Japan became the foundation of the bilateral relationship, and the preamble is remarkably consistent with alliance language used almost sixty years later. It highlights shared values of “democracy, individual liberty, and the rule of law,” with an emphasis on fostering closer economic cooperation for economic stability and mutual well-being. On the security front, the preamble recognizes both countries’ right of individual and collective self-defense and underscores their “common concern” in maintaining peace and security in the Far East.⁴ The main pillars of the treaty are article 4 (consultation when the security of Japan or the region is threatened), article 5 (in which they both “declare . . . to meet the common danger” if either party is attacked in “territories under the administration of Japan”), and article 6 (in which Japan grants military-base access to the United States so it can support article 4 and fulfill its obligations in article 5).⁵

The Cold War transformed the U.S.-Japan relationship from “victor and vanquished” to partners with a common purpose, albeit an unbalanced partnership in the beginning and an arrangement that sowed the seeds for competition and friction later on by allowing wider access to U.S. markets than to those in Japan. Washington added the weight of Japan to its side in the Cold War and fostered Japan’s growth and integration with emerging Western institutions to which Japan contributed much. The treaty also effectively limited Japan’s “diplomatic maneuverability” with Communist and nonaligned countries.⁶ At the same time, the United States could use military bases in Japan to support America’s region-wide defense commitments. The then soon-to-be U.S. ambassador to Japan, Edwin O. Reischauer, wrote in 1960, “In Communist hands, [Japan] would give overwhelming strength to the Communist movement throughout Asia, but, allied with the West, it could give great economic and political support to the whole cause of democracy and freedom in Asia.”⁷

U.S. policy encouraged Japan to invest in its own defense, but Washington was content with modest steps in this direction to maintain its influence and avoid a potential arms race in the region. As another former U.S. ambassador to Japan, Michael Armacost, has described it, “Some Americans seemed to want Japan to be strong enough to deter the Soviets without becoming so powerful as to frighten the Koreans—a neat trick.”⁸ As for Japan’s ruling conservatives, they gained a freer hand to rebuild their country, aided by

open markets, secure sea lanes, accessible capital and technology, low defense spending, and reliable U.S. political and diplomatic support. The allies' interests were clearly congruent, even if they were not truly common.

Throughout the Cold War, anti-Communist collaboration by the allies was tangible and meaningful. Japan became a valuable member of the Coordinating Committee for Export to Communist Areas in 1952, and after joining the United Nations (UN) in 1956 it voted consistently with the Western bloc. The United States kept about 140,000 troops in Japan in the mid-1950s, soon after the Korean War (with an additional 25,000 specifically in Okinawa). The number in Okinawa rose to nearly 45,000 by 1970 (with about 37,000 in the rest of Japan).⁹ The United States also kept some 1,200 nuclear weapons and U.S. strategic bombers in Okinawa up until this time.¹⁰ These forces and associated facilities not only supported Soviet deterrence, but were also critical for prosecuting the wars in Korea and Vietnam, which required hard infrastructure as well as a stable political and diplomatic relationship with Tokyo. Japan became a vital source of logistical supply and support to the U.S. war efforts in Asia, and Japan's economy benefited noticeably.

There were limits, however, to how far Japan would go to satisfy the Americans. As noted above, Washington regularly encouraged Japan to increase investments for its own security, as a supplement to U.S. forward deployments in the country and the region. This policy objective emerged even before the Korean War and was exemplified during the June 1950 peace treaty discussions, when special adviser John Foster Dulles pushed Japanese leaders to remilitarize their country, only to be rebuffed by then prime minister Shigeru Yoshida.¹¹ Dulles also broached the idea of Japan's participation in a regional treaty architecture, similar to the North Atlantic Treaty Organization, dubbed the Pacific Pact (a policy initiative then being developed at the Departments of State and Defense, in conjunction with Congress), but Yoshida rejected the proposal.¹²

Although Japan did eventually develop its Self-Defense Forces (SDF) and rearm modestly, the results consistently underwhelmed U.S. officials. Washington recommended Japanese troop strength of 300,000 in 1950, but Tokyo eventually moved ahead with only 110,000, in part because Japanese leaders wanted to minimize military expenditures and because they feared U.S. requests for deployment of "excess" troops to places like Korea.¹³

Tokyo became skilled at threading the security-policy needle by holding up its new constitution and pacifist public opinion to deflect U.S. requests for major remilitarization while using U.S. demands to justify modest security-policy adjustments that mollified revisionist political forces and slowly built up Japan's capabilities. At the same time, the United States enjoyed flexible use of several significant air and naval bases located in the country and increasingly generous host-nation support from Japan after 1978, while Washington provided credible security commitments to defend Japan. There was something for everyone in this grand bargain.

These were the early days that shaped Japan's Yoshida Doctrine, a policy consensus in Tokyo that would preserve Japan's so-called peace constitution, limit Japanese military development to the minimum necessary for basic self-defense (in alliance with the United States), and focus government and capital investment on economic development.¹⁴ From the beginning, Japanese policymakers were careful to avoid entanglement in outside conflicts. When the United States signed the Mutual Defense Assistance Agreement with Japan in 1954—which would funnel significant military and economic aid to Japan and its defense industries—Japan's foreign minister emphasized at the signing ceremony that there were “no new and separate military duties” for Japan and that “overseas service . . . for Japan's internal security force will not arise.”¹⁵

Of course, successive Japanese administrations have chipped away at the Yoshida Doctrine since the 1950s, to contribute more actively to international military affairs in response to what one scholar describes as “growing, indeed relentless, demands from a series of regional and global crises, from its U.S. ally and from domestic constituents.”¹⁶ As a result, the Yoshida Doctrine today looks quite different from its original manifestation. The Japanese SDF, which began as the National Police Reserve, managed and equipped by the Japan Defense Agency (now a full-fledged ministry) to carry out purely homeland defense missions, has grown into one of the most modern and capable military organizations, supported by the world's eighth-largest defense budget and legally authorized to carry out a variety of noncombat missions around the globe.

The significance of the Yoshida Doctrine's transformation, however, is obscured by several contradictions regarding Japan's growing security role. Every step in this evolution was accompanied by fierce domestic political battles, which often ended up enshrining new restrictions along the way.¹⁷ A key question for U.S. policymakers today is how much further Japan will be able and willing to stretch its contributions in line with U.S. objectives.

On one hand, there are many examples of Japan's taking the initiative—responding to both external and internal pressures—to expand its security role in alliance, regional, and global contexts. Tokyo steadily increased its defense budget in the 1960s and 1970s to build up self-defense capabilities, and in the late 1970s the allies developed bilateral defense guidelines clarifying sea-lane defense and military planning and exercises as legitimate alliance activities. Then prime minister Zenko Suzuki added in 1981 that Japan could defend its own sea-lanes out to 1,000 nautical miles, satisfying U.S. planners' desire for Japanese backfill support to free up American forces for potential Soviet contingencies involving the Sea of Okhotsk.¹⁸

On the other hand, there has consistently been much less to Japan's security reforms than meets the eye, and this has caused no shortage of frustration and disappointment in Washington over the years. While Japan was building up its defense capabilities in the 1960s and 1970s, for example, political leaders there assuaged pacifists' concerns with reassuring limits on rearmament such as the 1967 ban on arms exports, the three

non-nuclear principles that same year, and a 1976 cabinet decision to limit defense spending to 1 percent of gross national product (GNP). All three of these policies were still essentially in place when the Cold War ended.

As a result of Japan's modest and incremental militarization steps, the U.S. defense commitment remained a centerpiece of the bilateral relationship leading up to 1990. The United States kept relatively high numbers of its military personnel in Japan, even after a push to reduce forward-deployed U.S. forces in Asia during the 1970s.¹⁹ In 1990, U.S. forces in Japan stood at roughly 50,000, accounting for 37 percent of all those forward deployed in the Pacific Command's (PACOM) area of responsibility (compared with 33 percent in Korea and 11 percent in the Philippines).²⁰

Beyond the presence of U.S. troops and hardware in Japan, America's responsibilities for the defense of Japan sometimes influenced diplomatic engagements, such as when Washington adjusted its bottom line with the Soviet Union during negotiations to eliminate intermediate-range nuclear weapons in the 1980s. American officials were primarily concerned with Soviet deployments along the European front and considered accepting Moscow's relocation of some of those weapons to the Far East theater as part of a final bargain, but pressure from Japan (including direct diplomacy between then prime minister Yasuhiro Nakasone and president Ronald Reagan) moved Washington to push for full elimination.²¹

While the large U.S. military presence in Japan and strong security-oriented focus of the relationship evokes comparison with other U.S. alliances in Europe and Korea, the U.S.-Japan alliance remained uncommon in many respects. The Treaty of Mutual Cooperation and Security worked in only one direction (that is, U.S. defense of Japan), and defense technology flowed one way as well. There was no integration of forces, planning functions, or command structures. In fact, bilateral consultations on security matters were sufficiently sensitive in Japan that its policymakers often preferred to avoid them altogether. Silent (and sometimes secret) agreements governed the most politically challenging issues, such as the presence of U.S. nuclear weapons in Okinawa during part of America's administration of those islands or on U.S. ships docked at Japanese ports, so most Japanese officials and politicians were unaware of these military details.²²

When U.S. base issues or other treaty topics needed to be discussed at a high working level, they were the purview of the Security Consultative Committee (SCC), which was another unbalanced arrangement under which Japan's foreign minister and defense agency chief met with the U.S. ambassador to Japan and the U.S. head of PACOM, who often delegated his role to the U.S. commander in Japan. The allies' priorities were complementary but not identical, and since the primary operational concerns in the region for U.S. military planners—Korea, Taiwan, and the Soviet navy—involved Japan only indirectly, Tokyo could remain “curiously disengaged from regional and global security issues.”²³

DIVERSIFYING ALLIANCE VALUE AMID GROWING ECONOMIC TENSION

U.S.-Japan relations evolved over the course of the Cold War, and even as security and Soviet containment were consistent foci, they shared attention with other foreign policy, macroeconomic, and trade issues, the last of which became particularly acute in the 1970s and 1980s. Japan's growing economy made it more consequential on the world stage, and over time it earned a reputation as a development and technology leader. The United States and Japan were the primary engines behind establishment of the Asian Development Bank in 1966, and they were among the founding members of the G7 (Group of Seven) in 1976.²⁴ Japan rose to become the second-largest contributor to the United Nations in 1986 (behind the United States), and by 1989 it boasted the world's largest foreign aid budget.²⁵ In addition, it held influential roles at the World Bank, the International Monetary Fund, and the General Agreement on Tariffs and Trade.

Japan had its own self-interest in being an active member of these and other institutions, of course, but it regularly aligned its economic and foreign policies with those of the United States and other G7 members, sometimes to its own short-term disadvantage. This was the case, for example, when it cut oil imports from Iran in 1980 in line with U.S.-led sanctions after Iranian students took American diplomats hostage; when Japan provided billions of dollars and policy support to address the Latin American debt crisis of the 1980s; and when it agreed to what became a 46 percent appreciation of the yen versus the U.S. dollar in 1985 via the so-called Plaza Accord.²⁶ In 1985 the annual average rate was 239 yen per dollar. Over the next decade, the yen tripled in value, peaking in April 1995 at 81 per dollar, an incredible swing to which large, export-oriented Japanese firms found hard to adjust.²⁷ The alliance with Japan consistently paid dividends for the United States in diplomacy, finance, and security, either because their interests were sufficiently aligned or because Japan so valued the overall benefit of the relationship that tactical compromises were acceptable. Japan continued to grow throughout the period, so it had no reason to doubt the greater value of the alliance.

From an early stage, the United States and Japan sought to diversify and expand bilateral cooperation beyond the basics of foreign policy, security, and the economy, launching the U.S.-Japan Joint Committee on Scientific Cooperation in 1961. This committee, over time, promoted research collaboration on natural resources, energy, deep-sea drilling, environmental protection, and global health issues, among other areas. Cooperation on space-related projects began in 1979, and the two countries established the U.S.-Japan Joint High-Level Committee on Science and Technology Cooperation in 1988.²⁸

In terms of trade and investment, the United States and Japan had grown increasingly close (and competitive) by the time the Cold War ended. In 1990, trade between the world's two biggest economies totaled about \$140 billion.²⁹ The United States was Japan's

largest trading partner, and Japan was America's second, after Canada. At the same time, Japanese direct investment in North America blossomed at an annual growth rate of over 40 percent between 1986 and 1989, far more than Japan's investment in Asia (17 percent over the same period).³⁰ But the U.S. merchandise trade deficit with Japan was also rising during this time at an average of \$53 billion per year, representing between one-third and one-half of the U.S. total for the world.³¹ This became a major source of tension.

The “miracle” recovery of Japan's economy after its complete devastation in World War II was a consistent theme unfolding during the Cold War, eliciting mixtures of awe, respect, envy, curiosity, and complaint in the United States. Some analysis showed Japan's economy growing fifty-five-fold in just three decades after 1946, and in many respects it was just getting started.³² The U.S. private sector grew increasingly concerned over the course of the 1970s and 1980s, complaining about unfair Japanese competition encroaching on their domestic market share and a lack of reciprocal access to Japan's markets. Congressional angst rose accordingly, and U.S. lawmakers were often underwhelmed by the executive branch's attempts in the mid-1980s to address the situation by targeting specific market sectors in Japan.³³

The United States and Japan had previous experience with trade friction, notably in the textile sector in the late 1960s and early 1970s. While occasionally intense, these disputes were generally viewed in Washington as political problems to be managed, so that broader strategic interests—like the security alliance—could be protected. A political bargain between then president Richard Nixon and prime minister Eisaku Sato is one illustration of this dynamic. As a presidential candidate in the 1968 election, Nixon pledged to Southern states that he would press Japan for restraints on textile exports, while Sato was angling to secure the reversion of Okinawa to Japan. The negotiations were tough and dissatisfying for both sides in many respects, but eventually Sato and his international trade and industry minister, Kakuei Tanaka, made sure that there was a sufficient decline in Japanese textile exports to settle the issue.³⁴ Such voluntary export restraints had been used before for color televisions and passenger cars.

As semiconductors and other high-tech sectors became the focus of arguments in the 1980s, however, trade issues were not just political problems but also matters of national security in and of themselves. Policymakers' desks were littered with reports from various councils, academies, and industry groups warning of declining U.S. competitiveness in strategically important sectors, particularly vis-à-vis Japan. “Techno-nationalism” was the new buzzword. Viewed from Washington, the stakes were changing significantly and required a government response that would in turn put serious pressure on the U.S.-Japan relationship.³⁵

An early example of this tension spilling over into security matters was the high-profile struggle to collaborate on a new Japanese fighter-aircraft project (an advanced version of the F-16, dubbed FSX), which saw fierce U.S. debates about how much technology

should be shared. Some in Congress even threatened to kill the deal amid accusations that a primary Japanese contractor had sold equipment that was used in a suspected Libyan chemical weapons plant.³⁶ The eventual compromise on the FSX—moving ahead with the project but restricting Japanese access to certain technologies—left both sides frustrated and unsatisfied.

The domestic political environments in Washington and Tokyo were also tumultuous at the end of the 1980s, as long-stable political coalitions began to fray amid scandal and erratic economic conditions and equity markets. Huge U.S. stock losses in late 1987 (as on Black Monday) followed by a series of failures at U.S. savings and loan firms undermined confidence in the U.S. economy and cost taxpayers billions of dollars, just as the Reagan era was coming to a close. In a reflection of the angst of that time, Clyde Prestowitz, a former Department of Commerce official, wrote in 1988 that the market crash signaled “the end, twelve years before its time, of the American century.”³⁷ In Japan, the long-ruling Liberal Democratic Party was passing the torch from one scandal-plagued—but powerful—faction leader, Kakuei Tanaka, to another, Noboru Takeshita. Takeshita became prime minister in December 1987, but he lost public support and resigned a year and a half later owing in part to his own bribery scandal (involving Recruit Corporation) and his government’s unpopular introduction of Japan’s first-ever consumption tax.³⁸

Thus the dramatic end of the Cold War occurred amid negative sentiments in each country about the other and in conjunction with political environments that were poised for change. The alliance still provided value for both sides, but Americans grew increasingly concerned about Japan’s economic might and what they perceived as mercantilist trading behavior. Meanwhile, more Japanese came to resent U.S. lecturing and its use of protectionist trade laws against Japan, even as Washington failed to balance budgets or boost household savings and long-term business investment. A popular 1989 essay by Japan’s transport minister, Shintaro Ishihara, and Sony Corporation chairman Akio Morita, titled “The Japan That Can Say No,” gave voice to what many Japanese thought privately (and what many Americans suspected of Japan), criticizing American culture and arrogance while defending Japan and imploring the country to simply reject unreasonable demands, using Japan’s technological edge for negotiating leverage.³⁹

Add to this theme of change the passing of Emperor Hirohito in January 1989. The Shōwa Emperor, as his reign was known, assumed the throne in 1926 and was the only emperor most Japanese had ever known. He reigned during Japan’s brutal military expansionism, which built a large Asian empire beyond anything the country had ever experienced (or most could have imagined), and he surrendered unconditionally a few years later when those actions led the United States and its allies to take back land, lay siege to Japan, and destroy much of the country. In a third act, Hirohito became a critical

legitimizing figure for the Allied occupation and willingly accepted his new role as just a symbol of the state, promoting an entirely new image that coincided with Japan's economic and diplomatic recovery. Now the Shōwa era was over, and his son Akihito opened the new Heisei era.⁴⁰

It was in this environment that the Berlin Wall fell and the Cold War ended. The Communist containment rationale for the U.S.-Japan alliance faded quickly, and calls among policymakers for a “peace dividend” grew loud in the United States as budget deficits increased. Japan was now the world's second-largest economy, and its people were gaining confidence. The country faced no near-term military threat and was becoming a foreign policy leader in the Asia-Pacific region and beyond. There were many reasons why the structure and character of the U.S.-Japan alliance might have or should have changed drastically at this time, but for the most part that did not happen. The next chapters describe why change was so gradual and how bilateral relations evolved from a relatively stable but weak alliance to become one that is much more capable yet in many ways more fragile. But first, it is useful to understand how the alliance is constructed and managed between Washington and Tokyo.

THE BASICS OF ALLIANCE MANAGEMENT

As noted earlier, the foundation of the U.S.-Japan alliance is the 1960 security treaty, and the primary means of managing treaty-related issues is often referred to as the 2+2 process. The 2+2 is a set of relatively small consultative meetings involving the State and Defense Departments on the U.S. side and the Foreign and Defense Ministries on the Japanese side. The highest-level 2+2 forum is the bilateral Security Consultative Committee, which was established in 1960 by way of a side letter on January 19. Throughout the Cold War and in the early 1990s, the United States was represented in the SCC by its ambassador to Japan and usually the commander or deputy commander of U.S. Forces Japan (USFJ).⁴¹ Japan sent its foreign minister and director of the Japan Defense Agency to the meeting. When the Cold War ended and the allies embarked on a Global Partnership, combining cooperation on security, economic, and broader environmental and development issues, they upgraded U.S. participation at the SCC in 1994, when the U.S. secretary of state and a high-ranking defense official represented the United States.⁴²

The SCC is the main decisionmaking forum for the U.S.-Japan alliance on security and foreign policy issues, second only to leadership summits. The bulk of alliance management activity takes place at lower-level 2+2 meetings that report up through a nationally managed chain of command. The topics of discussion include host-nation support agreements, adjustments to basing arrangements, and the conduct of defense cooperation in various functional areas.

A consistent issue for the SCC since the mid-1990s has been efforts to manage and reduce the impact of U.S. bases on local residents in Okinawa, given their relatively high concentration in that island prefecture. Many Japanese in Okinawa complain of noise from training and other disturbances. Accidents have caused damage and injury, and a few U.S. personnel have committed terrible crimes against local Japanese, including rape and murder.⁴³

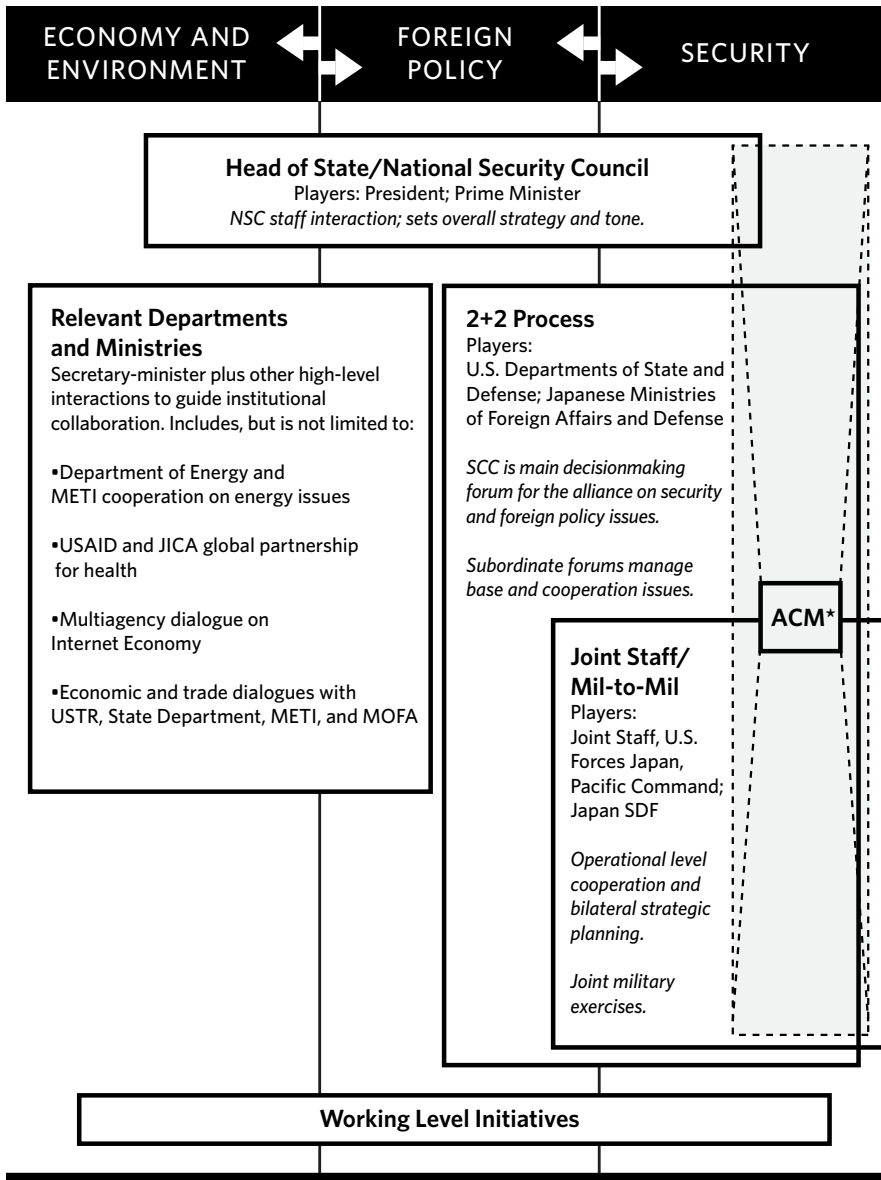
After a high-profile rape incident in 1995, the SCC approved a plan for U.S. troop reductions, land returns, and facility relocations drafted by the bilateral Special Action Committee on Okinawa (SACO) in 1996. Some parts of the SACO plan have been carried out, but local opposition has delayed a major component, the downsizing and relocation of a U.S. Marine Corps air station from Futenma (near the Okinawan capital) to a less populated coastal location in the island's northeast. The majority of Okinawans prefer that the Futenma base be moved completely out of the prefecture. This sensitive political issue remains unresolved a full two decades after SACO was established, and it continues to be the source of vigorous local protest.

As alliance discussion topics diversified with the end of the Cold War and U.S. participation in the 2+2 was upgraded, pressing regional and global foreign policy issues were often added to the agenda. The SCC reached its full potential in 2007, when the Japan Defense Agency was elevated to the status of a ministry and its leader assumed an equal rank with that of the foreign minister (see figure 1.1). The SCC convenes as needed, but it generally meets about once every two years.⁴⁴ When scheduling prevents an in-person meeting, the SCC has occasionally released joint statements that were simply worked out bilaterally at lower levels and passed up each country's bureaucratic chain for approval and public release.

The vast majority of alliance issues are researched and discussed on a regular basis under the direction of a supporting committee the next level down from the SCC, officially known as the Security Subcommittee (or by the confusingly similar acronym, SSC). The level of interaction at the SSC has fluctuated depending on the bureaucratic structure of the day, the availability of key players, and the personal reputation of certain officials, but generally it occurs at the assistant secretary level on the U.S. side and the bureau director general on the Japanese side.⁴⁵ There have been times when representation was slightly higher ranking and many occasions when it was lower (at the deputy level, often called a mini-SSC), and there is plenty of day-to-day coordination and preparation for these meetings at the office director level and other working levels. The main purpose is to bring together four critical offices in the two countries to guide alliance management.

The two most relevant offices on the U.S. side are the State Department's Bureau of East Asian and Pacific Affairs and the Defense Department's Asia section for policy, and on the Japanese side they are the North American Affairs Bureau at the Foreign Ministry and the Policy Bureau at the Ministry of Defense.⁴⁶ Critical participants in this process include the military from both countries (Joint Staff, PACOM, and USFJ), along with

FIGURE 1.1: U.S.-Japan Alliance Management



The Alliance Coordination Mechanism (ACM)*

Players: USFJ, U.S. Embassy in Japan, DOS, DOD, PACOM, NSC; MOFA, MOD, NSC, SDF

The ACM facilitates interagency information sharing and collaborative decision making for a security-related situation. Maximizes operational and political accountability for the alliance in a crisis.

Meetings are conducted in-person and via secure video teleconference.

A bilateral operations coordination center in Tokyo and/or a component coordination center on site of the response can be created when necessary.

In event of a crisis, the ACM can be scaled up to include higher-level officials and other departments relevant to the situation.

Note: Please see the list of acronyms at the beginning of this report for full names.

Japan's Joint Staff Office) and whichever functional offices are relevant to the SCC topics under consideration (including base operations, maritime security, nonproliferation, space policy, procurement, and missile defense).⁴⁷ From the United States, a National Security Council (NSC) representative usually participates, which until 2014 added an element of asymmetry owing to the absence of such an office within the Japanese government. Japan's establishment of its own NSC and support secretariat made this a more traditional counterpart relationship.⁴⁸

Of course, leadership summitry is the ultimate authority in managing the alliance relationship, and both governments place a high priority on trying to establish strong personal rapport between the president and prime minister as early as possible within a new leader's term. There are times when this has worked out well, such as during the administrations of Ronald Reagan and Yasuhiro Nakasone in the 1980s, or between George W. Bush and Junichiro Koizumi at the beginning of this century. More often than not, however, the relationship is businesslike and respectful, without strong personal chemistry, usually because the Japanese prime minister does not stay in office long enough to foster close personal ties. Japan has been led by fifteen different prime ministers since 1990 (compared with five U.S. presidents and six UK prime ministers), and just two of them (Koizumi and Shinzo Abe) have held office for more than four years—a single term of office for a U.S. president.

Besides the 2+2 process and leadership summits, another important component of alliance management is the collection of security documents that have been developed by the allies over time. These documents form both a solid base and a limiting boundary for alliance security cooperation. Their wording has been carefully negotiated, and in most cases the documents have been painstakingly dissected and qualified in subsequent Japanese Diet debates, which on one hand establishes important precedent and legitimacy for approved alliance activity but on the other leads to a situation wherein only the actions specifically mentioned by the allies in documents or in enabling Japanese legislation can be undertaken. In other words, as far as Japan's participation goes, if some action is not explicitly approved, it is considered rejected. The accumulation of alliance agreements over the years is taken seriously by Japanese lawmakers.

In this corpus of security documents, the 1960 Treaty of Mutual Cooperation and Security is the foundation of the alliance, along with the Status of Forces Agreement (SOFA), which was signed the same day as the security treaty and governs the treatment of U.S. personnel while serving in Japan and related basing details linked to article 6 of the treaty. The SOFA has been amended slightly over time but not in recent years, and generally the United States prefers to look for ways to improve implementation of the SOFA when problems arise rather than add new requirements or restrictions. Washington has to consider any precedents that new amendments might create for U.S. forces in other

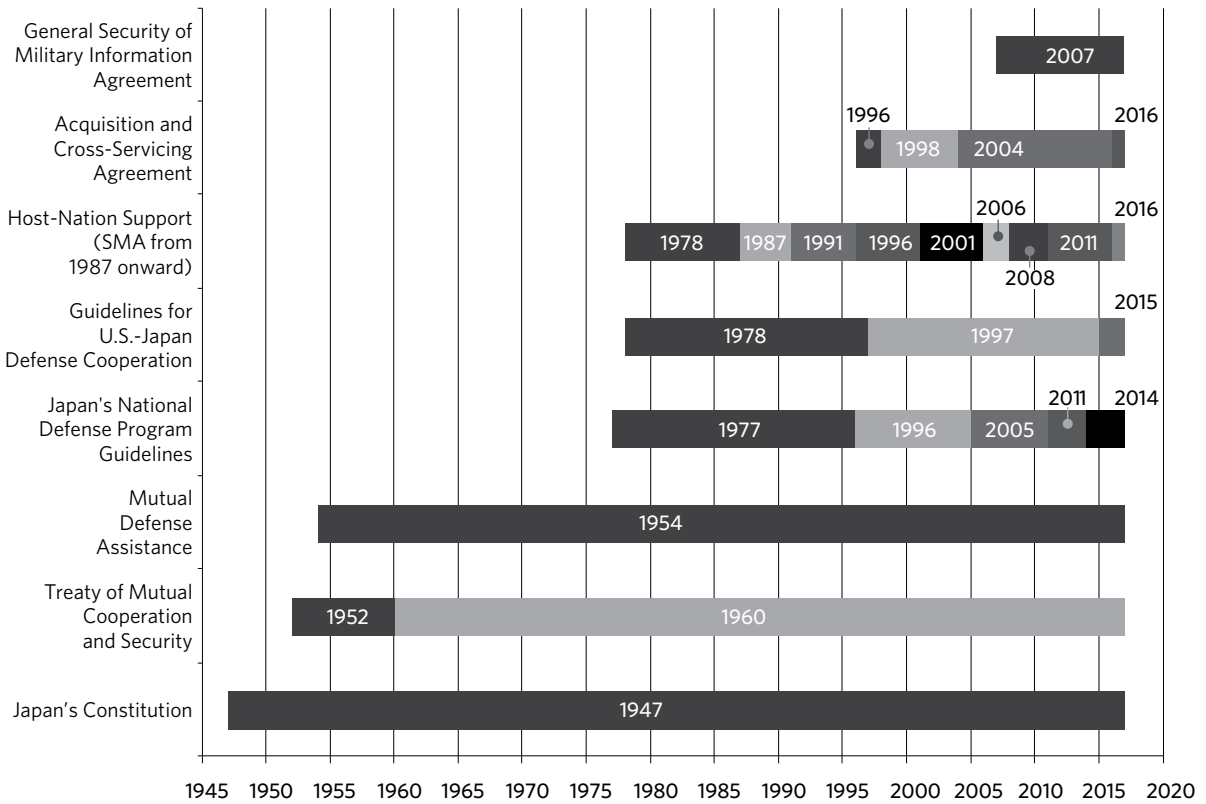
countries, and Tokyo has come to understand this point (generally), now that it is dispatching its SDF abroad more often and needs its own SOFA equivalents.⁴⁹

Bilateral consultations about SOFA implementation are handled by the U.S.-Japan Joint Committee, consisting of Japanese officials from the Ministry of Foreign Affairs' North American Affairs Bureau, the Ministry of Defense's Bureau of Local Cooperation, and others, meeting with the deputy USFJ commander and U.S. embassy officials in Tokyo. It is important to note that a separate SOFA exists between Japan and the U.S.-led United Nations Command (UNC) in South Korea as a legacy of the Korean War. Seven U.S.-operated bases in Japan can provide logistics support to UNC-led forces in Korea under this UN mandate and a UN–Japanese government SOFA. The iconic blue United Nations flag flies at these bases in Japan.⁵⁰

Every five years since 1987, the allies have negotiated a new special measures agreement (SMA, popularly known as the host-nation support agreement) that spells out what base-related costs the Japanese government will bear. The first host-nation support budget was negotiated in 1978 and agreed to by then secretary of defense Harold Brown and Japan Defense Agency director General Shin Kanemaru. The process became more formalized through the SMA in 1987, when it was clear that this practice would remain and Japan's contribution was likely to increase.⁵¹ The allies signed their seventh SMA in early 2016, by which Japan contributes around \$1.7 billion per year in direct support of U.S. bases in Japan (in addition to donated land and basic facility improvements). Altogether this is about half of the total nonpersonnel costs (that is, costs other than U.S. personnel salaries) required for operating U.S. bases in Japan, and it is mostly above and beyond what Japan is obligated to spend, as defined by the SOFA.⁵² In addition, Japan pays for nearly all of the costs associated with the SACO plan implementation and requested training relocation. It is among the most generous host-nation support agreements for the United States.

As Japan grew economically in the 1970s and the United States pushed for more allied burden sharing and contributions to security, Tokyo and Washington developed the U.S.-Japan Guidelines for Defense Cooperation in 1978, which helped launch bilateral dialogue on some modest roles, missions, and capabilities for the allies to enhance defense planning and military training, especially in the maritime domain. This corresponded to Japan's own national-defense planning process and preparation of its midterm defense procurement program. In response to regional tensions since the end of the Cold War, and when Japan's political environment allowed, the allies revised their defense guidelines in 1997 and 2015 to open up a slightly wider range of alliance security cooperation (see figure 1.2 for how alliance agreements and cooperation have developed). The defense guidelines have become the primary way that the allies confirm their understanding of burden sharing, convey it externally, and craft legislation to make it operational (especially in Japan, on this last point).

FIGURE 1.2: Foundational Documents of the Japan-U.S. Alliance



In 1980, the allies created the U.S.-Japan Systems and Technology Forum to facilitate cooperation on defense equipment and technology to enhance efficiency and interoperability. The Pentagon's Office of Acquisition, Technology, and Logistics has played an important role in this dialogue in recent years, and it gained something of a counterpart in 2015 when Japan established its own Acquisition, Technology, and Logistics Agency (ATLA) in an effort to improve procurement effectiveness.

The United States and Japan have never tried to develop an integrated military command structure, but they often look for ways to enhance military and defense policy coordination in their parallel command systems. They accomplished this in part through frequent joint exercises and some coordinated planning during the Cold War and thereafter, as well as with the Acquisition and Cross-Servicing Agreement in 1996 to facilitate mutual logistical support. They continued to amend the agreement when legal adjustments in Japan made possible a wider range of support in different mission areas. The allies also codified their ability to share sensitive information with the General Security of Military Information Agreement in 2007, which was reinforced by the enactment in Japan of a new State Secrets Law in 2014.

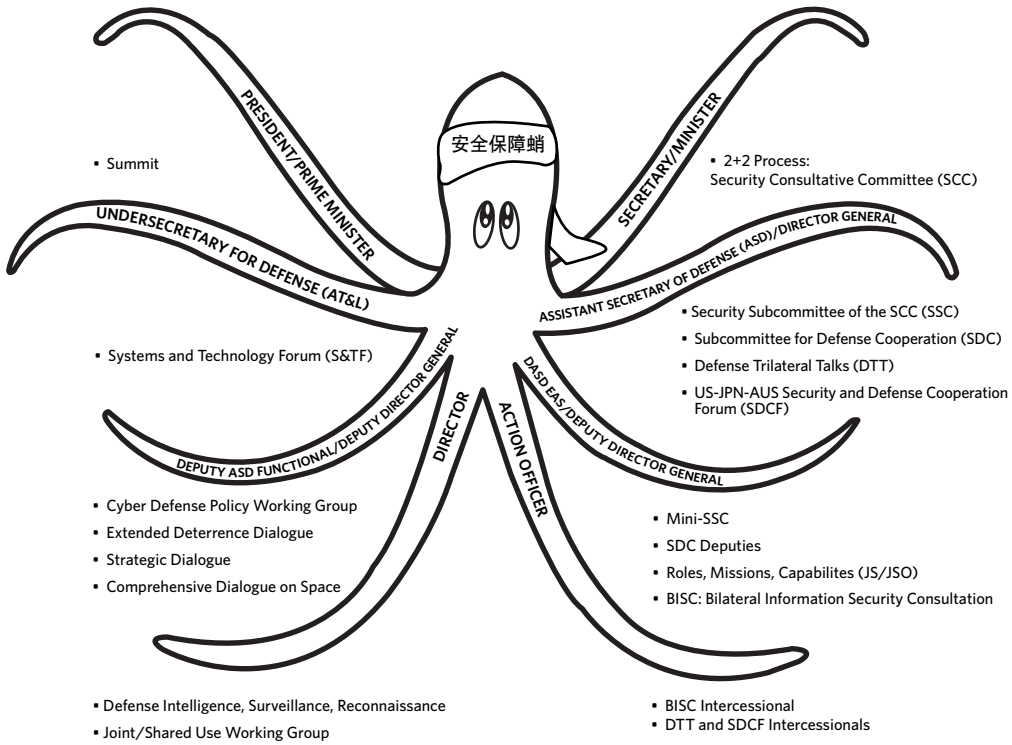
In terms of physically working together to coordinate collaborative activities in real time, the 1997 defense guidelines proposed a new bilateral coordination mechanism (BCM) to be established during a regional crisis that would bring policy and military officials from the two countries together for coordination, but the mechanism was never activated in practice, even when U.S. forces supported Japan's massive response to its magnitude 9.0 earthquake in Fukushima in 2011.⁵³ New defense guidelines in 2015 addressed this issue and replaced the BCM with a small but always operating alliance coordination mechanism (ACM) that can be used in a wider range of cooperative activities and scaled-up if necessary for larger crises. The allies made quick use of the newer mechanism in 2016 during their response to North Korean missile launches and to coordinate U.S. support for the SDF's earthquake relief effort in Kumamoto, Japan.⁵⁴

Since the end of the Cold War, a plethora of other security-related initiatives have been launched within the 2+2 process as a way to help address common challenges, broaden cooperation, and otherwise strengthen the alliance. Among the most active of these has been the Extended Deterrence Dialogue, launched in 2010, which allows officials from the two countries to discuss emerging nuclear threats and consider various deterrence options and strategies. Since 2013, the allies have also conducted a comprehensive dialogue on space, a cyber-defense-policy working group, and, since 2007, a formal bilateral information security consultation. The names and compositions of these initiatives change from time to time, but the overall trend is toward more bilateral working groups on different topics and a wider range of interagency players at the director level (see figure 1.3). The 2+2 process often struggles to manage all of these activities efficiently.

Of course, there is more to the U.S.-Japan alliance than just defense cooperation and the security treaty, as noted in the coming chapters. Economics and trade have long been important areas of bilateral policy coordination and competition. Early in the Reagan administration, the allies began a tradition of formal bilateral consultations on these issues, with the creation of the U.S.-Japan Trade Committee in 1981, supplemented by the Working Group on Yen/Dollar Exchange Rate Issues in 1983, and the Market-Oriented, Sector-Selective (MOSS) talks beginning in 1985. Each subsequent president put his twist on the concept, continuing with George H. W. Bush's Structural Impediments Initiative, Bill Clinton's Framework for a New Economic Partnership, George W. Bush's Economic Partnership for Growth, and Barack Obama's Economic Harmonization Initiative. These initiatives yielded a variety of agreements intended to address imbalances and friction in their economic relationship in a mutually acceptable way, though results were mixed.

As mentioned in the previous section, as early as the 1960s the United States and Japan started collaborating on science and medical issues to improve natural resource conservation and jointly tackle health challenges in Asia. They added research cooperation on certain energy and space issues in 1979, among others in later years. For the most part,

FIGURE 1.3: U.S.-Japan Security Forums



NOTE: Please see the list of acronyms at the beginning of this report for full names.

SOURCE: Image courtesy of AW Design Services

these initiatives are carried out directly by the relevant ministries and agencies, between the U.S. Department of Energy, for example, and Japan’s Ministry of Economy, Trade, and Industry, without central coordination or much oversight.

During the 1990s, there was some effort to link these various efforts as part of a coordinated alliance activity at the subcabinet level under the aegis of the U.S.-Japan Global Partnership and the Common Agenda, but these umbrella programs did not survive into the new millennium, and responsibility soon devolved back down to working-level initiatives among the relevant counterpart offices. Currently the allies cooperate bilaterally and within multilateral forums on everything from global health and development aid programs to shaping the future of Internet governance and adapting to climate change. At any given time there are likely to be about two dozen formal and active bilateral dialogues either happening or being planned within the alliance, far more than occurred before the end of the Cold War.

While a large portion of alliance interaction up through the 1990s was focused on managing or mitigating bilateral friction on certain issues (for example, military bases, trade

disputes), more frequently these dialogues now seek to take advantage of the growing convergence of national interests and to establish complementary strategies within multi-lateral frameworks. This is particularly true when the allies work together within trilateral forums such as with the Republic of Korea (ROK, or South Korea), Australia, and occasionally India.

ENDNOTES

1. George F. Kennan, "Japanese Security and American Policy," *Foreign Affairs* 43, no. 1 (October 1964): 15.
2. For example, during the summer of 1948, Douglas MacArthur, U.S. Army general and then supreme commander for the Allied powers, who led the occupation, withdrew from public employees the right to strike and then took other steps away from a dogmatic agenda of "demilitarization and democratization" in Japan. See J. W. Dower, *Empire and Aftermath: Yoshida Shigeru and the Japanese Experience, 1878–1954* (Cambridge, MA: Harvard University Press, 1979), 23, 271.
3. Glenn D. Hook et al., *Japan's International Relations: Politics, Economics, and Security*, 2nd ed. (London: Routledge, 2005), 101.
4. The specific meaning of "Far East" was hotly debated in the Japanese Diet throughout February 1960 and came to be loosely defined by then prime minister Nobusuke Kishi as ranging from just north of the Philippines up to South Korea (and areas around Japan including Taiwan), and from there to the Korean Peninsula, Taiwan, the Sea of Japan, the East China Sea, and the North Pacific Ocean out to the first island chain. The two governments have generally accepted this definition since then. See the minutes of the February 26, 1960, meeting of the Nichibei anzen hoshō joyaku nado tokubetsu iinkai 日米安全保障条約等特別委員会 [Japan-U.S. Security Treaty Special Committee] in the National Diet Library's Kokkai Kaigi-roku Kensaku System 国会会議録検索システム [Diet Meeting Records Search System] database, <http://kokkai.ndl.go.jp/SENTAKU/syugiin/034/0404/03402260404004a.html>.
5. Treaty of Mutual Cooperation and Security Between the United States of America and Japan, January 19, 1960, http://afe.easia.columbia.edu/ps/japan/mutual_cooperation_treaty.pdf.
6. Michael H. Armacost, *Friends or Rivals?: The Insider's Account of U.S.-Japan Relations* (New York: Columbia University Press, 1996), 76.
7. Edwin O. Reischauer, "The Broken Dialogue With Japan," *Foreign Affairs* 39, no. 1 (October 1960): 14.
8. Armacost, *Friends or Rivals?*, 78.
9. Directorate for Information Operations and Reports, Statistical Information Analysis Division, "Military Personnel Historical Reports: Active Duty Military Personnel, by Regional Area and by Country," U.S. Department of Defense, <http://www.dior.whs.mil/mmjd/military/history/309hist.htm>.

10. Robert S. Norris, William M. Arkin, and William Burr, "Where They Were: How Much Did Japan Know?," *Bulletin of the Atomic Scientists* 56, no. 1 (1999): 30. Okinawa was under U.S. administrative control at the time.
11. Dower, *Empire and Aftermath*, 383; Richard J. Samuels, *Machiavelli's Children: Leaders and Their Legacies in Italy and Japan* (Ithaca, NY: Cornell University Press, 2003), 205.
12. Kenneth B. Pyle, *Japan Rising: The Resurgence of Japanese Power and Purpose* (New York: PublicAffairs, 2008), 223–9.
13. Dower, *Empire and Aftermath*, 388–9.
14. Richard J. Samuels, *Securing Japan: Tokyo's Grand Strategy and the Future of East Asia* (Ithaca, NY: Cornell University Press, 2007), 34–37.
15. Pyle, *Japan Rising*, 235.
16. Christopher W. Hughes, *Japan's Remilitarization* (New York: Routledge, 2009), 34. Among the U.S. methods of pressure, Congress added an amendment to the 1988 U.S. defense budget demanding that Japan raise its defense spending to at least 3 percent of GDP.
17. For a discussion of these political fights over what could be included in Japan's third or fourth defense plan, see, for example, Joseph P. Keddell Jr., *The Politics of Japanese Defense: Managing Internal and External Pressures* (Armonk, NY: M. E. Sharpe, 1993), 41–52.
18. Michael J. Green, "Balance of Power," in *U.S.-Japan Relations in a Changing World*, ed. Steven K. Vogel (Washington, DC: Brookings Institution Press, 2002), 9–34. Backfilling refers to the use of Japan's SDF to carry out sea lane protection and domestic sea control missions without U.S. participation, so that U.S. forces were freed up to engage the Soviet Union.
19. In July 1969, then president Richard Nixon announced in Guam that the United States would not "undertake all the defense of the free nations of the world" and that it would "look to the nation directly threatened to assume the primary responsibility of providing the manpower for its defense." This signaled a U.S. troop drawdown in Korea and Japan in particular (by about one-third each within three years, although the drop continued in Korea in later years while forces in Japan stayed relatively constant). Richard Nixon, "60. Report by President Nixon to the Congress: U.S. Policy for the 1970s: A New Strategy for Peace," in *Foreign Relations of the United States, 1969-1976*, vol. 1 (Washington, DC: U.S. Department of State, Office of the Historian, 1970), <https://history.state.gov/historicaldocuments/frus1969-76v01/d60>.
20. "A Strategic Framework for the Asian Pacific Rim: Report to Congress," U.S. Department of Defense, April 1990, 5.
21. See, for example, Segawa Takao, "Reisen Makki no Nichi-Bei Dōmei Kyōryoku to Kakugunshuku: INF Sakugen Kōshō ni Miru "Ron-Yasu" Kankei no Kiketsuten" [U.S.-Japan alliance cooperation and nuclear disarmament in the last days of the Cold War: Looking at INF reduction negotiations as a consequence of the "Ron-Yasu" relationship], in *Kokusai Seiji* [International government], no. 163 (2011): 81–95; and Reinhard Drifte, chap. 4 in *Japan's Rise*

- to International Responsibilities: The Case of Arms Control* (London: Bloomsbury, 1990). There were many factors that eventually allowed Washington and Moscow to agree on the full elimination of intermediate-range nuclear forces, but Japan's concern regarding relocation of Soviet weapons was a critical component.
22. See William Burr, Barbara Elias, and Robert Wampler, eds., "Nuclear Weapons on Okinawa Declassified December 2015, Photos Available Since 1990," National Security Archive Electronic Briefing Book No. 541, National Security Archive, February 19, 2016, <http://nsarchive.gwu.edu/nukevault/ebb541-Nukes-on-Okinawa-Declassified-2016/>.
 23. Armacost, *Friends or Rivals?*, 81. This was part of what some have called the "ambiguities in Japan's Cold War security policy." Takashi Inoguchi, G. John Ikenberry, and Yoichiro Sato, "Conclusion: Active SDF, Coming End of Regional Ambiguity, and Comprehensive Political Alliance," in *The U.S.-Japan Security Alliance: Regional Multilateralism*, eds. Takashi Inoguchi, G. John Ikenberry, and Yoichiro Sato (New York: Palgrave Macmillan, 2011), 275–7.
 24. The United States and Japan were also both part of the precursor meeting of six nations in 1975 outside of Paris to discuss the oil and economic crises at the time.
 25. Masahiro Kawai and Shinji Takagi, "Japan's Official Development Assistance: Recent Issues and Future Directions," Woodrow Wilson International Center for Scholars, July 2001, <https://www.wilsoncenter.org/sites/default/files/oda.pdf>.
 26. "Did the Plaza Accord Cause Japan's Lost Decades?," in *World Economic Outlook (WEO): Tensions From the Two-Speed Recovery; Unemployment, Commodities, and Capital Flows*, ed. International Monetary Fund (Washington, DC: IMF, April 2011), 53.
 27. "Foreign Exchange Rates, Through 1989," Board of Governors of the Federal Reserve System, last updated June 13, 2011, <https://www.federalreserve.gov/releases/h10/hist/default1989.htm>.
 28. For more on the U.S.-Japan Cooperative Science Program, see William A. Blanpied and Machi F. Dilworth, "A Brief History of the National Science Foundation's Tokyo Regional Office," National Science Foundation, updated and revised December 2007, <https://www.nsf.gov/od/oise/tokyo/history.jsp>. More on a variety of U.S.-Japan science and technology initiatives can be found on the interactive infographic: James L. Schoff, "Charting the Post-Cold War U.S.-Japan Alliance," Carnegie Endowment for International Peace, December 9, 2015, <http://carnegieendowment.org/publications/interactive/us-japan-initiatives/>.
 29. "Trade in Goods with Japan," U.S. Census Bureau, 1990, <https://www.census.gov/foreign-trade/balance/c588o.html#1990>.
 30. Edward J. Lincoln, *Japan's Unequal Trade* (Washington, DC: Brookings Institution Press, 1990), 121. Lincoln's sources include Japan's Ministry of Finance and the Japan Economic Institute.
 31. "Trade in Goods With Japan," U.S. Census Bureau.
 32. Chalmers Johnson, *MITI and the Japanese Miracle: The Growth of Industrial Policy, 1925–1975* (Stanford, CA: Stanford University Press, 1982), 6.

33. See “U.S.-Japan Trade: Evaluation of the Market-Oriented Sector-Selective Talks,” U.S. General Accounting Office, Report to the Honorable Lloyd M. Bensten, U.S. Senate, July 1988, GAO/NSIAD-88-205.
34. See Minoru Kusuda, interview by Akihiko Tanaka and Koji Murata, November 16, 1995, transcript at “U.S.-Japan Project Oral History Program,” National Security Archive, <http://nsarchive.gwu.edu/japan/ohpage.htm>. See also Yasuyuki Maeda, “U.S.-Japan Textile Negotiations,” in *A History of Japanese Trade and Industry Policy*, ed. Mikio Sumiya (Oxford, UK: Oxford University Press, 2000), 465–8. Henry Kissinger’s *White House Years* describes his (and Nixon’s) dissatisfaction with the process of negotiation and the outcome, but the result was sufficient to manage the political problem. See Henry Kissinger, *White House Years* (Boston, MA: Little, Brown and Company, 1979), 336–40.
35. The economist Laura D’Andrea Tyson (who later served as chair of the President’s Council of Economic Advisers and then director of the National Economic Council in the Bill Clinton administration), for example, claimed that “had governments withdrawn from active participation in semiconductor markets after 1985, Japanese firms would probably have moved from a position of rough parity to virtual dominance.” Laura D’Andrea Tyson, *Who’s Bashing Whom: Trade Conflict in High-Technology Industries* (Washington, DC: Institute for International Economics, 1993), 106.
36. Clyde H. Farnsworth, “New Snags for Japan Jet Project,” *New York Times*, March 10, 1989, <http://www.nytimes.com/1989/03/10/business/new-snags-for-japan-jet-project.html>.
37. Robert M. Uriu, *Clinton and Japan: The Impact of Revisionism on U.S. Trade Policy* (Oxford, UK: Oxford University Press, 2009), 62.
38. See Gerald L. Curtis, *The Logic of Japanese Politics: Leaders, Institutions, and the Limits of Change* (New York: Columbia University Press, 1999), 82–83.
39. The collection of essays by the two men raised some alarm in Washington, and the Defense Department produced a quick (and unauthorized) translation that became the talk of the town. Given his business interests, Morita distanced himself from the work as controversy mounted, but Ishihara later released his own English version, in 1991. Shintaro Ishihara, *The Japan That Can Say No: Why Japan Will Be First Among Equals*, trans. Frank Baldwin (New York: Simon & Schuster, 1991).
40. In the Japanese calendar, years are counted according to eras defined by the sitting emperor. Until the Meiji Restoration in 1868, emperors announced new eras rather frequently, especially following national disasters or other important events. Since the restoration, eras have coincided with the reigns of emperors. For example, 1945 was Showa 20, the twentieth year of the Shōwa era and also the twentieth year of Emperor Hirohito’s reign. The Chinese characters for Heisei mean “achieving peace.”
41. The SCC, or Nichi-Bei Anzen Hoshō Iinkai in Japanese, identified the U.S. commander in chief of PACOM as the U.S. military representative, but the USFJ commander was allowed to serve as his representative. The USFJ is a subordinate unified command of PACOM led by a three-star

general (who is also commander of the Fifth Air Force). A copy of the side letter is available in Japanese at 安全保障協議委員会の設置に関する往復書簡 “Anzen Hoshō Kyōgi Iinkai No Setchi Ni Kan Suru Ōfuku Shokan” [Side Note/Correspondence Related to the Establishment of the Security Consultative Committee], Institute for Advanced Studies on Asia, January 19, 1960, <http://www.ioc.u-tokyo.ac.jp/~worldjpn/documents/texts/JPUS/19600119.O2J.html>.

42. This change in U.S. representation was mentioned in the U.S.-Japan Global Partnership Plan of Action, part 1, section 2, January 9, 1992 (see “Japan-U.S. Cooperation in Equipment and Technology,” Ministry of Foreign Affairs of Japan, 2014, <http://www.mofa.go.jp/region/n-america/us/q&a/ref/9.html>), but 1994 was the first time the new approach was implemented. In the beginning, the secretary of defense did not always attend, and occasionally he was represented by the deputy secretary or the undersecretary for policy. This was due in part to scheduling challenges but also to the fact that Japan’s Defense Agency director was not a full-fledged minister within the Japanese cabinet.
43. Before 1983, there were typically 200 to 300 crimes committed by U.S. military personnel annually. The 310 crimes committed by U.S. personnel in 1973 made up nearly 7 percent of all reported crime in Okinawa that year. Since 1995, crime has noticeably declined, with fewer than 100 incidents every year except for 2003. Between 2013 and 2015, crime by servicemen reached an all-time low, at 30 incidents each year (or 0.8 percent of reported crime in Okinawa), about half of which were charges of theft. *Okinawa no Beigun Oyobi Jieitai Kichi (Tōkei Shiryō Shū)* [U.S. military and SDF bases in Okinawa, Okinawa Prefecture Office of the Governor collection of materials on statistics] (Naha, Japan: Asahidō, 2015), 106, <http://www.pref.okinawa.jp/site/chijiko/kichitai/documents/h28toukei14.pdf>.
44. The SCC convened thirteen times between 1990 and 2015.
45. The former U.S. Defense Department official Michael Finnegan noted correctly that formal SSC meetings are relatively rare and can be stilted gatherings, convened either to formalize agreement on a particular high-profile issue or to allow the parties to confront one another on a sensitive area of disagreement ahead of an SCC deadline. Most of the day-to-day work is carried out in the SSC’s name and below its level of rank. See Michael Finnegan, “Benchmarking America’s Military Alliances: NATO, Japan, and the Republic of Korea,” Center for U.S.-Korea Policy, February 2009.
46. In the U.S. Defense Department, the Asia Policy office was located under the assistant secretary of defense for international security affairs until 2007, when Asia-Pacific, South Asian, and Central Asian regions were reorganized under their own office, the assistant secretary of defense for Asian and Pacific security affairs, with a deputy assistant secretary for East Asia (responsible for Japan, Korea, China, Taiwan, and Mongolia).
47. In the past, when the allies occasionally focused on development of defense guidelines (in 1976 and 1997) and needed more force-planning expertise, they had added leaders of the relevant offices; they officially considered the group to be separate from the SSC and named it the Subcommittee for Defense Cooperation. The key additions are the director general for operations from Japan’s Defense Agency and the equivalent of the assistant secretary of defense for strategy, plans, and capabilities on the U.S. side (the title of this position has fluctuated).

48. Officially, the Japanese Diet passed the Act of Partial Revision of the Establishment of the Security Council (also known as the NSC Establishment Act) in November 2013. It came into force in December 2013, but the new NSC secretariat was not established until January 7, 2014, so this is the most appropriate time of its opening.
49. Japan established a temporary base in Djibouti in 2011, for example, to allow surveillance planes to operate there in support of a multilateral counterpiracy operation in the Gulf of Aden.
50. The seven bases are Camp Zama, Yokota Air Base, Yokosuka Naval Base, Sasebo Naval Base, Kadena Air Base, White Beach Naval Facility, and Futenma Marine Corps Air Station.
51. See Tatsuro Yoda, "Japan's Host Nation Support Program for the U.S.-Japan Security Alliance: Past and Prospects," *Asian Survey* 46, no. 6 (November–December 2006): 937–61.
52. This includes paying for certain utilities and costs associated with the local labor force on the bases and subsidizing a portion of facilities improvement costs. See Emma Chanlett-Avery and Ian E. Rinehart, "The U.S.-Japan Alliance," Congressional Research Service, February 9, 2016. "Half the cost" estimate derived from a 2013 RAND study, Michael J. Lostumbo et al., *Overseas Basing of U.S. Military Forces: An Assessment of Relative Costs and Strategic Benefits* (Santa Monica, CA: RAND Corporation, 2013), http://www.rand.org/pubs/research_reports/RR201.html. Article 24 of the SOFA says "the United States will bear for the duration of this Agreement without cost to Japan all expenditures incident to the maintenance of the United States armed forces in Japan."
53. The earthquake, tsunami, and nuclear disaster of March 11, 2011, in Japan's northeast region led to an unprecedented mobilization of Japan's SDF and triggered a formal U.S. support operation dubbed Operation Tomodachi (the Japanese word for "friend"). Instead of the BCM, the allies developed a process for information sharing and collaborative decisionmaking about common issues that involved leadership from a key ruling-party politician in Japan (Goshi Hosono) and U.S. ambassador John Roos. It became known as the Hosono Process or Hosono Group. For additional background about the disaster and aftermath, see Richard J. Samuels, *3.11: Disaster and Change in Japan* (Ithaca, NY: Cornell University Press, 2013).
54. The alliance coordination mechanism is a relatively simple process that links appropriate working-level officials and officers from the Ministry of Foreign Affairs, the Ministry of Defense, the NSC, the SDF, the USFJ, PACOM, the State Department, and the U.S. embassy in Japan to share information and facilitate collaborative decisionmaking for a security-related situation. Meetings are conducted in person in Japan but usually also involve participants from Washington and Hawaii via secure video teleconference. A bilateral operations coordination center can be established in the Tokyo area if necessary to oversee a joint response inside Japan or outside the country, and a component coordination center (CCC) on site of the response can also be created when necessary. A small CCC was established, for example, within Japan's Joint Task Force that responded to the Kumamoto earthquake in April 2016. Based on author interviews with Ministry of Defense and U.S. officials, mostly in April 2016.

CHAPTER TWO

A QUARTER CENTURY IN THE POST-COLD WAR ALLIANCE

INSURANCE POLICY

Then president George H. W. Bush's decision to attend Emperor Hirohito's funeral in February 1989 was a prudent move that sent important signals at a critical time. By choosing Japan for his first overseas trip as president, Bush demonstrated the high level of importance his administration attached to the U.S.-Japan alliance.¹ He also created a powerful new symbol of bilateral post-World War II reconciliation by paying respect to the wartime emperor despite an "icy cold rain" at the special outdoor ceremony in a national garden, and Bush conveyed a strong message of alliance continuity as Japan transitioned from the Shōwa era to the Heisei era.²

President Bush's visit focused not on the past but on the bilateral friendship and partnership that had developed between the two countries since the war's end. Japan reciprocated by breaking with protocol to give the newly inaugurated president a front-row seat, usually reserved for long-established dignitaries, even though he had been in office for little more than a month.³ Taken together, the themes of continuity, mutual respect, and appreciation for what the alliance had provided both nations since 1960 go a long way to explaining why adjustment was so gradual in the early post-Cold War period.

Still, times were changing. Although Bush had served the previous eight years as vice president and could have simply continued with previous policies, he dutifully launched a formal review

of the nation's overall defense strategy in a national security review document, released in March 1989.⁴ The approach was cautious and incremental. Despite the adjustments already under way in U.S.-Soviet relations and in Eastern Europe, Bush made clear in the document that he did not want a “new defense strategy for a new world” and instead highlighted the general soundness of America's current strategy and the value of alliances.⁵

However, the administration had to be at least somewhat responsive to recent geopolitical changes, as well as to public and congressional calls for lower defense spending to free up funds for other priorities and trim budget deficits. The breakup of the Soviet Union in 1990 increased pressure for big defense reductions, while mobilization for the Gulf War that same year tempered this dynamic. The Bush administration eventually coalesced around a base-force concept to preserve U.S. superpower status and remain prepared to address a variety of military contingencies.

Despite Bush's emphasis on continuity, the future of America's defense strategy was hotly debated in U.S. policy circles. Although most argued against precipitous budget cuts and emphasized enduring national objectives, some policymakers argued about the proper future force structure that could lead to significantly different outcomes. Some preferred a traditional approach that kept substantial forward-deployed forces in Europe, while others (particularly Joint Staff planners under then chairman Colin Powell) pushed for a change in focus toward regionally based Third World threats in the Middle East, Latin America, and the Pacific Rim.

The regional-defense approach included replacement of the concept of forward defense with forward presence and moving away from forward-stationed large land, sea, and air forces toward smaller permanent forces, together with rotational deployments, to demonstrate the U.S. commitment to protecting its interests and allies overseas.⁶ It took several iterations of policy reviews and strategy documents, but the idea took hold for a base force that could respond to a short-term crisis, mobilize for major contingencies in the medium term, and shape the future security environment over the long term, all aided by forward presence.

At the same time, Bush and his defense secretary, Dick Cheney, made clear that the transition to a regional-defense strategy contained “many of the traditional elements of U.S. defense policy, including, particularly, the continued importance of alliances.”⁷ As a result, U.S. troop reductions in Asia—and in Japan, most noticeably—were modest in the early 1990s. Concerns over North Korea's nuclear program and the Philippines' termination of U.S. basing rights in 1992 elevated the value of U.S. forces in Japan. In a bid to reduce tension on the Korean Peninsula, Bush ordered the removal of all U.S. nuclear weapons based in Korea, as well as several thousand U.S. troops, further increasing Japan's importance. Thus a key feature of the regional-defense strategy became “planning for uncertainty” and maintaining “strategic depth,” for which the U.S.-Japan

alliance was important as a “prudent, low-cost insurance policy,” as Cheney explained to the Japanese in February 1990.⁸

What Cheney did not tell the Japanese during his 1990 visit was that the U.S.-desired role for allies in this new strategy was far from clear, and it would be debated for at least another two years in Washington, with views at times on opposite sides of the spectrum. Declassified U.S. planning documents describe the “role of allies” as an outstanding issue as late as 1992, with discussions about what the options might be for burden sharing, how far to push allies to increase their own defense investments, and even “whether [the United States] seek[s] alliances principally because we fear them as potential competitors or value them as current allies.”⁹

Some U.S. commentators underscored the idea of competitors, suggesting that the alternative to a robust U.S. defense posture could be “Japanese carriers patrolling the Strait of Malacca and a nuclear Germany dominating Europe,” in the words of journalist Charles Krauthammer.¹⁰ Harvard professor Samuel Huntington later argued that Japan posed the greatest challenge to American primacy through its “strategy of economic warfare,” and that it had been waging “an economic Cold War” against the United States for decades.¹¹ By the end of the Bush administration, however, “valuing them as current allies” became the clear choice, even if some still believed that Japan’s and America’s interests would diverge more significantly over time.¹²

It was sometimes difficult for Bush administration officials to explain the concrete purpose of expensive military investments and forward presence beyond the vague concept of a relatively costly insurance policy, which made it an easy target for criticism by Democrats in a presidential election year. The Bill Clinton presidential campaign called this “one more attempt [by Pentagon officials] to find an excuse for big budgets instead of downsizing.”¹³ This cost factor, combined with rising U.S.-Japan trade tensions and a seemingly more benign security environment, pushed U.S. officials to ask its “prosperous Asian allies” for more direct support and to improve their own defense capabilities.¹⁴

Late in Bush’s term, U.S. officials began to speak differently about the juxtaposition of its economic and security relations, seemingly less confident that trade tension could be ameliorated by appealing to the greater good of the security alliance. Consequently, when it came time to renegotiate the bilateral special measures agreement that governed Japan’s provision of host-nation support of U.S. facilities in its country, Japan added utilities costs and all local labor to what was already one of the most generous support packages for U.S. forces overseas. The Defense Department touted this accomplishment in its 1992 Report to Congress as a way to deflect criticism, noting that “Japan [is] the least expensive place in the world, including the U.S., to station our forces.”¹⁵

From Japan’s perspective, Washington’s early emphasis on continuity was reassuring, as the government’s ruling Liberal Democratic Party (LDP) was tied up with other challenges

and liked the idea of a U.S. insurance policy. The LDP was recovering from scandal and struggling with the burst of Japan's bubble economy. Economic growth was declining quickly, and Japan's benchmark Nikkei 225 stock market average lost over 35 percent in 1990 alone, with a similar drop over the next two years. The growth in Japan's gross domestic product (GDP) dropped from 5.6 percent in 1990 to 0.8 percent in 1992 and to 0.2 percent in 1993. It was a scary unraveling that soon ensnared property values and threatened banks with vast exposure to these markets.

There were also lingering security concerns in Tokyo. Russia still had large numbers of residual military forces in Asia, North Korea's pursuit of nuclear weapons was becoming more apparent, and questions were being raised about China's near-term direction and stability following the violent crackdown of democracy protests in Tiananmen Square in 1989. China also entered an active nuclear weapons testing program, conducting eleven tests between 1990 and 1996.¹⁶ The Gulf War had a mixed impact on Tokyo, demonstrating U.S. power and protecting oil-market stability while forcing Japan to choose sides and entangling the country in a financially costly conflict on faraway shores.

The Japanese government was clear in the early post-Cold War phase that it considered the alliance "vital to the existence and prosperity of Japan," and it responded generously to U.S. requests for greater host-nation support.¹⁷ But Japan did not get around to a true articulation of its own adjusted defense strategy until 1995, when it produced its first National Defense Program Guidelines (*Bōei Taikō*, or NDPG) in about twenty years.¹⁸ This does not mean that there was a quick consensus or no debate in Japan about how to respond to this period of transition. On the contrary, debate percolated for several years among some loosely defined but familiar groups in Japan, including the policy mainstream in the bureaucracy and nationalist conservatives and pacifist liberals in the Diet.¹⁹

Academics, journalists, business leaders, and policymakers all discussed on air and in print their definition of Japan's national interests in this new era and how much consideration to give the alliance with the United States. The challenge of how to respond to the Gulf War was particularly contentious and also forced a near-term policy response, all of which became inseparable from a wider discussion of what kind of future relationship Japan should have with the United States in broad strategic terms on economic, political, diplomatic, and security fronts. These issues are described in greater detail later in the manuscript.

It is useful at this point to consider what observers can learn from looking back a quarter century at this tumultuous and uncertain time in alliance history. Not surprising but worth noting is the disproportionate time each side spent thinking about the other at the highest levels during a time of global change. U.S. policymakers focused primarily on Europe and the former Soviet Union. Of course, Washington also paid attention to implications for Asia and its alliances there, but this was just one component of a broader policy puzzle that

involved dozens of countries, multiple allies, hundreds of thousands of forward-deployed soldiers, hundreds of billions of dollars, and a massive nuclear arsenal. The bulk of conversation in Japan, however, revolved around the United States and the alliance.

For just one small example of this dichotomy, the number-two official in the Japan Defense Agency (JDA), Seiki Nishihiro, reportedly approached top Bush adviser Brent Scowcroft with an idea for convening joint strategy talks to coordinate policy vis-à-vis the Soviet Union, China, Korea, and the Middle East during this tumultuous time, but nothing came from it.²⁰ Even in April 2015, ahead of Japanese Prime Minister Shinzo Abe's highly publicized address to a joint meeting of Congress, nearly three-quarters of Americans polled said they had "never heard of" Abe, a full two years into his term and with three high-profile visits to the United States already under his belt.²¹

In addition, though economic issues were important, Washington dwelled mostly on geopolitical and security issues in the beginning, and the initial instinct was to be conservative, stay with the familiar, and protect what had been built up over decades. If Bush was thinking in terms of investing, he and his team focused on capital preservation rather than trying to deploy capital in pursuit of new goals. The Gulf War was an exception in this sense, offering a tangible and compelling target of action for America's military establishment. For long-term planning, it was more difficult to forge consensus.

Still, through its early deliberations on security issues at this critical time in a one-term presidency, the Bush administration effectively laid the groundwork for the U.S. post-Cold War strategy that endured for a decade and in some ways continues today. Moreover, this regional-defense strategy strongly influenced Japan's policy adjustments in the late 1990s and the beginning of this century. The correlation was not planned (impacted to some degree by external events), and it happened on a different timetable, but Tokyo ended up supporting the U.S. approach with money, political support for base realignment, and new agreements and laws to allow for increased security cooperation in a wider range of contingencies and geographic locations.

If geopolitical uncertainty was a stabilizing factor within the alliance, however, domestic politics often shaped each country's policies in ways that prompted friction and tension. President Bush, for example, was preparing for a summit meeting in Tokyo as part of a broader Asia foreign policy trip when a special election for senator in Pennsylvania in November 1991 highlighted public concern that Washington was not spending enough time on domestic affairs. Bush postponed his Japan trip as a consequence, and when he did go he changed the focus to one of trade promotion, bringing along a group of top U.S. business executives. In many ways this scuttled plans by the State Department to make the new Global Partnership a centerpiece of the alliance going forward.²² Instead, the language of the Global Partnership agreement literally became the flip side of a trade agreement on auto parts, flat glass, and other products.²³

Washington pressed for more host-nation support, greater contributions to the Gulf War, and reciprocity on technology sharing and market access, while politics in Japan pushed Tokyo to resist such demands and open up other issues such as curtailing the focus on human rights in relations with China and exploring Japan-led Asian regionalism to complement international and Western-led institutions. Overall, people in both countries wanted government to pay more attention to domestic concerns, and elected officials were pressed to show how their policies (including alliance cooperation) served national interests in tangible ways. Once the Cold War standoff had ended, the relevance of the alliance to the domestic economy became even more challenging to explain, and this contributed to significant political change in the United States and Japan after 1993, which impacted the alliance for the rest of the decade.

DRIFT AND DISSONANCE

U.S.-Japan trade friction did not begin with the Cold War's end. The two countries fought over textiles, steel, tobacco, automobiles, and other products for decades before, and some of these battles prompted Congress to create the Office of the U.S. Trade Representative (USTR) in 1962 and elevate it to a cabinet-level agency with the Trade Act of 1974. But from Washington's perspective in the early 1990s, the stakes were getting higher just as trade battles were released from a sort of Cold War tether that had kept them on a relatively short leash until that point.

When the new Clinton administration, with its tough trade rhetoric, prepared to take over in January 1993, it was welcomed by policy briefings from State Department officials responsible for Japan who tried to educate the incoming team about the traditional approach of managing trade disputes for the greater good of the security alliance. Those papers were quickly and enthusiastically discarded.²⁴ A former State Department "Japan hand" involved in that process recalled a new administration appointee telling him, "You had your chance [to fix Japan policy]; it's our turn now."²⁵

During the transition period, an informal "Saturday group" of trade policy specialists met regularly at the prompting of soon-to-be USTR Mickey Kantor, and the group began to sketch out potential policy approaches for the most pressing problems.²⁶ The top priorities involved Japan, and group members included many influential contributors to Clinton's Japan policy, such as Laura Tyson, Roger Altman, Bo Cutter, Larry Summers, and Joan Spero. These were scholars and businesspeople who were of—or influenced by—the so-called revisionist school of trade and Japan policy analysis that emerged in the 1980s, which in simple terms took a less traditional free market approach to solving trade imbalances with Japan, largely because it saw Japanese capitalism as sufficiently different and resistant to change by market forces alone.²⁷ The new Clinton team encouraged aggressive

steps to address the problem, since it perceived Japan's national strategy as potentially damaging to U.S. long-term interests, particularly in high-tech sectors.

With growing encouragement from many U.S. business leaders, the Clinton team prepared for a "results-oriented" trade policy that would measure success more by market share than by simple access.²⁸ The legacy of earlier trade battles was a set of laws that gave the USTR and the Commerce Department some means to impose tariffs or otherwise penalize foreign companies found to be violating U.S. rules.²⁹ The goal was to fill gaps not covered by the General Agreement on Tariffs and Trade by protecting U.S. industry harmed by perceived violations and prompting the foreign company or country to fix the problem. Many revisionists argued that Japan often removed a formal trade barrier but left in place informal practices that limited U.S. export or investment opportunities. The emerging trend was to set concrete targets for U.S. gains and then threaten trade sanctions if those targets were not met.

Japanese officials were aware of the pending policy shift in Washington and considered how to respond. The U.S. Congressional Research Service interviewed dozens of Japanese policymakers and opinion leaders early in the Clinton administration and, not surprisingly, found deep "pessimism over near-term prospects of U.S.-Japan relations."³⁰ Many Japanese judged that the security relationship would "no longer provide sufficient incentive for [the two] to mute their differences over economic policy," though some believed that growing interdependence and mutual interest could help them avoid lasting damage.³¹

Others in Japan were less optimistic and were increasingly frustrated with U.S. pressure tactics. When the first bilateral semiconductor agreement was signed in 1986, it included an "expectation" of a 20 percent "foreign" market share in Japan, which officials of the Ministry of International Trade and Industry (MITI) say they were assured by the Americans was "not a guarantee. . . . Don't worry about that figure." But U.S. negotiators later threatened sanctions if the goal was not achieved, hardening attitudes at MITI for future negotiations. "It's ridiculous," one MITI official told a U.S. reporter in response to U.S. criticism, and then added, "Well, we have a very strong institutional memory here."³²

The two countries were soon on a collision course of sorts, as consensus built within the Clinton administration to press for results-oriented trade agreements and Japanese resolve stiffened to reject American efforts to dictate specific outcomes of market-opening initiatives, which the Japanese derided as "managed trade." Whereas in the past Japan could sometimes ameliorate trade friction by compromising on a security issue of interest to Washington, this kind of leverage appeared to be gone. In fact, Clinton officials, including the White House press secretary, began to warn Japan that a lack of progress in trade talks could adversely affect the security relationship, much to the consternation of the State and Defense Departments.³³ Attitudes hardened on both sides.

Mutual frustration on economic and trade issues was already well formed in the 1980s during two extended negotiating rounds—the market-oriented, sector-selective talks and the Structural Impediments Initiative—which then secretary of state George Shultz characterized as “painful, tooth-pulling efforts.”³⁴ Ambassador Armacost later observed that “the Japanese acquired a reputation in Washington for taking as long as possible to do as little as necessary. Americans in turn came to be viewed by the Japanese as likely to raise yet another demand each time they pocketed a concession. . . . Japanese passivity invited American pressure. Pressure in turn provoked Japanese defensiveness. Frictions attracted press attention, and the issues were politicized.”³⁵

President Clinton himself was sympathetic to the economic and political arguments made by his advisers in support of a tougher trade policy, even as he spoke in positive terms about the overall importance of the U.S.-Japan alliance. The Japanese found Clinton difficult to read at first. In his earliest meetings with then Japanese foreign minister Michio Watanabe in February 1993 and prime minister Kiichi Miyazawa in April, participants expressed some surprise at how “warm, cordial and supportive” Clinton was in private regarding the bilateral relationship, only to “turn the tables” at the press conference with stern criticism of Japanese trade practices. The general rule before then had been to maintain public solidarity and save the complaints and lecturing for the private meetings.³⁶

At the April meeting, Clinton and Miyazawa agreed to establish a new framework for U.S.-Japan economic relations, which Clinton said should focus on “getting results,” while Miyazawa emphasized that this should not include specific quantitative targets. Three months later, the two sides signed a framework agreement to begin negotiations aimed at removing trade and investment barriers in five specific areas and included broad macroeconomic pledges by both sides.³⁷ In this sense, the framework was supposed to be a two-way street: Washington would focus on reducing fiscal deficits and boosting savings, while Japan would promote domestic demand and reduce its current account surplus. The two sides fought hard over how to measure progress and ended up with a fuzzy compromise that would use “objective criteria” in lieu of numerical targets, the precise meaning of which they argued about throughout the framework talks.³⁸

Early in the Clinton administration, trade specialists were clearly in charge of Japan policy and generally maintained a united front, but they disagreed at times about how hard to push Japan and at what cost. Then deputy treasury secretary Roger Altman, in testimony before the U.S. Senate, emphasized the shift in focus to economic issues with Japan. He added, “It is quite remarkable the degree to which [past] administrations . . . focused on issues of security . . . [and] global political issues” at the expense of economic and trade issues.³⁹ But even in the Clinton administration there were moderates working alongside the trade hard-liners. These moderates were uncomfortable with too strict a managed-trade approach, either for ideological reasons or because they doubted its effectiveness and feared adverse effects. National Economic Council chair Bo Cutter, for example,

consistently filed down the sharpest edges of U.S. trade demands of official trade policy with Japan, even as some of his colleagues made pointed warnings and threatened sanctions in both public comments and private meetings.⁴⁰

As acrimonious as the bilateral negotiating environment became in the early 1990s, a variety of factors worked against a drift toward an all-out and damaging trade war. These included the traditional alliance-management constituencies within the U.S. State Department and Defense Department and in the Japanese Ministry of Foreign Affairs (MOFA) and the JDA, as well as some in the private sector who were more or less content with current arrangements.

In addition, Japan effectively portrayed the most extreme U.S. demands as running counter to free market principles and the evolving multilateral order being negotiated in the Uruguay Round of trade talks. Those talks concluded in 1994 and led to the creation of the World Trade Organization (WTO) in 1995. Japan had trouble defending some of its own specific trade rules that came under fire in the negotiations, but it found political support when it championed multilateralism in general and stood up to perceived U.S. bullying. Alliance proponents in Japan often supported this kind of aggressive defense because they feared at this stage that giving in too much to the Americans could sow the seeds for greater friction in the future and a loss of public support at home for the special bilateral relationship.

The Americans soon found that they had more success with certain trade arguments than with others. Although enforceable import targets were a tough sell outside of the United States, many U.S. complaints about the discriminatory nature and inefficiency of Japan's economic system found support among Japanese consumers and small firms. After all, the same rules that complicated U.S. market entry often kept new Japanese domestic players out, too, and they drove up costs. Some Japanese politicians, media commentators, and businesspeople pressed more vocally for economic deregulation and decentralization in the country. Among them was a group of LDP politicians who created Reform 21, a new faction in the ruling party led by heavyweights Tsutomu Hata, a former finance minister, and Ichiro Ozawa, a former LDP secretary general, who saw in some U.S. proposals an opportunity to stimulate the flagging domestic economy. The influential and respected businessman Kazuo Inamori (founder of Kyocera Corporation) added his voice against too much "bureaucratism" and said that business leaders should oppose regulations that harm the interests of the consumer.⁴¹

The backdrop to all this was a string of political scandals in Japan that highlighted the negative aspects of iron-triangle collaboration among LDP politicians, top bureaucrats, and vested-interest business leaders, which many credited with helping Japan succeed economically in the past but now appeared to be rotting from within. With a stronger yen, more Japanese were traveling abroad, noticing the low cost of goods and services in other

developed countries, and learning about the multitude of consumer options. U.S. trade pressure was contributing to lower costs for tobacco, beef, citrus, and other products. By the late 1990s, this pressure and the need for Japan to conform to new WTO rules allowed for the introduction of large retail stores and other changes to the distribution system for various products. Thus one could argue that the source of U.S. success in opening Japanese markets had more to do with the existence of domestic allies in Japan on certain issues and the strengthening of trade multilateralism overall than with the benefits of aggressive unilateralism.⁴²

Before the trade battles died down in the late 1990s, however, U.S. and Japanese officials went through many cliff-hanging negotiations under the threat of sanctions, in particular from 1994 through 1995, after the USTR initiated an auto parts investigation under section 301 of the Trade Act of 1974 that led to \$5.9 billion in U.S. sanctions against Japanese luxury automakers—the largest in U.S. history.⁴³ Negotiators had about six weeks to finalize a deal to avert full enforcement of the sanctions, amid intense public relations campaigns by both sides in search of a political advantage.

The two sides managed to reach a last-minute deal that many thought could have been achieved earlier without all the trade war bluster and resentment.⁴⁴ Both countries claimed victory, but the appetite for confrontation was already diminishing, and many questioned whether things were going too far. The Japan office director at the Commerce Department, Marjory Searing, had earlier described some reconsideration under way in Washington, explaining that “we realized we may have oversold the [Clinton-era] Framework as a panacea for all of our economic problems with Japan.”⁴⁵ The long-term performance of U.S. auto firms in Japan seems to bear this out.

In 1994, for example, Japan imported \$1.5 billion in auto parts from the United States, and although that amount rose to \$2.2 billion in 2000, it had fallen back to about \$1.4 billion by 2014.⁴⁶ Thus twenty years later, the highly touted auto parts deal saw no increase in sales. Finished U.S. auto sales to Japan fared much worse, rising briefly in 1995 to 139,016—more than double the sales of two years earlier—but then dropping precipitously, sinking to 19,003 units by 2014.⁴⁷ The U.S. automaker Saturn tried to enter the Japanese market in the mid-1990s and built several dealerships around the country, backed by an advertising campaign, a small dealer and service network, and a corporate team in Japan that blended Tennessee and Tokyo. But the carmaker could not generate a sufficient critical mass in Japan’s competitive market and shut its doors after four model years.⁴⁸

This is not the whole story, however, and I discuss later how the establishment of the North American Free Trade Agreement (NAFTA) and other factors led to a much different sales and trading pattern than U.S. negotiators had conceived of in 1994. In short, U.S. firms started selling to transplant Japanese automakers in the United States and Mexico as new opportunities opened up within the NAFTA bloc thanks in part to rules

that encouraged investment in North America. Trade negotiations with Japan could nibble around the edges and facilitate fairer competition or create certain incentives, but it could not keep pace with dynamic changes in technology and the marketplace.

Back in the mid-1990s, disillusionment in Washington with a high-profile and aggressive trade stance toward Japan arrived at about the same time the U.S. economy was generating solid growth and job creation with declining budget deficits, while Japan's economy continued to stagnate after the bursting of its 1980s asset bubble. The imminence of the trade threat from Japan seemed to diminish just as tensions were heating up with North Korea over its nuclear program and between Taiwan and China, and the Clinton team made a conscious decision to reduce the visibility of its trade negotiations with Japan.⁴⁹ After all, if the primary motivation for pressing Japan on trade was to protect the U.S. economy and jobs, it was clear that a major conflict in East Asia could do significantly more damage on that front, and the allies needed one another to help maintain stability in the region.

A different test of alliance collaboration emerged in the form of the so-called Asian financial crisis in 1997, or what many in affected nations like South Korea and Thailand called the International Monetary Fund crisis (reflecting the views of some that strict IMF conditions were a greater problem than their own governance shortcomings). A series of currency crises had erupted around East Asia owing to overleveraged economies that suffered a collapse of confidence and massive outflows of capital, forcing them to rely on outside financial help to cover external debts. The IMF sprang into action but wanted significant reforms in the recipient countries to address the perceived problems that caused the crisis, as seen by the IMF in Washington. Differing diagnoses of the problem and competing prescriptions for repair by Tokyo and Washington hardened their bones of contention regarding economic philosophy and Western domination of international organizations. Japan's outspoken vice finance minister for international affairs at the time, Eisuke Sakakibara, later said that the Thai crisis demonstrated that "the Washington consensus [on Bretton Woods] was over."⁵⁰

In September 1997, Sakakibara distributed a confidential proposal to five Asian governments to suggest they create an Asian monetary fund to give them more flexibility to deal with the crisis rather than rely solely on Washington. Supported by his deputy Haruhiko Kuroda, Sakakibara was considering a Japanese contribution in the tens of billions of dollars, and he thought that, pooled with other funds, might be enough to intimidate Wall Street speculators who were betting on further Asian market weakness.⁵¹ Washington was perturbed when it found out, and then deputy U.S. treasury secretary Larry Summers placed an angry phone call to Sakakibara to protest what the U.S. government feared might undermine the IMF and cover up unsound financial governance. Sakakibara later admitted that "in retrospect, it was all too hasty." But the pushback led by Japan did influence future IMF policy and prompted a new type of loan facility that responded to some of the client

countries' complaints in the region. In the end, Sakakibara reflected on the "valuable lesson" Japan had learned about "the influence the United States wields in Asia."⁵²

Political turmoil in Japan added drama and uncertainty during much of the 1990s as well. Although the LDP had governed Japan continually since 1955, winning election after election, part of its longevity could be attributed to an ideological flexibility that allowed staunch conservatives to coexist with moderates and even moderate liberals. Factional fights occurred from time to time, but the party always hung together owing to a combination of political self-interest and the greater good of economic growth and support for the U.S. alliance, which was deemed critical to national security and was opposed by the Socialist opposition.

But a combination of factors, including the end of the Cold War, economic stress, corruption scandals, and the advent of modern globalization, allowed a factional revolt in 1993 to break the LDP's grip on power for the first time in almost forty years.⁵³ One result was a string of four prime ministers from four different political parties over the next three years. During his first term, Clinton dealt with a total of five prime ministers, while then secretary of state Warren Christopher had five counterparts of his own (see figure 2.1).

The Clinton administration often described the U.S.-Japan relationship as a three-legged stool, supported by cooperation in the areas of security, economics, and other global issues of concern such as healthcare and the environment. Early on, the administration judged the security and global legs to be "very strong" and "healthy," but it saw the economic leg in need of "urgent attention" because of imbalances.⁵⁴ A few years later, however, there was growing concern in Washington about the security leg, owing in part to a worsening regional security environment, political instability in Japan, and the adverse effects of Clinton's aggressive trade approach. By 1995 the administration was promoting a new analogy, comparing security to oxygen, in the sense that one does not notice oxygen until it starts to disappear.⁵⁵ The metaphorical shortness of breath experienced in Washington and Tokyo brought traditional alliance managers back into the mainstream.

RENEWED PURPOSE

After a relatively brief period of intense focus on economics and trade at the start of the post-Cold War era, the primacy of security cooperation returned to the U.S.-Japan alliance in the middle to late 1990s, and it has hardly waned since then. Moreover, the nature of bilateral cooperation has changed significantly, creating a far more collaborative and professional military relationship. At the same time, although the circumstances under which the allies can cooperate have expanded, they are still confined to defensive contingencies or internationally endorsed missions of a relatively benign character. This section examines how and why the security aspects of the alliance evolved the way they have, as a prelude to considering their future in later sections.

FIGURE 2.1: Timeline of U.S. and Japanese Heads of State in the Post-Cold War Era

GEORGE H.W. BUSH (1989-1993)	Sōsuke Uno (1989)
	Toshiki Kaifu (1989-1991)
BILL CLINTON (1993-2001)	Kiichi Miyazawa (1991-1993)
	Moirhiro Hosokawa (1993-1994)
	Tsutomu Hata (1994)
	Tomiichi Murayama (1994-1996)
	Ryūtarō Hashimoto (1996-1998)
	Keizō Obuchi (1998-2000)
	Yoshirō Mori (2000-2001)
GEORGE W. BUSH (2001-2009)	Juichirō Koizumi (2001-2006)
	Shinzō Abe (2006-2007)
	Yasuo Fukuda (2007-2008)
	Tarō Asō (2008-2009)
BARACK OBAMA (2009-2017)	Yukio Hatoyama (2009-2010)
	Naoto Kan (2010-2011)
	Yoshihiko Noda (2011-2012)
	Shinzō Abe (2012-2017)

Joint Declaration and Revised Defense Guidelines

From its beginning, the Clinton administration always valued the U.S.-Japan security alliance, and even as a presidential candidate, Clinton referenced its vital role as part of what “may well be [America’s] most important bilateral relationship.”⁵⁶ In the administration’s three-legged stool reference, Clinton pressed hard on trade because of his confidence in the strength of the defense leg (that is, it was doing fine), not because he believed that security was somehow less important. Moreover, some U.S. officials worried that a “failure to address trade issues could lead over time to an erosion of U.S. domestic support for the [security] relationship,” so being tough on trade was necessary to protect the broader alliance.⁵⁷

The increasing bilateral rancor over economic issues, however, cast doubt on the idea that U.S. officials could isolate any negative trade impact on the broader security relationship. “Quite clearly, our relationship was reeling,” remembered Warren Christopher.⁵⁸ Several current and former officials in both countries responsible for managing security ties became nervous when Tokyo’s growing enthusiasm for multilateralism in the trade arena began spreading to the defense arena, fearing stagnation of bilateral defense ties.⁵⁹ Concern in Washington and Tokyo rose as regional security threats increased amid revolving Japanese prime ministers in the first half of the 1990s, punctuated in 1995 when three U.S. servicemen in Okinawa brutally raped a twelve-year-old Japanese girl and shocked both nations.⁶⁰ Angry Okinawans organized large-scale protests of the U.S. military presence as a result.

In the shadow of these severe setbacks in the relationship, U.S. and Japanese officials were quietly collaborating on a new alignment of national and bilateral defense policies in the Asia-Pacific that would reshape alliance cooperation in the post-Cold War era. On the U.S. side, this process began in 1994, when then assistant secretary of defense Joseph Nye and colleagues proposed a reexamination of the alliance’s role in East Asian security. Nye received a strong endorsement from none other than Brent Scowcroft, who as national security adviser to George H. W. Bush had been unable to focus specifically on bilateral issues amid the tumult in Europe and the Middle East a few years earlier.⁶¹

The timing for this alliance conversation was particularly good, as Japan’s prime minister had recently launched a blue-ribbon panel to consider the nation’s future policies ahead of a major official Defense Agency review the following year, just as the Clinton administration was considering its own national security and East Asia strategies with a new defense secretary, William Perry. Clinton’s National Security Strategy of Engagement and Enlargement of February 1995 represented a distinct though incremental adjustment from the previous Bush administration, as it began to specify a collection of security challenges beyond general geopolitical uncertainty. The administration gained some unfortunate early experience with these challenges, such as spreading ethnic conflict (in the Balkans), rogue states and nuclear proliferation (in North Korea), and security-related humanitarian and governance crises (in Somalia, Rwanda, and Haiti).

Clinton continued to look for ways to reduce defense spending (which did decline by about 20 percent, with a cut of almost 400,000 personnel, over the course of his presidency), but his strategy required preserving military capabilities for a wide range of global missions and retaining robust forward deployment. This was especially true in Asia, where the figure of 100,000 U.S. military troops in the region (down from 135,000 in 1990) became something of a litmus test for U.S. commitment to its allies. In 1995, the Defense Department released a report, “U.S. Security Strategy for the East Asia-Pacific Region” (East Asia Strategy Report, or EASR), highlighting the importance of stronger bilateral alliances and noting the 100,000 personnel commitment. In what could be dubbed America’s “first rebalance to Asia,” forward-deployed U.S. troops in Europe were slated to be reduced from a three-to-one ratio, compared with those in the Pacific, down to rough parity.⁶²

The 1995 East Asia Strategy Report also mentioned the concept of “sharing responsibility for maintaining regional global security,” but it was vague about what this meant for America’s allies. Beyond North Korea, it was hard to see how the U.S.-Japan alliance would be “refocused” or “strengthened” to address “the new post-Cold War challenges,” despite being a partnership that the report called “the basic mechanism” for its strategy.⁶³ The EASR noted Japan’s high level of host-nation support, its large budget for overseas development assistance, and its contributions to peacekeeping in Mozambique and Zaire (later known as the Democratic Republic of the Congo) but left unexplained was what this had to do with America’s East Asia strategy. In addition, both the National Security Strategy and the EASR muddied the waters by adding references to U.S.-Japan trade negotiations as being closely linked to America’s national strategy. They also introduced the concept of cooperative-security approaches and promoted new multilateral forums such as the Association of Southeast Asian Nations (ASEAN) Regional Forum and Asia-Pacific Economic Cooperation (APEC). If the allies were going to effectively upgrade their alliance cooperation, then a more concentrated and coordinated effort would be necessary.

The “correct answer,” as defense secretary Perry later described it, was to put bilateral energy behind an initiative that would upgrade defense cooperation in concrete ways and strengthen the security leg of the alliance regardless of what happened on the economic front.⁶⁴ Nye, a recent Harvard professor of international affairs with previous stints at the State Department and the National Intelligence Council (NIC), led the initiative. He worked in close coordination with then assistant secretary of state Winston Lord and the NSC staff, while also drawing on outside scholars such as Ezra Vogel (then at the NIC).⁶⁵

Nye paved the way with personal conversations in November 1994 in Tokyo with MOFA and JDA counterparts (including defense adviser Nishihiro), and they agreed to start by seeking Japanese input for the EASR. A special panel appointed by Japan’s prime minister had already released its advice earlier that year for Japan’s future defense policy and alliance with the United States (the so-called Higuchi Report), so there was serendipitous synergy to both countries’ defense reviews that time around.

U.S.-Japan discussions on the East Asia Strategy and Higuchi Reports helped inform the Japanese government's drafting of a new NDPG for 1996.⁶⁶ The first NDPG was launched in 1977 as a capstone of sorts to four previous defense procurement plans starting in 1958.⁶⁷ The Ministry of Finance wanted to put a lid on defense spending, and the Defense Agency needed a framework for budget planning, so the first NDPG explained the overall mission of the SDF and suggested that "the present scale of defense capability seems to closely approach the target goals" of that mission.⁶⁸ That mission was simply "full" peacetime surveillance and the ability to cope with "limited aggression," with reliance on U.S. forces to prevent full-scale aggression against Japan and nuclear threats. The first NDPG of 1977 also mentioned consideration of domestic disaster-relief activities. It was a barebones vision for a minimum defense posture.

Thus Japanese defense budgets for the next nineteen years were justified, in theory, on maintaining and modernizing forces to fulfill these roles, and although the alliance was clearly central to Japan's national security policy, the operations of the two countries' armed forces were completely separate. Of course, the allies shared information and tried to ensure smooth coordination in operations, intelligence, and logistics, but their bilateral defense guidelines of 1978 made clear that each nation was responsible for the logistics of its own forces.⁶⁹

Those guidelines provided some context for how the allies would cooperate in case Japan was attacked (or an attack appeared imminent), but despite language saying they would jointly conduct ground, air, and maritime operations, the concept amounted to simple coordination of separate activities. The 1978 defense guidelines also offered no detail about what kind of cooperation might be considered for a regional contingency. There was no meaningful integration of U.S. and Japanese forces because neither side desired it at that time.

The situation changed incrementally over the next two decades, however, and Japan's new post-Cold War NDPG of 1996 had to accommodate Japan's involvement in UN peacekeeping operations and requests from Washington for support in a North Korean contingency. The Higuchi Report provided Japan's input to the EASR, which came out in February 1995, while the Defense Agency's work on its new NDPG was already under way. A mutual consensus for change was forming in both capitals, reinforced by frequent bilateral consultation. "It was not that we Americans told the Japanese to put X, Y, Z in their NDPG over the next five years, but that we did it together," the professor Ezra Vogel later explained.⁷⁰

Japan's new NDPG noted that "expectations for the role of the SDF have increased" to include overseas disaster assistance and "international peace cooperation activities." Its assessment of the global security situation resembled that of the U.S. strategy, highlighting such concerns as unresolved territorial issues, regional and ethnic conflicts, and missile and nuclear proliferation. The new NDPG adhered to the previous "basic defense"

concept but augmented it with a goal to enhance the credibility and effectiveness of U.S.-Japan security cooperation (including for regional security and situations in areas surrounding Japan), in addition to multilateral peace building (in a limited way).⁷¹ To some extent, Tokyo was internalizing a Washington argument that threats to global stability were potential threats to Japan and required a more substantial Japanese response.

With its emphasis on “ensuring the smooth and effective implementation of the Japan-U.S. Security Arrangements,” the 1996 NDPG was beginning to give new meaning and substance to articles 4 and 6 of the U.S.-Japan Security Treaty, which reference the maintenance of peace in the Far East.⁷² In the beginning of the alliance, neither Tokyo nor Washington conceived of a Japanese military role in regional security cooperation beyond allowing the United States to use bases in Japan for that purpose (and selling nonlethal materiel on a commercial basis). By the mid-1990s, however, pressure from Washington and from inside Japanese policy circles moved the political process to accept a more direct link between the alliance (not just U.S. forces in Japan) and maintenance of regional peace and security. North Korea was the catalyst for this shift, but China’s emergence was an increasingly influential factor for Tokyo.

The so-called Nye Initiative helped to connect the relevant policy discussions in Tokyo and Washington so that their vision could be clearly articulated to the publics and to other countries, and it also provided necessary guidance for defense planners to work out how the allies would cooperate in practice. Still, this bureaucratic exercise needed a high-level political commitment to have a lasting impact, and that came in the form of a joint declaration signed by Clinton and then prime minister Ryutaro Hashimoto in April 1996.

The Joint Declaration on Security was relatively easy to draft amid all this bilateral consultation on the EASR and the new NDPG, but codifying a new direction for the alliance at the highest possible level was a vital step. The original plan was to sign the joint declaration in Japan in November 1995, on the sidelines of the APEC leaders’ summit being hosted in Osaka, but Clinton had to postpone his trip owing to an intense budget showdown with Congress that fall.⁷³ Clinton did not travel to Tokyo until April 1996, which meant he had yet another new counterpart (prime minister Tomiichi Maruyama had stepped down in January). In this case, however, Clinton found in Hashimoto a leader for whom a strong bilateral security relationship was a much more comfortable fit, compared with his predecessor.

The delay in concluding the joint declaration worked to the allies’ advantage in other ways, and it helped the April summit and joint declaration recast a more solid foundation for the alliance going forward. The five-month postponement was beneficial to the extent that it gave the allies time to consider how to address discontent in Okinawa over the U.S. base presence, especially given the raw anger after the September 1995 rape incident. It also allowed Japan’s new NDPG to be released ahead of the joint declaration (rather than

simultaneously), which was probably a better optic, allowing the public to see the NDPG as a domestic initiative rather than something potentially developed under U.S. pressure.⁷⁴

It was not necessarily planned this way, but in addition to the aforementioned EASR and new NDPG consultations there were other important security cooperation items that came together in a generally like-minded way in the year leading up to the security declaration. These included a new agreement on host-nation support in September 1995 that locked in Japan's contributions for the next five years, the Acquisition and Cross-Servicing Agreement for training and international peacekeeping operation (PKO) missions in April 1996, and an interim agreement that same month on measures to reduce the impact of U.S. bases on the people of Okinawa.

President Clinton told reporters in Tokyo at the time that he saw the Joint Declaration on Security not "as a dramatic departure" but rather as a "relationship between two old friends maturing . . . and adjusting to the challenges of the world that we now face," but it did have a lasting impact.⁷⁵ The declaration cemented the idea that the allies should work together to achieve "common security objectives" beyond the defense of Japan and advocated much closer security cooperation than had taken place to date. The two leaders identified regional contingencies, nuclear proliferation, peacekeeping, and coordination in emerging regional security forums as appropriate areas of defense cooperation. Perhaps most important, the declaration authorized a review of the 1978 guidelines for U.S.-Japan Defense Cooperation, to think through various scenarios where closer collaboration might be useful and shape a new kind of security alliance relationship.

Bilateral consultations over the new defense guidelines consumed more than a year, with four rounds of scenario studies, producing a final draft submitted to the Security Consultative Committee in September 1997.⁷⁶ Compared with the original defense guidelines of 1978, the new document described in more detail the kind of mutual support the allies might provide before and during an attack on Japan. The biggest change was a two-page section on cooperation in situations in areas surrounding Japan (SIASJ), where there had not been two paragraphs before. The 1997 defense guidelines listed over forty examples of "rear-area support" that Japan could provide to U.S. forces in a regional contingency, including medical treatment and transportation of American casualties, provision of various materials (except weapons and ammunition), search and rescue, and several others.⁷⁷ Some new legislation was required in Japan to make this possible. However, as the next chapter explains, this ended up limiting alliance integration in practice.

The 1997 defense guidelines tried to institutionalize two forums for closer security cooperation, one for bilateral planning, known as the comprehensive mechanism, and another for operations coordination, called the bilateral coordination mechanism. The comprehensive mechanism began meeting in 1998 and developed a common strategic concept for regional security cooperation, but the allies did not have a chance to put it into practice.⁷⁸ In addition to the high legal hurdle for Japanese involvement, Japan's SDF was slow to introduce

joint operations among its three branches, and they did not operate jointly overseas until 2004 for the Indian Ocean tsunami response. The bilateral coordination mechanism, which was meant to help coordinate Japanese logistical support to U.S. forces in an SIASJ contingency, never materialized, as the SIASJ law in Japan was not invoked.⁷⁹

Overall, U.S.-Japan security cooperation has stepped up incrementally in substance, complexity, and variety like a narrow staircase over several decades, starting with the original U.S.-Japan Security Treaty of 1951 and on to the revised treaty in 1960.⁸⁰ The 1978 defense guidelines were sometimes considered the third version of the Security Treaty, as it introduced the concept of complementary roles and missions with bilateral coordination, even if the allies did not implement many concrete measures toward that end beyond some modest training and planning. Then chairman of the Joint Staff Council of the SDF, General Takehiko Takashina, remarked that as a result of the 1978 guidelines, “the spirit has been put into the U.S.-Japan Security Treaty for the first time since 1960.”⁸¹ Soon thereafter, bilateral cooperation on missile defense began to emerge modestly, becoming more serious with Japan’s involvement in the U.S.-led Western Pacific Architecture Study for missile defense in the early 1990s. As the threats in Asia increased, so did Japan’s participation.

The 1997 guidelines took the alliance a step further, authorizing a greater degree of bilateral planning and formal coordination for the defense of Japan and a wider range of potential regional contingencies that would involve the SDF. The alliance continued to climb that staircase a few more steps over the next two decades, including unusually close technical cooperation and co-development of missile defense systems, after North Korea lobbed a missile over the Japanese archipelago and into the Pacific Ocean in 1998.

North Korea was the primary operational concern for Washington and Tokyo when developing the 1997 defense guidelines, but China loomed large in the background as the allies strengthened their security cooperation. Both countries sought to boost China’s integration into the global economy through membership in the WTO, which they hoped might promote a sense of shared interests and avoid zero-sum foreign policy behavior. Nye and members of his team had this in mind during the U.S.-Japan security policy consultations, as they wanted to prevent a situation wherein China could play Japan against the United States and also send a message to Beijing that the United States was not withdrawing from the region and would remain to help shape its future.⁸² Some U.S.-Japan foreign policy friction was inevitable, such as when Washington and Beijing collaborated with Europe to stymie Japan’s Asia monetary fund proposal in the wake of the Asian financial crisis of 1997, but the region would have suffered significantly if these sorts of bilateral disputes had been more common and exploitable by China.

Although the joint declaration and the 1997 guidelines were an important policy and psychological step for the alliance, their practical impact was limited. Japan never mobilized

under the SIASJ law it passed in 1999, the BCM called for in the 1997 defense guidelines was never employed by the allies, and Japanese participation in UN PKO activities was infrequent and on a small scale.⁸³ But the spirit had changed noticeably, and this whole process paved the way for Japan's support to the United States following the September 11, 2001, terrorist attacks; for its participation in a multilateral counterpiracy mission in the Gulf of Aden; and for its contributions to the Proliferation Security Initiative (PSI) after 2004. The joint declaration and new defense guidelines effectively reinterpreted the Security Treaty at relatively low political, diplomatic, and financial costs, giving Japan a new regional and global role, if not all the means to carry it out completely.

The 9/11 Attacks and Bush-Koizumi Bonding

The new George W. Bush administration inherited a renewed security alliance with Japan in 2001, but the overall bilateral relationship was still bruised from past trade battles and disagreements over how to respond to the Asian financial crisis. Additionally, the Bush team was less enamored than Clinton's with the trend toward multilateral diplomacy in the Asia-Pacific region and prioritized the bolstering of its bilateral alliances with Japan, South Korea, and Australia. The team was also concerned that the Clinton administration had been too deferential to China and Beijing's fears of being "contained" by a stronger U.S.-Japan alliance, believing that this contributed to insufficient implementation of the 1996 joint declaration and 1997 defense guidelines.⁸⁴

Shortly after Bush took office, Junichiro Koizumi won the LDP presidency in Japan in April 2001 as a reform-minded maverick within an increasingly unpopular party. He became Japan's ninth prime minister since 1990. Two months later, the two new leaders had a unique chance to get to know each other early in their administrations. Bush invited Koizumi to the President's Camp David retreat in Maryland, and their meeting helped establish a positive personal relationship that went as well as anyone could have hoped.⁸⁵

At the June 2001 meeting, Bush and Koizumi quickly identified an agenda to "strengthen strategic dialogue," "intensify consultations" on the Asia region and the world, and "promote sustainable growth in both countries."⁸⁶ On this last point the allies established a new economic dialogue—dubbed the U.S.-Japan Economic Partnership for Growth—to replace the Clinton-era approach. The Partnership for Growth was supposed to be everything the previous framework and its offspring were not; flexible, collaborative, and led not by their respective defenders of domestic commercial interests (that is, the USTR and METI) but rather by the NSC in the United States and MOFA in Japan.

Washington was also interested in upgrading security cooperation, and the allies launched consultations to consider the regional security environment, bilateral roles and missions during contingencies, and cooperation in peacekeeping. Many members of the new Bush administration had signed onto a set of policy recommendations before the election that

described the revised defense guidelines of 1997 “as the floor—not the ceiling—for an expanded Japanese role in the transpacific alliance,” so they were eager to pursue that course.⁸⁷ Moreover, the new U.S. defense secretary, Donald Rumsfeld, assumed leadership of the Pentagon with bold plans for military transformation in the United States that was bound to impact the U.S.-Japan alliance, with an emphasis on increased flexibility for global basing, among other ideas. The September 11 terrorist attacks on the World Trade Center and the Pentagon, however, altered America’s defense and foreign policy focus and raised the stakes for Japan’s military cooperation with Washington.⁸⁸

Almost immediately after the terror attacks, Koizumi authorized a crisis response center at the Cabinet Secretariat under his leadership (two Japanese were among the some 2,700 killed in New York), and Japan’s Security Council issued a six-point statement that included the goal of “working together with the United States and the other countries involved in dealing with international terrorism.”⁸⁹ A day after the September 11 attacks, America’s European allies invoked for the first time the collective defense clause of their fifty-two-year-old North Atlantic Treaty Organization agreement, demonstrating the seriousness of the situation. A few days later, Koizumi pledged to provide any manner of support short of combat, and Japan’s ambassador in Washington, Shunji Yanai, requested a meeting with the U.S. deputy secretary of state, Richard Armitage, to discuss ways Japan could assist.⁹⁰ Their September 15 discussion yielded nothing specific, but both sides were clear that the response should be something more than the money-only approach Tokyo had used during the Gulf War.

Initial reports from that meeting said Armitage told Yanai that Japan should “show the flag” in this effort, widely interpreted to mean a physical Japanese presence in the Middle East or Central Asia, which raised familiar accusations of *gaiatsu*, or “outside or foreign pressure,” long associated with U.S. attempts to effect economic or security policy change in Japan.⁹¹ Was Washington telling Japan that it had to make a more tangible, human contribution to the conflict or risk a weakened security alliance? Did officials and politicians in Tokyo still think they needed this *gaiatsu* as leverage to explain to the public why an unpopular policy might be necessary?

Scholars who have examined this episode in detail describe a collaborative process involving two sides that shared a broad common goal and a nuanced understanding of the other’s political environment. In other words, in the era that followed the Gulf War and passage of the PKO law, there existed an “alignment between outside expectations of Japan and Tokyo’s [expectations] of itself,” or a form of “internalized *gaiatsu*,” together with greater understanding in Washington about the political limits within which the Japanese government operated.⁹² This “internalized *gaiatsu*” had Tokyo leaning forward to fulfill a more direct support role, and a leader like Koizumi was able to push the country into action.

“Show the flag” was less a literal request, apparently, than a way to summarize the U.S. desire for a Japanese contribution to be visible as well as useful. Two Japanese newspapers

later reported that Yanai had used the idiom as his own summary of Armitage's remarks, and one opined that MOFA intentionally used this as a way to generate *gaiatsu* to push the domestic debate toward a more robust response.⁹³ U.S. officials understood Koizumi's and MOFA's desire to avoid the Gulf War shortcomings in both a U.S. alliance and international contribution context, and Armitage avoided specific requests of Japan on purpose, preferring to leave the details up to Tokyo.⁹⁴

On September 17, Koizumi announced seven "immediate measures" Japan would take, including rear-area SDF support with medical aid, transport of nonlethal materials, and refueling for U.S. and other forces (premised on a UN Security Council resolution), even though a new temporary law would be needed to make this possible.⁹⁵ The Diet did end up passing the Anti-Terrorism Special Measures Law in late October and approved operational guidelines for the specific mission a month later. This was a short timeline given the pathbreaking nature of the legislation, but it was hard to keep up with the fast pace of the U.S. invasion of Afghanistan, which started on October 7 and was already transitioning to a UN-authorized International Security Assistance Force by December.

Japan earned high praise for its quick response from the White House, which issued a special press release expressing its appreciation during Koizumi's U.S. visit in late September 2001, even if most of Japan's contributions were hardly visible to the general public in the conflict phase. The situation was different for reconstruction efforts in Afghanistan, as Bush highlighted Japan's potential to take "advantage of its experience in helping rehabilitate war-ravaged Cambodia." Tokyo became the site of an international donors' conference on Afghan reconstruction in early 2002, and Japan offered up to \$500 million for land-mine removal, refugee resettlement, education, healthcare, and other needs.⁹⁶

The close Bush-Koizumi relationship to some extent obviated the need for regular high-level SCC meetings during this period, and the wars in Afghanistan and then Iraq made scheduling extremely difficult anyway. The SCC convened only once during Bush's first term, whereas Bush and Koizumi met at least seven times during that span, including a trip to Bush's ranch in Crawford, Texas. Moreover, Japan's foreign ministry was in disarray at the start of Koizumi's administration, mired in scandal surrounding the use of funds and compounded by his choice of Makiko Tanaka as foreign minister, who proved to be deeply polarizing at the ministry and ineffective as its leader. It is worth remembering that the Defense Agency of this time was not a full-fledged ministry, so MOFA's leadership was necessary for substantive bilateral consultations.

Koizumi dismissed Tanaka early in 2002 and even assumed her portfolio for a few days. It was a unique time when Japan's Cabinet Secretariat became a central coordinator for foreign policy decisionmaking—with frequent interaction between then chief cabinet secretary Yasuo Fukuda and the U.S. ambassador to Japan, Howard Baker—and it foreshadowed the creation of a new Japanese National Security Council in 2013.

In addition, 2002 also saw the arrival at the Pentagon of Richard Lawless, a career employee of the Central Intelligence Agency who subsequently succeeded in consulting business ventures in Asia before returning to government service. Defense secretary Rumsfeld needed a point person to implement military and global posture transformation in Asia and in close coordination with America's key allies, so he came to rely heavily on Lawless to get it done. Lawless started as deputy assistant secretary of defense for Asian and Pacific affairs and was later promoted to deputy undersecretary with essentially the same job description.⁹⁷ The important thing was that he had a strong relationship with the defense secretary, and the Japanese side—and others in the U.S. government and military command—knew it.⁹⁸ As Japan consolidated the leadership in MOFA (Yoriko Kawaguchi) and the Defense Agency (Shigeru Ishiba), stable teams were in place in both countries, with political cover to coordinate new security strategies, expand bilateral cooperation, and try to resolve some of the most intractable U.S. base issues.

Defense Policy Review Initiative and Common Strategic Objectives

A little over a year after the September 11 terrorist attacks and following foreign minister Tanaka's replacement in Tokyo, the SCC met to formally launch the start of a new set of bilateral security consultations eventually called the Defense Policy Review Initiative (DPRI). The initiative was aimed at updating bilateral roles and missions—given all the recent changes in the defense guidelines and special measures laws—and to solicit Japanese input and get the USFJ in sync with a global force posture review that the Bush administration planned.

The global posture review was both a part of Rumsfeld's military transformation initiative and a way to adjust to the demands of America's emerging wars in Iraq and Afghanistan. It also continued the trend of shifting Navy and Air Force resources from Europe to Asia (a sort of second rebalance to Asia), even as the Middle East sucked in U.S. ground forces. Japan, too, was in the process of creating a revised outline for its defense policy, rewriting its NDPG from 1996 to create a new outline from fiscal year 2005. To properly orient the DPRI, the two sides tried first to articulate what the alliance was seeking to accomplish overall.

Roughly two years of bilateral work at the SSC level—led on the defense side by Lawless and his counterpart at the Defense Agency, then deputy director general for policy Chisato Uchiyama—yielded a set of “common strategic objectives” adopted for the first time at an SCC meeting in February 2005.⁹⁹ These objectives were generally well understood among alliance managers already, and they included a mix of defense and foreign policy objectives, such as the defense of Japan, support of peaceful unification of the Korean Peninsula, development of a cooperative relationship with China and improvement of its military transparency, and maintenance of the security of maritime traffic, among others. The statement also included some global objectives that suggested priority

missions in the areas of counterterrorism, nuclear nonproliferation, energy security, and support of the United Nations.

The common objectives were supposed to be in sync with Japan's 2005 NDPG, which said that Japan would seek common strategic thinking with the United States through dialogue, work out an arrangement for sharing roles and missions toward that end, and realign U.S. bases in Japan to support their shared strategy.¹⁰⁰ It was an ambitious effort to fully align roles, missions, and capabilities (RMC) and posture behind a set of common objectives, and because it was so difficult to manage in an interagency context with many competing priorities, it only partially achieved its lofty goals.

While the common objectives did help describe to the public the underlying purpose of the alliance, they were so numerous and broadly stated that they could justify any number of security or diplomatic investments. More important, the objectives included desired outcomes that were useful for political reasons but for which there was no practical alliance role to achieve. When this happens, the concrete strategic relevance of the alliance gets lost, and it underscores the need to explain clearly how the alliance supports each country's national strategy.

For example, the objectives of "maintaining the capability to address [security] contingencies affecting the United States and Japan" and "maintaining the security of maritime traffic" obviously benefit from strategic alliance cooperation. Specific alliance actions can be taken to pursue these objectives. Less clear, however, is the relevance of a high-level alliance relationship for normalizing "Japan-Russia relations through resolution of the Northern Territories issue" or encouraging the "peaceful resolution of issues concerning the Taiwan Strait through dialogue." Still other objectives, such as promoting "a peaceful, stable and vibrant Southeast Asia," might gain from coordinated alliance cooperation, but the way to accomplish this and the unique alliance benefit were never explained (or, frankly, understood).¹⁰¹ The allies updated their common strategic objectives two years later to include references to rebuilding Iraq, constraining Iran's pursuit of nuclear weapons, and promoting trilateral security cooperation with Australia.¹⁰²

The February 2005 SCC joint statement was followed by an SCC document in October that approved recommendations for force posture realignment (such as the co-location of air command and control units and acceleration of the Futenma Marine Corps Air Station relocation) and so-called alliance transformation (including examples of bilateral security cooperation to be improved under the RMC banner). The allies continued their discussions on how best to carry out these activities.

In 2006 the SCC unveiled its U.S.-Japan Roadmap for Realignment Implementation, which explained the plan to move about 8,000 marines from Okinawa to Guam and replace Futenma with a new facility off the U.S. Camp Schwab in Okinawa, among other adjustments. The next SCC joint statement, issued in May 2007, reviewed progress and

the remaining work to be done on the RMC dialogue and the realignment roadmap. It also updated the common strategic objectives, as noted above.

Behind the upbeat and self-congratulating SCC meetings and announcements, however, were countless hours of difficult negotiations between and within the two governments. The DPRI nearly collapsed a few times in the process, usually owing to the challenge of clarifying exactly what was required by the different U.S. military stakeholders and what the Japanese side could deliver reliably with regard to base realignment.¹⁰³

The Bush administration's effort at alliance transformation with Japan was a well-reasoned and well-intentioned initiative. It boasted some notable achievements in the area of force posture realignment, such as the relocation of the U.S. carrier air wing from Atsugi Air Facility to Marine Corps Air Station Iwakuni and co-locating Japan's Air SDF Air Defense Command with USFJ at Yokota Air Base. It also furthered missile defense deployment in Japan and operational cooperation.¹⁰⁴ But it did not fully achieve its primary goals before Bush's final term ended—namely, a more politically sustainable forward-deployed posture that maintains deterrence and transfers new roles and responsibilities to Japan. That was a bridge too far at the time.

The idea of a more sustainable posture reflected both capitals' desire to reduce the burden placed on Okinawa and other Japanese communities that host U.S. forces. As long as Washington was repositioning troops and bases elsewhere around the region as part of its global posture review, policymakers in both countries saw an opportunity to reduce the U.S. footprint in Japan in meaningful ways in line with the SACO plan. Deterrence maintenance was to be achieved in part by deploying new U.S. assets in the region (including a modern aircraft carrier to replace the Kitty Hawk in Japan, a new air expeditionary wing, submarines, and other assets in Guam, among other new regional deployments) but also by a more integrated and substantive alliance role for Japan. As Richard Lawless described it at the time, "Japan in effect has agreed to transform the alliance with us and assume more responsibility for the alliance—more responsibility for roles, mission and capabilities."¹⁰⁵

How transformed the alliance had truly become by the end of the Bush administration, however, is debatable. Japan's experience with the special measures laws and working with U.S. counterparts to prepare for and carry out their missions overseas did foster closer cooperation, and some of the realignment moves and missile defense collaboration boosted Japan's role incrementally. But the DPRI process did not lead to new acquisition plans or budget increases in Japan, and the overall division of labor in the alliance remained very much the same as when it started in 2000. The challenge was a familiar one, since the areas where U.S. officials hoped to see the most growth in SDF activity in Japan—primarily as a member of multilateral coalitions protecting common security interests overseas—were less strategically relevant and highly challenging politically for Tokyo. But the allies

would soon find more fertile ground for closer security cooperation in East Asia as threats to Japan increased, as well as in the emerging domains of outer space and cyberspace.

A Third Rebalance to Asia and New Defense Guidelines

In contrast to the administration of George W. Bush before him, Barack Obama assumed the presidency in 2009 without a reputation as a particularly strong alliance advocate or surrounded by close advisers with extensive Japan experience. The new president valued America's alliances and made them an important pillar of his overall foreign policy strategy to rebalance America's attention and investments to Asia, but his emphasis on healthcare reform and recovery from the Great Recession economic crisis of 2008 focused Obama's attention intensely on the domestic economy.

America's GDP fell 4.3 percent during the Great Recession, from late 2007 to mid-2009, making it the deepest and longest (eighteen months) since World War II. Unemployment in America more than doubled, from less than 5 percent to 10 percent.¹⁰⁶ Japan was not a high priority for Obama, unless Tokyo could help him address a particular foreign policy challenge so that he could get back to domestic issues. Early on, the main areas of U.S.-Japan collaboration continued to be Iraq and Afghanistan, as Obama sought to strengthen those governments ahead of further U.S. drawdown, and mitigation of global economic fallout from the U.S. housing and investment bank crisis.

It is somewhat ironic, therefore, that the Obama administration was eventually able to accomplish much of what the DPRI could not, even though it had no such ambition during its first term. The allies eventually agreed on new defense guidelines in 2015 that significantly expanded the opportunity for more integrated security cooperation in a wider range of circumstances, and Japan's long-elusive ability to exercise collective self-defense (albeit to a limited degree) was finally obtained by Prime Minister Abe's government in 2015. A new bilateral coordination mechanism was also established (the alliance coordination mechanism), which had failed to launch earlier.

The reasons why this happened are instructive, because they show the importance of Japan's perceiving a clear self-interest in security combined with a relatively rare period of strong executive leadership in Tokyo. A key U.S. goal of the Bush administration's DPRI was to build on the trend that started with Japan's PKO law in 1992 and its special measures laws for Afghanistan and Iraq, such that Japan could become a more reliable and substantive contributor to multilateral coalitions acting militarily to protect common interests overseas. Japan's heavy reliance on international trade and imported energy for its prosperity convinced many Americans that Tokyo might continue to move in this direction, and Japan's own defense policy statements reinforced this idea.¹⁰⁷ The Japanese government decided in 2006, for example, to elevate international peace cooperation operations to a "primary mission" of the SDF.¹⁰⁸

But Tokyo did not take serious steps to put these new policies into action, and, more tellingly, it did not make significant defense hardware investments to support this new international mission. Instead, it was the growing perceived threat from China's military expansion and encroachment in the East China Sea from 2012 that pushed Japan to formally request from the U.S. Defense Department a review of the bilateral 1997 defense guidelines, with an eye on their revision.¹⁰⁹ China—and North Korea to a lesser extent—drove the most substantive changes to Japan's planning and procurement practices, but making those changes happen depended on the commitment and capability of political leadership. The request to review the 1997 defense guidelines occurred during an administration led by the Democratic Party of Japan (DPJ), but the framework for U.S.-Japan security cooperation reached its full potential under a politically strong and defense-focused LDP (and Abe) administration in the following years.

“Politically strong” is not the way one would describe Japan's prime minister when Obama first took office. The LDP was on its third prime minister in three years after Koizumi stepped down, and then the LDP suffered a historic loss to the DPJ in the August 2009 lower house election. The DPJ swiped 190 seats from the LDP and its coalition partner Kōmeitō, and for the first time a DPJ party president became prime minister.¹¹⁰ Yukio Hatoyama, grandson of one of the founders of the so-called 1955 System that kept the LDP in power for decades, became the symbol of a new era in Japanese politics. Hatoyama struggled to govern, however, as he led a diverse coalition of ideologies disguised as a unified party but with no experience in power.¹¹¹

A significant alliance challenge during Hatoyama's brief tenure was a lack of mutual trust after an unsatisfactory early bilateral interaction in New York, compounded by Hatoyama's East Asian Community Initiative. This initiative aimed to increase Asian political and economic unity—partially along the lines of the European model—in an era that Hatoyama believed needed an alternative to “U.S.-led globalism.”¹¹² His attitude on this point was no doubt hardened by America's Great Recession, or what most in Japan called the “Lehman shock,” underscoring the role that risky U.S. financial profit seeking played in sparking the global economic crisis.¹¹³ The Hatoyama administration also planned for the withdrawal of Japan's contribution to the multilateral counterterrorism coalition—via the Maritime SDF refueling mission authorized by Koizumi in 2001—and decided to revisit the decision to relocate the Futenma Marine Corps Air Station within Okinawa, pushing instead for an alternative outside the prefecture. Bilateral communication was poor, and U.S. officials were suspicious of Hatoyama's intentions when he proposed a “comprehensive review” of the alliance against a backdrop of prior calls by the DPJ and ruling coalition members for U.S. base reductions in Japan and even a “no base alliance.”¹¹⁴

After Hatoyama was unable to find an alternative for Futenma outside of Okinawa, he resigned as prime minister in June 2010, but not before raising hopes and reinvigorating the antibase movement there, further complicating attempts to carry out the Futenma

relocation that persist today. Some in Japan blamed Hatoyama's downfall on Washington's unwillingness to consider DPJ ideas for base realignment and alliance adjustments, though Washington to some extent sensed correctly that Hatoyama's alliance views were not widely shared in Japan overall. Hatoyama himself acknowledged this in his resignation speech, lamenting both that the time was not yet ripe for removing the U.S. security umbrella from Japan and that he had been unable to inspire voters to support this vision.¹¹⁵ In fact, opinion surveys in Japan around that time showed strong public support for the U.S.-Japan relationship, and the perceived value of security cooperation only increased in the wake of North Korean attacks on the South that year and flare-ups between Japan and China in the East China Sea.

With the Futenma issue moving out of the spotlight and then prime minister Naoto Kan in charge, the two governments prioritized efforts to narrow differences on Futenma and carry on cooperation in a variety of areas. While they failed to resolve the Futenma relocation challenge, they did succeed at building a foundation for a truly bipartisan alliance. Changes in U.S. political leadership in the post-Cold War era—be it Democrat or Republican, in the White House or in Congress—came to have little impact on Washington's Japan policy and support for the alliance, albeit after some doubt in the early Clinton years. Now there was a chance to establish this precedent in Japan, and after a rocky start with Hatoyama the overall environment became more amenable.

In 2010 increased tension on the Korean Peninsula and a lack of Chinese cooperation on this front fostered stronger trilateral U.S.-Japan-South Korea collaboration, giving the allies common cause. Also, Japan sent helicopters and a disaster relief team to Pakistan to join the international aid effort in response to U.S. requests following devastating floods that summer. Confrontation between Japan and China around the Senkaku Islands in the East China Sea reached new heights in the fall, and in the spring of 2011 a devastating earthquake, tsunami, and nuclear accident in northern Japan triggered a massive SDF relief operation with unprecedented support from U.S. forces and crisis management cooperation within the alliance.¹¹⁶ Leaders of the DPJ gained experience and developed positive working relationships with their U.S. counterparts; the alliance was functioning relatively well, and this was increasingly evident to the public.

An enduring symbol of this emerging Japanese bipartisan consensus in support of the alliance was a June 2011 SCC joint statement that updated—for a second time—the allies' common strategic objectives, this time with an even wider range of goals around the world including Pakistan, Afghanistan, and North Africa.¹¹⁷ This momentum carried on as Yoshihiko Noda took over from Kan as prime minister in September 2011. A bilateral technical team had just finalized details regarding the Futenma replacement facility's runway and flight route configuration, and the two governments later reaffirmed their commitment to relocate the Futenma air station to Henoko in an SCC joint statement in April 2012. In that document they also agreed to delink the relocation of some U.S.

Marines to Guam from the completion of the new runway at Henoko. The thorniest of alliance issues now appeared to have a solution endorsed by the four major political parties in both countries, if not most Okinawans at that time.

Although the Abe administration later suggested for political reasons that the LDP was the only effective steward of the alliance, many in the U.S. government were proud of the progress made with the DPJ and saw the mutual bipartisan dynamic as a long-term alliance asset. The DPJ would continue to argue with the LDP about security policy and the collective self-defense issue in particular, but the DPJ's experience at governing seemed to make many aspects of alliance cooperation a nonissue. In Japan's upper house election in 2016, for example, what many thought would be primarily a referendum on Abe's contentious security legislation from the previous year ended up focusing more on economic and domestic policy issues. Moreover, that the LDP's peace-oriented coalition partner (Kōmeitō) agreed to a formula for reinterpreting article 9 of the constitution to allow for limited collective self-defense in the first place was another sign of this evolving political consensus.¹¹⁸

A backdrop for the emerging consensus in Japan for more-robust alliance security cooperation was the Obama administration's sustained effort to rebalance U.S. government resources and political attention to the Asia-Pacific region. Addressing America's third and arguably most comprehensive rebalance to Asia since the end of the Cold War—the first during the Clinton administration and the second embedded within George W. Bush's global posture review—Obama's team sought early on to devote more comprehensive and consistent attention toward the region. Although the rebalance to Asia was not widely discussed until then secretary of state Hillary Clinton used the “pivot” language in October 2011, she had been promoting this vision (shared by Obama) to incoming staff members as early as the transition phase in December 2008.¹¹⁹

The rationale for a U.S. rebalance to Asia has been generally consistent and increasingly obvious since the 1990s. It centers on Asia's economic and population growth, its rising influence in global affairs, and the fact that the region is still in its formative years. Asia has been growing and continues to grow faster than any other region in the world. While the demographic challenges in Japan, Korea, and China are significant, much of the rest of Asia is still young and urbanizing. By 2020 almost half of Southeast Asia's population will be under thirty years of age.¹²⁰ If India is included, the region's potential is even greater.

The future of this broad region, however, is uncertain. Southeast Asia, for example, is still on the front end of trade facilitation and liberalization, innovation, and consumption but also militarization. All of this has vast implications for global markets and the environmental health of the planet. The region's complex but still relatively weak governance arrangements, together with America's long-standing alliance network and regional presence, means that the United States has an opportunity to help shape Asia's future in

positive ways, if it invests in that opportunity. The United States and Japan do not want simply to benefit from Asia's growth, they want to contribute to the region's sustainable and peaceful development.

The Obama administration's Asia rebalance strategy was evident soon after political appointees took office, with the U.S. government quickly acceding in July 2009 to the Treaty of Amity and Cooperation in Southeast Asia, almost thirty years after ASEAN invited outside countries to demonstrate this commitment. That step allowed the United States to join the East Asia Summit (EAS) and led to Obama's frequent attendance at those meetings, usually combined with trips to other countries in the region. For eight years, from 2009 through 2016, the U.S. government expanded, elevated, and sustained its diplomatic and military presence in Asia to an extent not seen before, opening up new opportunities for U.S. diplomacy, raising the expectations of allies and partners, and, from Beijing's vantage point, prompting concern that Washington was focused primarily on containing China's rise in the region.

Beijing paid particularly close attention to the security component of the rebalance, which was articulated in general terms by Obama and then defense secretary Leon Panetta in January 2012 through the release of a new strategic guidance for Defense Department priorities in the twenty-first century. The department later elaborated on what this might mean in operational terms for Asia by highlighting the following initiatives:

- The strengthening of alliance relationships with Japan, South Korea, Australia, and the Philippines, including near-term investments to establish fully capable U.S. Marine air-ground task forces in Japan, Guam, and Hawaii, as well as increased rotational deployment of U.S. Air Force units to northern Australia and new base-access agreements with the Philippines
- The development of new and expanding partnerships with India, Singapore, Indonesia, Vietnam, and other nations in South and Southeast Asia, including the deployment of up to four littoral combat ships to Singapore (as part of an overall shift of naval forces to Asia such that 60 percent of the U.S. fleet will be in the region), and the creation of an initiative to enhance these countries' maritime security capabilities¹²¹
- A renewed effort to build enduring military-to-military ties with the Chinese, in part to ease concerns in Beijing that the pivot was largely an attempt to contain a rising China¹²²

The U.S. rebalance to Asia manifested itself in various other ways beyond the military, with an expanding array of bilateral and multilateral diplomatic engagements in the region, along with aid and capacity building programs, such as the Lower Mekong development initiative with Vietnam, Laos, Cambodia, Thailand, and eventually Myanmar. Concluding the TPP trade deal in late 2015 was meant to be an enduring achievement of

the rebalance, but the presidential campaign of 2016 proved hostile to such agreements and Congress failed to accept it during Obama's term.

America's rebalance strategy was generally welcomed in Tokyo, since it made it easier for Japan to seek a strong alliance combined with its own efforts to broaden and deepen economic and security ties in the Asia-Pacific (or, what many were referring to as the Indo-Pacific, to underscore India's growing importance to Japanese and American interests). Many in Japan, however, harbored doubts about the sustainability and ultimate impact of the rebalance, as the Obama administration struggled with Congress over defense budgets and occasionally flirted with debt default. It could be risky for Tokyo to design its own strategy in a way that depended heavily on a successful U.S. rebalance, so Japan embraced the Asia pivot with some degree of cautious hedging in case it turned out to be more rhetoric than reality.

After the LDP victory in late 2012 and Abe's ascendency to prime minister, the synergy deepened among the allies on Asia policy and beyond. Obama and Abe were meeting more frequently with their counterparts in the region, which expanded areas of discussion and coordination within their own conversations. The establishment of a bilateral Development Dialogue in 2014 was an outcome of this dynamic, as it focused heavily on Southeast Asia aid and policy coordination.

Having a consistent and politically strong partner in Prime Minister Abe elevated the value of other areas of alliance cooperation, which were expanding at a rapid rate into issues of outer space and cyberspace, the Internet economy, and nuclear security. Abe became the first Japanese prime minister to address a joint meeting of Congress in April 2015, and Obama went to Hiroshima in 2016 as the first sitting president to visit the city on which the United States had dropped the world's first nuclear weapon. Coinciding with, or soon after, the seventieth anniversary of the end of World War II, these were powerful symbols of U.S.-Japan reconciliation. Although they did not expel every last lingering historical grudge, they were purposeful steps in this direction. They also represented a closer partnership among these two leaders, notwithstanding earlier angst in the White House about Abe's visit to the controversial Yasukuni shrine in 2013 and other moves by some in his government to counter what they saw as Japan's "masochistic view of history."¹²³

The LDP's dramatic election win in December 2012 was a harsh public judgment of the DPJ's ineffectiveness as a ruling party, and Abe's political renewal had an important impact on U.S.-Japan security cooperation. As noted above, it was not that the alliance suffered under a DPJ administration but rather that Abe's return coincided with an increasingly stressful security situation in East Asia and opened the door for further security reforms.

Tensions with China peaked in 2012, with anti-Japanese riots in China causing up to \$100 million in damage to Japanese firms and property there after the Noda government purchased some of the Senkaku Islands from a private Japanese owner.¹²⁴ China and Taiwan

also claim these uninhabited islands, which they call Diaoyudao and Diaoyutai, respectively. From that point onward, China stepped up its coast guard and navy presence in and around Japan's territorial waters, prompting frequent tense standoffs with Japan Coast Guard patrols.¹²⁵ Also in 2012, the ruling regime in North Korea was transferring power to the little-known and untested twenty-nine-year-old son of deceased leader Kim Jong-il. The political stability of the Abe administration, combined with its pro-alliance stance and desire to bolster SDF capabilities and diversify security relationships in Asia, provided fertile ground for another step up the staircase of U.S.-Japan security cooperation.

Washington and Tokyo quickly agreed to revise their defense guidelines following the review started under Noda, and the process of revision became tightly intertwined with domestic steps in Japan to pass new security legislation (*Heiwa Anzen Hōsei*) that would expand what its SDF could do for national and international security (discussed later in more detail). In addition, bilateral defense collaboration delved more deeply into areas of space and cyberspace issues, and alliance trilateral cooperation in nonproliferation and maritime security expanded with South Korea in Northeast Asia, and with Australia primarily in Southeast Asia.

In a wider context, the allies also advanced their involvement with multilateral ASEAN Defense Ministers Meeting-Plus activities and maritime-security capacity building in Southeast Asia, in part to signal resistance to Chinese paramilitary intimidation in the South China Sea. As for the East China Sea, the allies tried to eliminate any doubt about their collective resolve. During a visit to Japan in 2014, Obama stated clearly that the Security Treaty's "article 5 covers all territories under Japan's administration, including the Senkaku islands," which heartened his hosts and irritated Beijing.¹²⁶

The U.S. rebalance to Asia, however, was not greeted with any kind of relief or relaxation in the Middle East or North Africa, as terror networks flourished and the old order gave way, first to a hopeful Arab Spring of democratic awakening from 2011 but then to numerous reactionaries and extremist groups fueling unrest in Libya, Egypt, Iraq, Syria, and surrounding nations. On top of this, Russia annexed Crimea in 2014 and supported a separatist movement in Ukraine, all drawing U.S. attention away from Asia. The United States helped provide air cover for Libyan opposition groups and supported the Iraqi government in its struggle against the self-proclaimed Islamic State terrorist group, also called Daesh, but Obama was reluctant to deploy significant forces or provide large-scale funding to tackle these challenges.¹²⁷ To some extent this left a vacuum of American power filled in part by Iran, some other neighboring nations, violent Islamic extremists, and ethnic separatists.

On one hand, Tokyo could take comfort that the United States was not immersing itself in multiple costly conflicts around the Middle East and Eastern Europe. On the other hand, Japanese leaders noticed a pattern of U.S. disengagement or distancing from

apparent commitments to friends that, if applied to the South and East China Seas, would bode ill for Japanese security interests. The emphasis by the Republican nominee, and now president, Donald Trump on a neoisolationist “America First” foreign policy (as if U.S. presidents ever put their country second) exacerbated Japanese concerns that the United States might be less reliable as an ally than before. Trump also revived the theme of Japan as an unfair and predatory trading partner, though he presented no evidence to support his accusations.

In this way, the Obama administration experienced both highs and lows in alliance confidence and cooperation, and it ended on a particularly ambiguous note. Obama’s uneven track record in responding to security crises and Trump’s election-year popularity left open questions in Tokyo about America’s reliability at this post–Cold War quarter-century mark. Will the United States sustain its rebalance and remain an unshakable force in Asia? Much of the American public appeared indifferent during the presidential campaign, even as the allies were strengthening security cooperation under new defense guidelines and underscoring their relevance to the East China Sea and beyond.

At the same time, U.S. officials hoped for additional Japanese defense investments to bolster alliance deterrence and for closer Japan–South Korea relations to help reduce regional tension and allow less “wedge” room for North Korean, Chinese, or Russian trouble-making. Bilateral economic tensions diminished, and alliance cooperation continued to expand in the security arena and on wider global issues. I turn next to this global dimension in the post–Cold War era, starting with the Global Partnership in 1992.

MOONLIGHTING AS A GLOBAL PARTNERSHIP

In addition to a bilateral effort to adapt the alliance to the post–Cold War environment through trade negotiations and enhanced security cooperation, Washington and Tokyo also recognized an opportunity to build on earlier collaborations in the science, technology, and energy realms, taking advantage of comparative strengths to protect an expanding array of shared interests. This was seen as a way to strengthen the alliance and do some good in the world, now that Japan had become a global leader in many technical fields and at international organizations, with financial and personnel resources to boot. Japan was contributing the most overseas assistance in the world at that time, spending just over \$11.1 billion in 1992.¹²⁸

Creating real synergy in these new avenues of cooperation was a challenge for the two governments, however, since more traditional priorities of trade and security competed for leaders’ attention. This tension was evident on the trade front in particular when in 1992 the allies announced one of their first and most ambitious bilateral initiatives for economic and diplomatic coordination, the U.S.-Japan Global Partnership Agreement.

Bush and Miyazawa announced the Global Partnership at their rescheduled summit meeting in Tokyo in January 1992, which became dominated by Bush's trade promotion agenda. Expanding U.S. sales of autos and auto parts in Japan was a major objective for Bush, and some believed that part I of the Global Partnership Agreement (dealing with global cooperation) was a deliverable Washington could provide to Tokyo in exchange for part II (Miyazawa's pledge to increase imports and a "plan of action" to smooth bilateral trade relations).¹²⁹

The Japanese government did place a high degree of importance on the Global Partnership as an alliance achievement, but many in the Bush administration—particularly the State Department—were just as interested in building up the idea of the Global Partnership as a way to demonstrate relevance in the post-Cold War era and help garner Japanese support for environmental cleanup in Eastern Europe.¹³⁰ The White House in particular was anxious to expand U.S. and G7 influence in the former Soviet Union.

Part I of the Global Partnership agreement was a sweeping agenda for cooperation to "promote world peace and prosperity," to improve the environment and the "quality of human life" around the world, and to advance science and technology, with an accompanying list of action plans and initiatives that could theoretically keep the alliance busy for decades. Part II highlighted a variety of collaborative approaches to boost U.S. exports to Japan for different products, including flat glass, semiconductors, autos, and paper goods. It was an uncomfortable pairing of alliance priorities.

Aided by the passage of time and other factors, the allies eventually found ways to alleviate the tension between these two dynamics in their relationship, which could end up being one of the most important developments to date of this post-Cold War period for the alliance. In the process they learned a lot more about each other that enhanced their ability to partner for the future.

Politics and Diplomacy Behind the Global Partnership and Common Agenda

No one is quite sure who coined the term *global partnership* in an alliance context. Michael Armacost, ambassador to Japan during the Bush years, writes in his memoir that former secretary of state Howard Baker was the first "to use it to describe the purpose and spirit of our relationship with Japan." Armacost rightly describes the Global Partnership as "less a dramatic departure than a shift of emphasis." Japan, he says, "was more interested in augmenting its influence in formulating the terms of" its partnership with the United States, whereas America wanted its allies to shoulder "a larger share of the burden of implementing" that partnership.¹³¹ It became a slogan that helped describe these additional avenues for U.S.-Japan cooperation.

The concept of a global partnership with Japan appeared early in the George H. W. Bush administration. A mere two weeks after becoming president in February 1989, Bush welcomed his first foreign head of government to the White House: then Japanese prime minister Noboru Takeshita. While Reagan's meetings with Takeshita in 1988 had focused primarily on the economic tensions between the two countries, the Bush-Takeshita summit sought to highlight a different theme for the U.S.-Japan relationship—one defined by cooperation on global problems rather than bilateral trade wars. To this end, the two leaders agreed “to further enhance ‘policy coordination’ and ‘joint endeavors’ in an effort to promote their consultations and cooperation in dealing with global problems.”¹³²

After the summit, Japan's *Kyodo News* questioned Bush about the new direction that the alliance seemed to be taking: “How do you envision U.S.-Japan relations under your administration? Some of your advisers have recommended forming a ‘new partnership’ with Japan. What are your feelings about this recommendation?” Despite his efforts to expand the substance of U.S.-Japan cooperation, Bush was hesitant to use the expression “new partnership,” arguing that it belittled the long-standing ties already existing between the two nations.¹³³

Baker used “new Pacific partnership” to describe APEC, the Asia-Pacific trade promotion organization proposed by then Australian prime minister Bob Hawke, with significant Japanese input and support from the United States.¹³⁴ At the Asia Society in New York on June 28, Baker said, “The Pacific region is clearly of great and growing importance to the United States,” and this new partnership must be “based on a global sharing of responsibilities with Japan.” He added that “among those relationships in the Pacific, none is more important to the region or the world than our alliance with Japan.”¹³⁵ This echoed a statement by Bush to Hiroshi Mitsuzaka, Japan's foreign minister, two days before the Asia Society meeting, that the U.S.-Japan relationship was important “not only for the two nations but for the whole globe.”¹³⁶

Bush met a new Japanese prime minister, Toshiki Kaifu, in September 1989, and the two leaders agreed that, since Japan and the United States together made up roughly 40 percent of the world's GDP, the two countries had a responsibility to overcome their bilateral trade disputes and work together to support developing nations. Japan and the United States were already independently sending aid to the Philippines and playing a role in stabilizing Cambodia, so Bush and Kaifu agreed to start by strengthening bilateral cooperation there. This new global aspect of the U.S.-Japan alliance led the two leaders to describe their vision of cooperation as a global partnership.¹³⁷

Bush and Kaifu met frequently through 1990 and 1991. At the forefront of these summits was the trade friction that had been brewing during the previous decade, but they also discussed the Uruguay Round of trade talks and the Gulf War. The two met for a fifth time in July 1992 at the Bush residence in Kennebunkport, Maine. With the Gulf War

ended, Bush was able to finally give a “firm acceptance” to Kaifu’s invitation to visit Japan in the fall. The main product of this Tokyo summit was to be a joint statement formalizing the Global Partnership. Bilateral cooperation on a wide range of global challenges was poised to become a higher-profile feature of the alliance, alongside security and trade. The lead-up to that summit, however, proved to be a stormy time for both leaders.

During the summer of 1991, Kaifu attempted to reform Japan’s multiseat-district electoral system, but the plan was rejected by a special Diet committee in September. In response to this defeat, Kaifu prepared to dissolve the lower house, but his move was opposed by several factions within the LDP, including, to Kaifu’s surprise, the faction of former prime minister Takeshita, who had previously supported him. Betrayed, Kaifu did not have enough support to be reelected to the LDP presidency. He withdrew from the race, and Kiichi Miyazawa emerged as the new LDP president and prime minister of Japan. Bush and Kaifu had developed a close personal relationship, but Miyazawa also supported the Global Partnership, and the change did not affect U.S.-Japan relations adversely, despite Miyazawa’s being Japan’s fourth prime minister in three years.

The Tokyo summit was set for November 28. As the date approached, spirits were high on both sides of the Pacific. With most major economic issues smoothed over by the numerous Bush-Kaifu summits over the previous two years, Ambassador Armacost believed that Bush’s visit, free of political pressure to deal with trade disputes, would provide “an appropriate occasion on which to issue a joint declaration outlining the conceptual underpinnings of the Global Partnership.”¹³⁸ In early November, however, the president abruptly postponed his Japan trip, in response to the November 5 election of a Pennsylvania senator, Harris Wofford, who fiercely criticized the administration for not giving due attention to domestic affairs. Bush rescheduled his Japan trip for early January.

The politics of trade competition between the United States and Japan was back on the front burner. Following an address by Bush at Pearl Harbor on the fiftieth anniversary of Japan’s attack there, Bush met with his ambassadors to the East Asian nations that he planned to visit. Armacost informed the president that “most of the planning in Washington and Tokyo . . . had focused on a joint declaration regarding our global partnership.” To this, Bush responded, “What do we get out of it?”¹³⁹

Commenting on his upcoming trip to Japan at a December 19 press conference, Bush said that “the trip is to break down intransigence where we find it and have freer and fairer trade. And that message I will carry very, very forcefully. We have shown a lot of forbearance, and I want to see fair play.” The president’s trip was preceded by an American delegation from the USTR and the Department of Commerce, led by State Department counselor Robert Zoellick, who warned Tokyo that the president’s focus in Japan would be “autos, autos, autos!”¹⁴⁰ Trade issues consumed the summit preparation, and on December 25, in a compromise solution, the two sides agreed to announce an “action plan” on trade issues to be approved alongside the Global Partnership.¹⁴¹ A few weeks

later, Miyazawa and Bush also endorsed the concept of a U.S.-Japan Global Partnership that their respective bureaucracies had prepared, though trade officials in the Bush administration criticized the document for being filled with “mushy verbs.”¹⁴²

Bush’s state visit was not the cordial one that Japan had been hoping for and that Miyazawa’s predecessor had patiently labored two years to arrange. Would the visit have been more positive had Kaifu still been prime minister? It is possible. After all, while in office he had cultivated a relatively close personal friendship with the U.S. president. It is not difficult to imagine that their affable relationship, forged through two years of summits, telephone conversations, the Gulf crisis, and games of horseshoes on the White House lawn, could have mitigated the sourness that emerged from the auto controversy. While Miyazawa was a capable statesman in his own right and no doubt would have developed a similar friendship with Bush in such circumstances, the January 1992 summit was a big political challenge. That event underscored the handicap to alliance management that frequent leadership turnover can impose.

The Bush administration lasted only one more year, and the Global Partnership was soon reconfigured following Bill Clinton’s election as president, though not without its own tension. The Clinton team was initially ambivalent about highlighting global cooperation, worried that it could detract from more important trade issues. But Miyazawa insisted that the Global Partnership (or something similar) stay on the table.¹⁴³ At their first summit in Washington in April 1993, bilateral friction was evident. Clinton said at the press conference that “the Cold War partnership between our two countries is outdated,” and he called for a “new partnership” based on mutual respect and responsibility, hinting at the trade front. Miyazawa jabbed back that this required a “cooperative spirit based upon the principle of free trade” and not on “managed trade nor under the threat of unilateralism.”¹⁴⁴ Miyazawa later reported, “Our differences were obvious. . . . [Clinton] wasn’t going to budge, so I didn’t either,” making for a “grim” (*omokuroshii*) press conference.¹⁴⁵

Still, despite their differences, there was no discernable hostility between Miyazawa and Clinton. Miyazawa’s delegation emphasized that the prime minister had developed a rapport with the president, with one official reporting that “we feel a complete relationship of trust developed based on the atmosphere during lunch.”¹⁴⁶ In their discussions of the Global Partnership, Clinton and Miyazawa agreed to continue cooperating according to the outline of the 1992 agreement, although the new initiative evolved quite differently.

As before, the new Clinton-era initiative (embedded within the Japan-U.S. Framework for a New Economic Partnership) had both a global cooperation aspect and an agreement for Japanese market opening. The agreement that followed the Global Partnership was called the Common Agenda for Cooperation in Global Perspective, and it focused on issues related to five areas of global cooperation: environmental protection, technological innovation, development of human resources through bilateral exchange, population management, and addressing global health issues, especially AIDS.¹⁴⁷ Like the Global

Partnership, it also repackaged several existing bilateral programs under a new banner, but unlike earlier agreements, the Common Agenda had time to develop some momentum of its own within the alliance and carried on for seven modestly productive years.

Global Partnership and Common Agenda Initiatives

Whereas the Global Partnership was in many ways the cover page for a bilateral trade deal, the New Economic Partnership was a trade deal with a global cooperation agreement tacked onto the back side. The Global Partnership did not try to create a framework or infrastructure to facilitate U.S.-Japan cooperation, beyond annual coordination meetings in Hawaii involving U.S. Agency for International Development (USAID) and foreign ministry officials and establishing a USAID office at the U.S. embassy in Tokyo. In contrast, the Common Agenda called for formal reports on areas of cooperation to be presented to the leaders at biannual summit meetings at the undersecretary level, so that they could monitor and give direction. The Common Agenda covered a wider range of issues with smaller, shorter-term projects.

Starting with the Global Partnership, the dispatch of a senior-level USAID official to Tokyo had an immediate impact on bilateral policy coordination. This honor went to Paul White, who had more than twenty years of U.S. government service in Asia, Latin America, and Washington. White quickly realized that USAID generally misunderstood the Japanese system. Most in Washington assumed that the Japan International Cooperation Agency (JICA) was a natural counterpart to USAID, but White learned first-hand how program decisionmaking and field implementation were separated in Japan. Policy coordination needed to occur between USAID and the Economic Cooperation Bureau of Japan's foreign ministry, while JICA could be a partner in the aid-receiving country.¹⁴⁸

The Economic Cooperation Bureau and USAID created an annual high-level policy coordination meeting to discuss past collaboration and explore new opportunities. They were joined by representatives from the State Department, JICA, and Japan's Overseas Economic Cooperation Fund, which later merged with Japan's Export-Import Bank to form the Japan Bank of International Cooperation in 1999. At the time, Japan's assistance programs generally featured large infrastructure projects in developing countries, and even though Tokyo was looking to diversify its programming into "softer" areas such as healthcare, environment, and population, there was a hard-soft synergy between the two countries that was advantageous. Early projects often combined Japanese funding for a school or agricultural infrastructure, with U.S. technical assistance and training programs designed around the new assets.¹⁴⁹

Despite this broad synergy, carrying out joint projects proved difficult. The two countries identified potential projects differently: USAID in-country staff usually developed projects with contracted local experts as part of a comprehensive Country Development

Cooperation Strategy prepared by the USAID resident field mission, cleared by the ambassador, and approved in Washington. In contrast, Japanese trading companies often helped identify potential infrastructure projects and then promoted them to the host government, so it could formally request support from Japan's development agencies in Tokyo.

The Japanese government knew that it wanted to expand soft programming and move toward country-based aid strategies in partnership with civil society, but building this capacity would take time. The allies also had different budget cycles and project evaluation methods that complicated collaboration. In addition, the White House goal of leveraging Japanese resources for Eastern Europe was thwarted by the fact that these countries were not yet listed as official developing countries by the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD), which was a prerequisite for Japanese aid and special loans.¹⁵⁰

Still, within a relatively short period of time, the allies collaborated on a handful of large-scale projects to kick-start the Global Partnership. Some of the projects built on activities already under way by one country or the other, such as a science and technology higher-education project in India and an agricultural assistance project in Thailand. The allies also launched one new project conceived jointly via the high-level policy coordination process. This was the \$30 million Indonesia Biodiversity Project (with \$10 million each supplied by the United States, Japan, and Indonesia) that developed a collaborative management plan for Gunung Halimun-Salak National Park, constructed information systems required for park management, conducted biodiversity studies, and promoted ecotourism and environmental education.¹⁵¹ As with most other projects, Japan focused primarily on infrastructure and equipment, and USAID funded technical assistance and training.

While many of the same government officials and their projects bridged the Global Partnership and the Common Agenda, the two initiatives were different in many respects. The Global Partnership fostered policy and project coordination between the professional development-aid bureaucracies in both countries and produced relatively large, long-term projects with limited public visibility. Oversight of the Common Agenda, in contrast, was carried out by political appointees on the foreign policy side of the house and was followed more closely by politicians. This naturally drove a diverse agenda and a desire for smaller, quicker programs that produced some tangible result in the near term. It also meant that there was no specific money set aside to fund Common Agenda projects, as the initiative managers were now a step removed from the USAID and Japan's Official Development Assistance budget processes. Labeling a project as part of the Common Agenda could help its budget fortunes, but overall this was a bottom-up rather than top-down process, and it competed with many other programs for funding.

Although the Clinton administration initially did not express much interest in the Common Agenda, it came to appreciate its value, especially as the program enjoyed a positive reputation in both countries amid worsening trade friction and politically sensitive

security discussions. At their February 1994 summit, Clinton and then prime minister Morihiro Hosokawa dedicated \$12 billion over seven years (1994–2000) toward AIDS and population management. The allies began to funnel new money toward Common Agenda–branded projects. In November, Clinton met Hosokawa’s successor—Tomiichi Murayama—in Jakarta and added money for coral reef protection, children’s healthcare, and narcotics control.

The scope of the Common Agenda expanded through the 1990s. In 1995, the two countries launched the Women in Development Initiative, which aimed to increase female representation in developing countries. As part of this effort, Japan began to contribute to *Eduque a la Niña*, a USAID program started in 1991 to support female school enrollment through scholarships and community engagement.¹⁵² Some initiatives of the Global Partnership were also revived under the Common Agenda. Democratization and civil society, for example, dropped off in the transition but were reinstated by Clinton and Hashimoto in April 1996. This was one of six new areas of Common Agenda cooperation, along with emerging and reemerging infectious diseases, natural disaster mitigation, counterterrorism, global food supply, and education technology for the twenty-first century. By April 1999, MOFA listed at least eighteen individual areas of cooperation, covering more than one hundred projects in total.¹⁵³

The private sector in both countries became increasingly involved in many of these initiatives. This was underlined by the creation of the Common Agenda Roundtable in February 1996. Its members included representatives from nongovernmental organizations, industries, and academic communities on both sides. Serving as liaison between the government and the private sector, they met several times each year and attempted to educate the public about the various activities being carried out by the Common Agenda. The roundtable spearheaded the addition of environment and energy education in developing countries as a new Common Agenda initiative.¹⁵⁴

As for results, the Common Agenda got mixed reviews. It has been credited with improving the effectiveness of bilateral and multilateral cooperation to combat AIDS and to virtually eliminate polio in East Asia.¹⁵⁵ It also helped to build the Global Observation Information Network (to monitor and predict extreme weather and climate change patterns), which later expanded to include South Korea, China, and other Pacific nations, before merging into the multilateral Committee on Earth Observation Satellites, among other activities.¹⁵⁶ But the hurdles to joint project development that the allies encountered in the Global Partnership were still there, and critics charged that the Common Agenda was simply taking “credit for things that were already going on.”¹⁵⁷ Still, it seems clear that a lot more was “going on” because of this higher profile bilateral initiative, and as collaborators the allies were becoming more adept in a variety of new fields.

Shrinking Space for Nonsecurity Cooperation

When the George W. Bush administration took over in 2001, bilateral cooperation was rebranded again, but the September 11 terrorist attacks quickly altered the focus of the administration's agenda. Counterterrorism became its most important aspect of regional and global cooperation, and this influenced the priorities for development strategies and recipient targets.¹⁵⁸ The profile of nonsecurity cooperation between the allies continued to drop, and as a sign of the times, by 2006 as much as 70 percent of members from an elite Japanese industry association could not identify or describe the current bilateral framework for economic cooperation.¹⁵⁹ In the past, mobs of reporters camped out to greet trade negotiators at airports to chronicle the latest twist in the U.S.-Japan economic rivalry, but by now the focus had shifted. At the same time, the scattershot approach of the Common Agenda on various global issues became more narrowly (and more anonymously) targeted at Iraq and Afghanistan.

The United States and Japan were in many ways better prepared to collaborate on various development issues in the Middle East and Central Asia early in the new century because of their experience with the Global Partnership and the Common Agenda. Japan provided sizable aid to Afghanistan and Iraq throughout the George W. Bush administration and into the Obama administration. For example, Japan provided over \$5.7 billion in assistance to Afghanistan from 2001 to 2015 to support various areas such as police officer salaries and training; demining; disarmament, demobilization, and reintegration of around 60,000 former combatants through vocational training programs; and infrastructure development along a new Ring Road. In addition, since 2003 Japan has provided about \$5 billion in financial assistance to Iraq to support reconstruction and security, as well as extending a \$500 million loan in 2012 for oil refinery construction, among other projects.¹⁶⁰

Japan did not have to take these steps, but it was consistent with its post-Cold War pattern of contributing to international peacebuilding initiatives and treating certain U.S. strategic priorities as shared interests. Japan also had an interest in a stable Iraq for oil supply reasons. Much of this activity was coordinated in broader multilateral frameworks, supplemented by U.S.-Japan bilateral channels, and it became a good example of the allies' ability to apply their nonmilitary cooperation for strategic effect.

Independent of the United States, Japan also deployed its own development diplomacy initiatives in the region. For example, Japan's Central Asia Plus framework has significantly enhanced Japan's influence in those member nations through billions of private and public investment dollars in energy, infrastructure, disaster prevention, and cultural preservation programs.¹⁶¹ Japan's approach became the direct model for Europe's engagement with Central Asia, and some believe that it could be leveraged to support shared allied objectives in the region (for example, by redefining the Asian Development Bank's Central

Asia Regional Economic Cooperation program to develop continental transport through Afghanistan and link India with Europe in the way the bank did for China).¹⁶²

Given the heavy bilateral focus on Iraq and Afghanistan, the allies' desire to create grand rubrics for bilateral cooperation on global issues waned during the Bush and Obama administrations, even as they continued to articulate a long set of common strategic objectives for the alliance and distribute lists of cooperative initiatives at most summit meetings.¹⁶³ To some extent, such alliance cooperation has been internalized by the two bureaucracies, as department and ministry officials regularly network with counterparts at the working level and pass those habits and contacts on to their successors.

Promoting bilateral collaboration has become a matter of course, and the number of bilateral dialogues and working groups has expanded. Current bilateral projects address issues such as civil nuclear cooperation, clean energy, cybersecurity, disaster relief, nonproliferation, pandemic flu surveillance, business innovation, and entrepreneurship. Notably, many of these issues increasingly cross department and ministry boundaries, such as cooperation on cybersecurity, space, nuclear proliferation, and certain health or complex development issues, although the alliance management infrastructure often struggles to accommodate. This gets even more complex as the amount of trilateral and multilateral interactions increases, given the growing number of other consequential players around the world and in the region.

The state of nonsecurity cooperation appears to be a product of its time, often diffuse and disconnected from a longer-term allied strategy when times are good. But the allies have been able to channel their nonsecurity cooperation in service of more strategic interests, when faced with challenges such as those in Afghanistan and Iraq, to maximize benefit from the bilateral relationship. As the crisis in Syria escalated during Obama's second term and refugees inundated Europe, Japan stepped up again with \$2.5 billion to support Syrian and Iraqi refugees, as well as contributing up to \$1.5 billion for economic recovery in Ukraine as it has struggled with a separatist movement and Russian expansionism.

Any new U.S. president has to make a decision about how to harness this alliance asset, either as one important part of multilateral crisis-management efforts or in a more proactive (and perhaps bilateral) way to tackle certain emerging challenges further upstream, among other variations. As the allies put their trade tensions behind them over the course of the post-Cold War period, they expanded opportunities for cooperation in a wider range of strategically significant activities and parts of the world. The start of a new U.S. administration is an important time to establish the framework and approach to collaboration for the several years.

ENDNOTES

1. Bush made a short trip to Ottawa, Canada, two weeks before the Tokyo trip for a working visit with then Canadian prime minister Brian Mulroney.
2. Bush described the scene in Tokyo to China's general secretary, Zhao Ziyang, on the next leg of his Asia trip: "There was an icy cold rain, and the wind was all the way from Moscow, and cut right through you. I thought we would lose a King who was sitting near us." "Memorandum of Conversation Between George H. W. Bush and Zhao Ziyang," Wilson Center Digital Archive, February 26, 1989, <http://digitalarchive.wilsoncenter.org/document/133956>.
3. Susan Chira, "With Pomp and on a Global Stage, Japanese Bury Emperor Hirohito," *New York Times*, February 24, 1989.
4. White House, "National Security Review 12 (March 3, 1989)," George W. Bush Presidential Library and Museum, <https://bush41library.tamu.edu/files/nsr/nsr12.pdf>.
5. *Ibid.*
6. Lorna S. Jaffe, *The Development of the Base Force: 1989–1992* (Washington, DC: Office of the Chairman of the Joint Chiefs of Staff, Joint History Office, July 1993), <http://dtic.mil/doctrine/doctrine/history/baseforc.pdf>.
7. Dick Cheney, *Annual Report to the President and the Congress* (Washington, DC: U.S. GPO, January 1991), v, http://history.defense.gov/Portals/70/Documents/annual_reports/1991_DoD_AR.pdf.
8. See Dick Cheney, *Defense Strategy for the 1990s: The Regional Defense Strategy* (Washington, DC: U.S. GPO, January 1993), 5–7; and Armacost, *Friends or Rivals*, 85.
9. See "Issues in the Policy and Strategy Section," April 14, 1992, "Prevent the Reemergence of a New Rival: The Making of the Cheney Regional Defense Strategy, 1991–1992," document 10, National Security Archive, February 26, 2008, <http://nsarchive.gwu.edu/nukevault/ebb245>.
10. Charles Krauthammer, "What's Wrong With the 'Pentagon Paper?,'" *Washington Post*, March 13, 1992.
11. Samuel P. Huntington, "Why International Primacy Matters," *International Security* 17, no. 4 (Spring 1993): 68–83.
12. See James Fallows, "Is Japan the Enemy?," *New York Times Review of Books*, May 30, 1991. Fallows viewed this point of increasing divergence of bilateral interests as the most convincing argument of a book entitled *The Coming War With Japan* by George Friedman and Meredith LeBar, published earlier that year. At the same time, however, Carl Ford, the principal deputy assistant secretary of defense, and his U.S. colleagues were meeting with Japanese counterparts from the spring of 1991 to talk about an initial framework for how the allies might approach their post–Cold War security relationship, based on a U.S. vision laid out in April 1990, in "A Strategic Framework for the Asian Pacific Rim: Looking Toward the 21st Century; The

- President's Report on the U.S. Military Presence in East Asia" (S. Hrg. 101-880) (Washington, DC: U.S. GPO, April 19, 199). For a discussion of those bilateral talks, see Michael Blaker, Paul Giarra, and Ezra Vogel, *Case Studies in Japanese Negotiating Behavior* (Washington, DC: U.S. Institute of Peace, 2002), 102–8.
13. Comment by George Stephanopoulos (candidate Bill Clinton's campaign spokesman) in March 1992, cited in James Mann, *Rise of the Vulcans: The History of Bush's War Cabinet* (New York: Viking Penguin Group, 2004), 211.
 14. See "A Strategic Framework for the Asian Pacific Rim: Report to Congress," U.S. Department of Defense, April 1990, 1.
 15. See "A Strategic Framework for the Asian Pacific Rim: Report to Congress," U.S. Department of Defense, July, 1992, 18.
 16. Jeffrey Lewis, *The Minimum Means of Reprisal* (Cambridge, MA: American Academy of Arts and Sciences, 2007), 91.
 17. For the quoted text, see Defense Agency of Japan, *Defense of Japan, 1992*, trans. *Japan Times* (Tokyo: Japan Times, 1992), 68.
 18. The *Bōei Keikaku no Taikō*, or *Bōei Taikō*, was originally translated into English as the National Defense Program Outline (NDPO), but in 2005 the Defense Agency changed it to the NDPG. To avoid confusing the reader any more than necessary with multiple acronyms, this manuscript refers to every *bōei taikō* as an NDPG.
 19. For a concise summary of this debate, see Francis Fukuyama and Kongdan "Katy" Oh, *The U.S.-Japan Security Relationship After the Cold War* (Santa Monica, CA: RAND, National Defense Institute, 1993), chap. 2.
 20. Yoichi Funabashi, *Alliance Adrift* (New York: Council on Foreign Relations, 1999), 254.
 21. Bruce Stokes and Russ Oates, "Americans, Japanese: Mutual Respect 70 Years After the End of WWII," Pew Research Center, April 7, 2015. Abe was the first Japanese prime minister to address a joint meeting of Congress.
 22. Former State Department official, interview with author, November 2015, Washington, DC.
 23. See "Japan: Tokyo Declaration on Global Partnership With the U.S. (1992)," U.S. Commerce Department, Office of Trade Agreements Negotiation and Compliance, http://tcc.export.gov/Trade_Agreements/All_Trade_Agreements/exp_005589.asp.
 24. Robert M. Uriu, *Clinton and Japan: The Impact of Revisionism on U.S. Trade Policy* (Oxford, UK: Oxford University Press, 2009), 108–9, and Peter Ennis, "Trade Issues Take the Lead: Inside Clinton's Japan Team," *Tokyo Business Today*, July 1993, 6.
 25. Former State Department official, interview with author, March 2015, Washington, DC.

26. Uriu, *Clinton and Japan*, 98–99.
27. For an overview of traditionalism versus revisionism in the U.S.-Japan trade context, see Uriu, *Clinton and Japan*, chap. 2.
28. An influential group was the USTR Advisory Committee for Trade Policy and Negotiations, established in the 1970s, which by 1989 included about forty-five U.S. companies (the majority of which were large internationally oriented high-tech companies such as Motorola, IBM, Corning, Cray, AT&T, and Boeing). The committee used the expression “results-oriented” trade policy in a 1989 report to the president. At that time, USTR Carla Hills shelved the report and criticized its advocacy of managed trade. See Uriu, *Clinton and Japan*, 73, and James P. Durling, *Anatomy of a Trade Dispute: A Documentary History of the Kodak-FujiFilm Dispute* (London: Cameron May, 2000), 25.
29. Many of these trade laws were established with the Trade Act of 1974 (including section 301, later called Super 301), which was originally a tool to enforce U.S. rights under international agreements but evolved to become “the leading ‘crowbar’ used by U.S. trade negotiators to enhance their leverage with threats of sanctions.” Judith Bello and Alan Holmer, *The Post-Uruguay Round Future of Section 301, Law & Policy International Business* 25, no. 4 (1994): 1297, 1300, quoted in Durling, *Anatomy of a Trade Dispute*, 50. Super 301 was first authorized as part of the 1988 Trade Act to draw more attention to potentially harmful trade practices by other countries, and it was particularly disliked by Japanese officials.
30. Robert G. Sutter, “Japanese Officials’ View of Relations With the Clinton Administration: May–June 1993,” Congressional Research Service, June 14, 1993, 1.
31. *Ibid.*
32. Tatsuya Terazawa, interview by James Sterngold, “The Men Who Really Run Fortress Japan,” *New York Times*, April 10, 1994, quoted in Durling, *Anatomy of a Trade Dispute*, 22.
33. Funabashi, *Alliance Adrift*, 263.
34. George P. Shultz, *Turmoil and Triumph: My Years as Secretary of State* (New York: Scribner, 1993), 190.
35. Armacost, *Friends or Rivals*, 25.
36. Sutter, “Japanese Officials’ View of Relations With the Clinton Administration,” 6.
37. The five “issues of interest” or trade “baskets” were government procurement, regulatory reform, major sectors (like autos and auto parts), economic harmonization (including investment and intellectual property rules), and existing arrangements (monitoring past agreements under the MOSS and SII talks). Durling, *Anatomy of a Trade Dispute*, 32.
38. William J. Clinton, “Remarks With Prime Minister Kiichi Miyazawa of Japan in Tokyo,” American Presidency Project, July 10, 1993, <http://www.presidency.ucsb.edu/ws/?pid=46827>.

39. Roger Altman, "United States–Japan Trade Policy," testimony before the U.S. Senate, Committee on Finance, Subcommittee on International Trade, July 1993, quoted in Uriu, *Clinton and Japan*, 107.
40. Uriu, *Clinton and Japan*, 116–7.
41. Christopher Wood, *The End of Japan Inc. and How the New Japan Will Look* (New York: Simon & Schuster, 1994), 26–28. Wood references articles by Reform 21 lawmaker Hiroshi Kumagai in *Bungei Shunju*, March 4, 1993, and an op-ed by Kazuo Inamori in the *Yomiuri Shimbun*, November 1992, in his discussion of this trend.
42. "Aggressive unilateralism" was one way economists described U.S. trade policy at the time. See Jagdish Bhagwati and Hugh T. Patrick, eds., *Aggressive Unilateralism: America's 301 Trade Policy and the World Trading System* (Ann Arbor: University of Michigan Press, 1990).
43. David E. Sanger, "Sanctions of Japan: The Overview; 100% Tariffs Set on 13 Top Models of Japanese Cars," *New York Times*, May 17, 1995.
44. Former deputy USTR Michael Smith said later in a speech that "we could have had the same agreement [in 1993]. . . . Mickey Kantor took the trading world to the brink of disaster and came back with absolutely nothing." From a speech given at Columbia University in December 1997, quoted in Uriu, *Clinton and Japan*, 231.
45. "Administration Seeks Lower Profile for Japan Framework Talks," *Inside U.S. Trade*, December 9, 1994, quoted in Durling, 41.
46. U.S. Department of Commerce, International Trade Association, Office of Transportation and Machinery, *Trends in U.S. Vehicle Exports* (Washington, DC: Department of Commerce, August 2015), 12, <http://www.trade.gov/td/otm/assets/auto/ExportPaper2015.pdf>.
47. U.S. Department of Commerce, International Trade Association, *U.S. Exports of Road Motor Vehicles, Organized by Country* (Washington, DC: Department of Commerce), 13, http://www.trade.gov/td/auto/data/historical/tf5_cntries_exp_uni.pdf; U.S. Department of Commerce, International Trade Association, Office of Transportation and Machinery, *Trends in U.S. Vehicle Exports*, 12.
48. The author worked at a U.S. construction and project management firm in the mid-1990s in Japan in direct support of Saturn's dealership construction effort. Japan's market was certainly difficult to enter from the outside owing to different business customs and regulations, but additional hurdles were the poor economy and difficulty creating a big enough sales and service network to compete with such high-quality and well-established domestic players, with a product that was not well differentiated from the bulk of what Japanese makers were offering. For more on Saturn in Japan, see Lisa Shuchman, "How Does GM's Saturn Division Sell Cars in Japan? Very Slowly," *Wall Street Journal*, August 25, 1998, <http://www.wsj.com/articles/SB904016592944016000#:VhDAvR4ZsPU8EA>.

49. Edward J. Lincoln, *Troubled Times: U.S.-Japan Trade Relations in the 1990s* (Washington, DC: Brookings Institution Press, 1999), 158–65.
50. Michael Green, *Japan's Reluctant Realism* (New York: Palgrave Macmillan, 2001), 239–57. For Sakakibara quote, see 247.
51. For a detailed account, see Paul Blustein, *The Chastening: Inside the Crisis That Rocked the Global Financial System and Humbled the IMF* (New York: PublicAffairs, 2001), 162–74. In 2013, Prime Minister Abe appointed Kuroda governor of the Bank of Japan.
52. *Ibid.* The new IMF loan facility was called the Supplemental Reserve Facility. It could provide larger amounts of money more rapidly than traditional IMF loans.
53. Curtis, *The Logic of Japanese Politics*, chap. 3, “The End of One-Party Dominance.”
54. “Background Briefing by Senior Administration Officials,” American Presidency Project, June 8, 1993, <http://www.presidency.ucsb.edu/ws/?pid=59984>.
55. U.S. Department of Defense, Office of International Security Affairs, *United States Security Strategy for the East Asia–Pacific Region* (Washington, DC: U.S. Department of Defense, February 1995).
56. “The 1992 Campaign: Excerpts From Interview with Clinton on Goals for Presidency,” *New York Times*, June 28, 1992, <http://www.nytimes.com/1992/06/28/us/the-1992-campaign-excerpts-from-interview-with-clinton-on-goals-for-presidency.html?pagewanted=all>.
57. Warren Christopher, *In the Stream of History: Shaping Foreign Policy for a New Era* (Stanford, CA: Stanford University Press, 1998), 140.
58. *Ibid.*, 141.
59. See, for example, Patrick M. Cronin and Michael J. Green, “Redefining the U.S.-Japan Alliance,” McNair Paper no. 31 (Washington, DC: National Defense University, Institute for National Strategic Studies, November 1994).
60. Michael A. Lev, “3 GIs Convicted in Okinawa Rape,” *Chicago Tribune*, March 7, 1996, http://articles.chicagotribune.com/1996-03-07/news/9603070150_1_marine-pfc-okinawa-sentence. Also Chalmers Johnson, “The 1995 Rape Incident and the Rekindling of Okinawan Protest Against the American Bases,” in *Okinawa: Cold War Island*, ed. Chalmers Johnson (Cardiff, CA: Japan Policy Research Institute, 1999), 109–29.
61. Funabashi, *Alliance Adrift*, 254–5.
62. Conflict in the Balkans in the 1990s delayed this drawdown, though the United States did get down to about 120,000 in Europe by the year 2000 and around 75,000 in 2015. The U.S. rebalance to Asia was coined during the Obama administration, but versions of this strategy began in practice under presidents Clinton and George W. Bush. The EASR was considered to be a follow-up report to the April 1990 and July 1992 “Strategic Framework for the Asian Pacific Rim.”

63. U.S. Department of Defense, Office of International Security Affairs, *United States Security Strategy for the East Asia–Pacific Region* (Washington, DC: U.S. Department of Defense, February 1995).
64. Quoted in Funabashi, *Alliance Adrift*, 260.
65. For an insiders’ account of the Nye Initiative, see Michael Blaker, Paul Giarra, and Ezra Vogel, *Case Studies in Japanese Negotiating Behavior* (Washington, DC: U.S. Institute of Peace, 2002), chap. 4.
66. National Defense Program Guidelines are drafted and adopted by the cabinet in the year before they take effect, and their titles generally refer to the following fiscal year as the initial year of applicability. For example, the “National Defense Program Guidelines, Fiscal Year 2005” was approved by the cabinet on December 10, 2004. This book refers to all NDPG by their year of initial applicability, so the sample NDPG would be referenced as the 2005 NDPG.
67. For a detailed assessment of Japan’s early defense buildup plans, see Richard J. Samuels, *Rich Nation, Strong Army: National Security and the Technological Transformation of Japan* (Ithaca, NY: Cornell University Press, 1994), chap. 6.
68. See “A National Defense Program Outline for the Years After Fiscal 1977,” October 29, 1976, the World and Japan Database Project, <http://www.ioc.u-tokyo.ac.jp/~worldjpn/documents/texts/docs/19761029.O1E.html>. For context, see Akihiko Tanaka and Koji Murata, “Takashi Maruyama Oral History Interview,” National Security Archive, April 12, 1996, <http://nsarchive.gwu.edu/japan/maruyamaohinterview.htm>.
69. “The Guidelines for Japan-U.S. Defense Cooperation,” Ministry of Defense of Japan, November 27, 1978, http://www.mod.go.jp/e/d_act/anpo.
70. Quoted in Funabashi, *Alliance Adrift*, 265.
71. “National Defense Program Outline In and After FY 1996,” <http://www.mofa.go.jp/policy/security/defense96>.
72. See Section III, “Security of Japan and Roles of Defense Capabilities: Role of Defense Capability,” 4. (2) b.
73. Todd S. Purdham, “Entangled With Congress, Clinton Cancels Planned Japan Trip,” *New York Times*, November 16, 1995, <http://www.nytimes.com/1995/11/16/world/entangled-with-congress-clinton-cancels-planned-japan-trip.html>.
74. See Funabashi, *Alliance Adrift*, 267, for discussion of the difference between MOFA and Defense Agency thinking about the timing of the NDPG release.
75. “The President’s News Conference With Prime Minister Ryutaro Hashimoto of Japan in Tokyo,” American Presidency Project, April 17, 1996, <http://www.presidency.ucsb.edu/ws/?pid=52678>.

76. Noboru Yamaguchi, "Redefining the Japan-US Alliance," Nippon.com, May 11, 2012, <http://www.nippon.com/en/features/c00204/>.
77. "The Guidelines for Japan-U.S. Defense Cooperation," Ministry of Defense of Japan, September 23, 1997, http://www.mod.go.jp/e/d_act/anpo/.
78. "Japan, U.S. Establish New Defense Mechanism," *Japan Times*, January 20, 1998.
79. The SIASJ law's official name was 周辺事態に際して我が国の平和及び安全を確保するための措置に関する法律 or "Law Related to Measures for the Peace and Security of Our Nation in Situations in Surrounding Areas."
80. These were the 1951 "Security Treaty Between the United States and Japan" and the 1960 "Treaty of Mutual Cooperation and Security Between the United States and Japan."
81. Quoted in Koji Murata, "Do the New Guidelines Make the Japan-U.S. Alliance More Effective?," in *The Japan-U.S. Alliance: New Challenges for the 21st Century*, ed. Masashi Nishihara (New York: Japan Center for International Exchange, 2000), 19–38.
82. Funabashi, *Alliance Adrift*, 255–6.
83. From 1992 to 2016, Japan participated in ten PKO overseas involving usually only a few dozen, and occasionally a few hundred, SDF personnel at a time. The two largest were Cambodia, with a 600-man engineering unit in 1992, and in Timor-Leste, with a 680-man engineering unit from 2002. One mission in Nepal involved six arms monitors from 2007 and one again in Timor-Leste from 2010 consisted of two military liaison officers. See *Defense of Japan 2016*, Ministry of Defense, Reference 66, 461–2. This result is not surprising given the relatively high cost of involving the SDF from Japan (compared with other developing countries) and the small size of the SDF's force.
84. "The United States and Japan: Advancing Toward a Mature Partnership," National Defense University and Institute for National Strategic Studies, October 11, 2000, 2. The report is known colloquially as the Armitage-Nye report, for its task force leaders. The team that put this report together sent almost half its members (seven) to work in the Bush administration, including Armitage as deputy secretary of state and Mike Green as eventual Asia director on the National Security Council staff.
85. A variety of sources document the strong personal relationship that evolved between Bush and Koizumi, but for a media report of their first meeting, see Edwin Chen, "Bush Enjoys a Warm Meeting With Koizumi," *Los Angeles Times*, July 1, 2001.
86. "Joint Statement by President Bush and Prime Minister Koizumi: Partnership for Security and Prosperity," White House Office of the Press Secretary, June 30, 2001.
87. *The United States and Japan: Advancing Toward a Mature Partnership*, 3.

88. On the Defense Department's plans for "reorienting the U.S. military global posture," see *Quadrennial Defense Review Report*, sec. IV (Washington, DC: U.S. Department of Defense, September 30, 2011), <http://archive.defense.gov/pubs/qdr2001.pdf>.
89. Casualty statistics from "Deaths in World Trade Center Terrorist Attacks: New York City," *Morbidity and Mortality Weekly Report*, U.S. Centers for Disease Control, 2002, <http://www.cdc.gov/mmwr/preview/mmwrhtml/mm51spa6.htm>; and Koizumi cabinet response from Yu Uchiyama, *Koizumi and Japanese Politics: Reform Strategies and Leadership Style*, translated by Carl Freire (New York: Routledge, 2010), 83–84, and Tomohito Shinoda, *Koizumi Diplomacy: Japan's Kantei Approach to Foreign and Defense Affairs* (Seattle: University of Washington Press, 2007), 90–91. This was Japan's first cabinet-level meeting of the Security Council of Japan since North Korea's 1998 Taepodong missile launch.
90. Daniel M. Kliman, *Japan's Security Strategy in the Post-9/11 World: Embracing a New Realpolitik*, Washington Paper 183 (Westport, CT: Praeger, 2006), 77.
91. Howard W. French, "A Nation Challenged: Tokyo; Japan's Prime Minister Pledges Support for American Retaliation," *New York Times*, September 20, 2001.
92. See, for example, Kliman, *Japan's Security Strategy*, 73–80, or Uchiyama, *Koizumi and Japanese Politics*, 83–88. Japan's PKO law refers to 国際連合平和維持活動等に対する協力に関する法律 or the "Law Related to Cooperation on United Nations Peace-keeping Operations" passed in 1992.
93. "Japanese Envoy Yanai Interprets 'Show the Flag' Remarks," Kyodo News Service, December 27, 2001. Also, on December 31, 2001, the *Asahi Shimbun* claimed that Yanai's (and the foreign ministry's) intention was to influence the domestic debate (as cited in Keiko Sakai, "11 September and the Clash of Civilizations: The Role of the Japanese Media and Public Discourse," in *Arab Studies Quarterly* 25, nos. 1–2 [Winter–Spring 2003]: 172).
94. Kliman, *Japan's Security Strategy*, 74. The Japanese government and Koizumi himself reiterated several times that Japan was taking these steps not only because it is an ally of the United States but also as a contribution to the international community.
95. Uchiyama, *Koizumi and Japanese Politics*, 84. The government considered trying to use the SIASJ law to authorize such rear-area support, but that law defines such a situation as one "having a significant effect on the security of Japan," and a Middle East or Indian Ocean scenario had effectively been ruled out as inapplicable during Diet deliberations in 1999.
96. Sakai, "11 September and the Clash of Civilizations," 163.
97. This position was later elevated to an assistant secretary level (requiring Senate confirmation) in December 2007.
98. Lawless occasionally held substantive meetings with the director general of the JDA, for example, which was an unusual protocol move but reflected how highly the Japanese government evaluated his influence. See, for example, "Beigun Saihen: Nukaga-Lawless Kaidan, Enganan

Shūsei Wadai ni Sezu” [Reorganization of U.S. forces: Nukaga-Lawless discussion, without topic of coastal plan revisions], *Asahi Shimbun*, February 10, 2006.

99. The foreign ministry’s deputy director general for North American affairs and the state department’s Japan director always contributed to these meetings, but the technical nature of the negotiation relating to roles, missions, capabilities, and detailed base operations and realignment issues gave a prominent role to the defense side (rather uniquely on the Japan side). Uchiyama was replaced by Hironori Kanazawa in early 2006. The SCC joint statement can be found at “Japan-United States of America Relations,” Ministry of Foreign Affairs of Japan, <http://www.mofa.go.jp/region/n-america/us/security/scc>.
100. See Sugio Takahashi, “Upgrading the Japan-U.S. Defense Guidelines: Toward a New Phase of Operational Coordination,” Project 2049 Institute, 2013, https://project2049.net/documents/japan_us_defense_guidelines_takahashi.pdf.
101. “Joint Statement: Security Consultative Committee,” Ministry of Foreign Affairs of Japan, February 19, 2005, <http://www.mofa.go.jp/region/n-america/us/security/scc/joint0502.html>.
102. Condoleezza Rice, Robert M. Gates, Taro Aso, and Fumio Kyuma, “Joint Statement of the Security Consultative Committee Alliance Transformation: Advancing United States–Japan Security and Defense Cooperation,” Ministry of Foreign Affairs of Japan, May 1, 2007, <http://www.mofa.go.jp/region/n-america/us/security/scc/joint0705.html>.
103. Yuki Tatsumi, “The Defense Policy Review Initiative: A Reflection,” *PacNet* 19, April 27, 2006, <http://csis.org/publication/pacnet-19-april-27-2006-defense-policy-review-initiative-reflection>.
104. Japan’s cabinet in December 2003 decided to introduce a missile defense system in collaboration with the United States and incorporated this policy into the 2005 NDPG.
105. “U.S.-Japan Military Pact Still Strong, Says Lawless,” Reuters, May 23, 2006.
106. John Weinberg, “The Great Recession and Its Aftermath,” Federal Reserve History, December 3, 2013, <http://www.federalreservehistory.org/Period/Essay/15>.
107. Japan’s 2005 National Defense Program Guideline, for example, states that “the peace and stability of Japan is inextricably linked to that of the international community” and that “Japan will, on its own initiative, actively participate in international peace cooperation activities.”
108. See Ministry of Japan, *Defense of Japan 2007*, chap. 3, sec. 2, http://www.mod.go.jp/e/publ/w_paper/2007.html.
109. “Joint Press Conference With Secretary Panetta and Japanese Minister of Defense Morimoto From Tokyo, Japan,” U.S. Department of Defense, September 17, 2012, <http://archive.defense.gov/transcripts/transcript.aspx?transcriptid=5114>. The groundwork for review of the defense guidelines was laid at an earlier meeting between then defense minister Satoshi Morimoto and then deputy secretary Ash Carter in 2012, and informal Japanese requests for review date back at least to 2010, when a Chinese fishing vessel rammed a Japan Coast Guard ship and raised

tensions. Based on author interviews with Department of Defense officials, Washington, DC, September 2013.

110. Since 1998, Kōmeitō (Clean Government Party) is also known in English as New Kōmeitō, to note its rebirth after a disappointing merger to form the New Frontier Party in 1994. The Kōmei political party was originally launched in 1964 with substantial support from the lay Buddhist organization Soka Gakkai, which continues to be its most significant constituency. Because the party continues to go by the term Kōmeitō generally, that term is used for English reference.
111. The DPJ (Minshutō) formed in 1998 by combining former LDP defectors, members of the old Socialist Party, and other reform-oriented Diet members. It benefited from strong labor union support and was led initially by Naoto Kan. The party merged with the Japan Innovation Party in 2016 and changed its name to Minshintō. Although the Japanese name translates to the Democratic Progressive Party, its official English name is simply the Democratic Party (DP).
112. For Hatoyama's comments about the downsides of U.S.-led globalism and its decline, see Yukio Hatoyama, "A New Path for Japan," *New York Times*, August 26, 2009, <http://www.nytimes.com/2009/08/27/opinion/27iht-edhatoyama.html?pagewanted=1&r=2>. About his East Asian community plan, see Hatoyama's Singapore speech, "Japan's New Commitment to Asia: Toward the Realization of an East Asian Community," Prime Minister of Japan and His Cabinet, November 11, 2009, http://japan.kantei.go.jp/hatoyama/statement/200911/15singapore_e.html.
113. "Lehman" refers to Lehman Brothers Holdings, the New York-based global financial services firm founded in 1850 that went bankrupt in 2008.
114. Alex Martin and Jun Hongo, "Japan-U.S. Ties Need Revamp: Hatoyama," *Japan Times*, October 30, 2009, <http://www.japantimes.co.jp/news/2009/10/30/national/japan-u-s-ties-need-revamp-hatoyama/#.V1DtEeSMTLL>. For comments about possible base reductions, a high-profile example was presented by DPJ president Ichiro Ozawa on February 24, 2009, when he said that he thought "generally speaking . . . the [U.S.] 7th Fleet is sufficient" for preserving regional stability. See DPJ news item, "DPJ President Ozawa: 'A PM Who Has Domestically Lost 70% or 80% of the People's Trust Cannot Implement Effective Diplomacy,'" February 25, 2009, <http://www2.dpj.or.jp/news/?num=15356>. Also, in a 1996 *Bungei Shunju* magazine article DPJ leader Hatoyama called for a U.S.-Japan alliance without permanent U.S. bases (see Andrew L. Oros, *Normalizing Japan: Politics, Identity, and the Evolution of Security Practice* [Stanford, CA: Stanford University Press, 2008], 81). Owing in part to such developments, the George W. Bush administration paved the way for the Obama administration and the LDP leadership of the time to try to cement the Futenma relocation plan via the Guam International Agreement in February 2009, which the Japanese Diet later adopted as a treaty in May. See "Agreement Between the Government of Japan and the Government of the United States of America Concerning the Implementation of the Relocation of III Marine Expeditionary Force Personnel and Their Dependents From Okinawa to Guam," Ministry of Foreign Affairs of Japan, May 19, 2009, <http://www.mofa.go.jp/policy/treaty/submit/session171/agree-4.html>.
115. Yukio Hatoyama, "Hatoyama Yukio daihyou, jinin aisatsu" [Representative Hatoyama Yukio's resignation farewell] (resignation speech presented to both houses of the Japanese Diet, Tokyo,

- June 3, 2010), Democratic Party of Japan, http://archive.dpj.or.jp/news/files/20100602soukai_hatoyama.pdf.
116. The great East Japan earthquake and tsunami struck on March 11, 2011, triggering the Fukushima Daiichi Nuclear Power Plant accident. More than 15,000 died; over 2,600 went missing; and an estimated \$210 billion in direct economic costs. The United States immediately launched Operation Tomodachi, deploying 24,000 personnel at the peak of the disaster to support the SDF in joint humanitarian relief operations while sending \$28 million in humanitarian assistance to Japan.
 117. SCC joint statement of 2011, see Hillary Clinton, Robert Gates, Takeaki Matsumoto, and Toshimi Kitazawa, “Toward a Deeper and Broader U.S.-Japan Alliance: Building on 50 Years of Partnership,” Ministry of Foreign Affairs of Japan, June 21, 2011, http://www.mofa.go.jp/region/n-america/us/security/pdfs/joint1106_01.pdf.
 118. On July 1, 2014, the Abe cabinet released a decision on interpreting the constitution with regard to certain “gray-zone” situations and exercising Japan’s right of collective self-defense. The document, titled “On the Preparation of National Security Legislation to Fulfill the Nation’s Role and Protect the People,” was carefully negotiated between the LDP and Kōmeitō. The cabinet used this statement to guide the subsequent development of implementing legislation in 2015.
 119. Kurt M. Campbell, *The Pivot: The Future of American Statecraft in Asia* (New York: Twelve Books, 2016), xxi. The October 2011 reference is to Clinton’s article in *Foreign Policy* magazine, see Hillary Clinton, “America’s Pacific Century,” *Foreign Policy*, October 11, 2011, <http://foreignpolicy.com/2011/10/11/americas-pacific-century>.
 120. United Nations Population Division, Department of Economic and Social Affairs, “Total Population (Both Sexes Combined), by Five-Year Age Groups, Major Area, Region, and Country, 1950–2100,” File POP/7-1, *World Population Prospects: The 2015 Revision, DVD Edition* (New York: United Nations, 2016).
 121. The Defense Department called this the Maritime Security Initiative, a five-year, \$425-million commitment to support a regional maritime security network in Southeast Asia that provides both sea- and shore-based equipment and training. The purpose is to build partner nations’ capacity in domain awareness and allow greater interoperability among countries like the Philippines, Vietnam, Indonesia, Malaysia, and Thailand.
 122. For background, see Charles M. Perry and Bobby Andersen, *Managing the Global Impact of America’s Rebalance to Asia* (Cambridge, MA: Institute for Foreign Policy Analysis, December 2014), chap. 2.
 123. Jeff Kingston, “History Problems Cast a Shadow Over Abe’s Japan,” *Japan Times*, April 18, 2015.
 124. Agence France-Presse, “China Anti-Japan Protest Damage May Be Over US\$100m,” *South China Morning Post*, November 13, 2012, <http://www.scmp.com/news/china/article/1081778/>

- china-anti-japan-protest-damage-may-be-over-us100m. The Senkaku/Diaoyu Islands sit on the fringe of Japan's Sakishima Islands (about 170 kilometers northeast of Taiwan) and were administered by the United States after World War II as part of its occupation of what is now Okinawa Prefecture. The Senkaku Islands were included as part of the Okinawa reversion back to Japanese administrative control in 1972.
125. Also, in November 2013, China unilaterally declared an air defense identification zone that overlaps with parts of Japan's own zone in the East China Sea, and Beijing said it requires intruding planes to file flight plans and respond to Chinese instructions while in the zone.
126. "Joint Press Conference with President Obama and Prime Minister Abe of Japan," White House Office of the Press Secretary, April 24, 2014, <https://www.whitehouse.gov/the-press-office/2014/04/24/joint-press-conference-president-obama-and-prime-minister-abe-japan>.
127. Daesh is an Arabic acronym of the group's original name, "al-Dawla al-Islamiya fil Iraq wa al-Sham" (Islamic State of Iraq and the Levant). See Faisal Irshaid, "Isis, Isil, IS or Daesh? One Group, Many Names," BBC News, December 2, 2015, <http://www.bbc.com/news/world-middle-east-27994277>.
128. Ministry of Foreign Affairs of Japan, "The Situation Surrounding Japan's ODA and Revision of the ODA Charter," chap. 1 in *Japan's ODA White Paper, 2003* (Tokyo: MOFA, 2003), http://www.mofa.go.jp/policy/oda/white/2003/part1_1.html.
129. Glen S. Fukushima, "Bush/Miyazawa Meeting Is 'Staged' for Success: Summit; Real Problems Won't Be Resolved as the Two Leaders Aim to Preserve Status Quo," *Los Angeles Times*, January 2, 1992.
130. Former State Department official, interview with author, Washington, DC, March 10, 2015; former USAID official, interview with author, Washington, DC, July 14, 2015.
131. Armacost, *Friends or Rivals*, 128.
132. Ministry of Foreign Affairs of Japan, *Diplomatic Bluebook* (Tokyo: MOFA, 1989), <http://www.mofa.go.jp/policy/other/bluebook/1989/1989-contents.htm>.
133. George H. W. Bush, "Written Responses to Questions Submitted by the Kyodo News Service of Japan," American Presidency Project, February 16, 1989, <http://www.presidency.ucsb.edu/ws/?pid=16674>.
134. James A. Baker, "A New Pacific Partnership: Framework for the Future" (speech delivered at the Asia Society, New York, June 26, 1989), *Department of State Bulletin* 89, no. 2149 (August 1989): 64–66. As described by Makoto Iokibe, APEC was originally an idea suggested by Japan's MITI, but owing in part to bureaucratic rivalry and diplomatic strategy, MOFA believed that the proposal should come from Australia. Makoto Iokibe, "Japanese Diplomacy After the Cold War?," in *The Diplomatic History of Postwar Japan*, ed. Makoto Iokibe, trans. Robert D. Eldridge (New York: Routledge, 2011), 177–8.

135. Baker, “A New Pacific Partnership.”
136. “Statement by Press Secretary Fitzwater on the President’s Meeting With Foreign Minister Hiroshi Mitsuzuka of Japan,” American Presidency Project, June 26, 1989, <http://www.presidency.ucsb.edu/ws/?pid=17206>.
137. Japan’s Ministry of Foreign Affairs annual *Diplomatic Bluebook* summaries of early Bush-Kaifu meetings (1990 and 1991) support this observation.
138. Armacost, *Friends or Rivals*, 161.
139. *Ibid.*, 163.
140. *Ibid.*, 164.
141. Kazuhiro Asano, *Nichibei Shunō Kaidan to Gendai Seiji* [Japan-U.S. summit meetings and modern politics] (Tokyo: Dōbunkan Shuppan, 2000), 81.
142. Former State Department official, interview with author, Washington, DC, July 8, 2015.
143. Yasushi Maruoka, “Nihon no jinkou ODA to beikoku no gaiatsu—nichibei Common Agenda to GII no seisaku kettei katei” [Japan’s population ODA and American pressure: Japan-U.S. Common Agenda and the GII’s policymaking process], *海外事情 Kaigai Jijou* [Journal of world affairs] 50, no. 3 (2002–2003): 114–31.
144. “The President’s News Conference With Prime Minister Kiichi Miyazawa of Japan,” American Presidency Project, April 16, 1993, <http://www.presidency.ucsb.edu/ws/index.php?pid=46438>.
145. Takashi Mikuriya and Takafusa Nakamura, *Miyazawa Kiichi Kaikoroku* [Kiichi Miyazawa memoir] (Tokyo: Iwanami Shoten, 2005), 319. Translated by author.
146. Art Pine and Leslie Helm, “Clinton Presses Japan for Trade ‘Rebalancing’: Diplomacy; But Prime Minister Miyazawa Rejects Call to Meet Targets for Increased Purchases of U.S. Exports,” *Los Angeles Times*, April 17, 1993.
147. The joint statement on the framework agreement can be found at <https://1997-2001.state.gov/www/regions/eap/japan/framework.html>.
148. Former USAID official Paul White, interview with author, Washington, DC, July 14, 2015.
149. This dynamic still exists: as one State Department official described in late 2013, “They like things, and we like programs.” Interview with author, Washington, DC, November 14, 2013.
150. White, interview.
151. Paul White, interview; and “Indonesia: Major Projects,” Japan International Cooperation Agency, October 30, 2003, <http://www.jica.go.jp/indonesia/english/activities/activity17.html>.

152. Information about the Common Agenda is available at “Promoting Health and Human Development: Women in Development (WID),” Ministry of Foreign Affairs of Japan, http://www.mofa.go.jp/region/n-america/us/q&a/agenda/21_1.html.
153. “The U.S.-Japan Common Agenda for Cooperation in Global Perspective,” Ministry of Foreign Affairs of Japan, April 1999, <http://www.mofa.go.jp/region/n-america/us/agenda/gpers9904.html>.
154. Kōji Tsuruoka, “21-Seiki no Common Agenda” [21st-century common agenda], *Gaikō Jihō* [Diplomacy review] 1335 (February 1997): 4–12.
155. Sidney B. Westley, “The United States and Japan Pursue a Common Agenda,” in *Asia-Pacific Population & Policy* (Honolulu, HI: East-West Center, October 1996).
156. “The U.S.-Japan Common Agenda for Cooperation in Global Perspective,” Ministry of Foreign Affairs of Japan, April 1999, <http://www.mofa.go.jp/region/n-america/us/agenda/gpers9904.html>.
157. Former Bush administration White House official, interview with author, Washington, DC, July 23, 2015.
158. See Kent E. Calder, *Pacific Alliance: Reviving U.S.-Japan Relations* (New Haven, CT: Yale University Press, 2009), 134–40.
159. Citing a Nippon Keidanren survey. Hideki Wakabayashi, *The U.S.-Japan Alliance: A New Framework for Enhanced Global Security* (Washington, DC: Center for Strategic & International Studies, 2008), 7. The framework was the U.S.-Japan Economic Partnership for Growth, initiated in 2001 as part of the Partnership for Security and Prosperity that Bush and Koizumi announced at Camp David.
160. “Japan’s Assistance in Afghanistan: Towards Self-Reliance,” Ministry of Foreign Affairs of Japan, April 2015, <http://www.mofa.go.jp/files/000019264.pdf>; “Japan’s Assistance to Iraq (Fact Sheet),” Ministry of Foreign Affairs of Japan, August 2009, http://www.mofa.go.jp/region/middle_e/iraq/issue2003/assistance/assist0610.pdf.
161. Japan and Central Asian nations started their Central Asia Plus program in 2004, and Japan has since directed over \$4.5 billion in ODA funding and other loans for a wide range of development needs in that region (involving Uzbekistan, Tajikistan, Kazakhstan, Kyrgyz Republic, and Turkmenistan).
162. See S. Frederick Starr (with Adib Farhadi), “Finish the Job: Jump-Start Afghanistan’s Economy,” Central Asia–Caucasus Institute Silk Road Studies Program, Johns Hopkins School for Advanced International Studies, November 2012, 35.
163. A list of some of these initiatives can be seen in the April 2012 summit in Washington, available at “Japan-U.S. Summit Meeting,” Ministry of Foreign Affairs of Japan, http://www.mofa.go.jp/na/na1/us/page4e_000460.html. The most recent version of the allies’ common strategic objectives (all twenty-four of them) was released by the SCC in June 2011.

CHAPTER THREE

WHAT TO MAKE OF JAPAN'S POST-COLD WAR SECURITY REFORMS

FOLLOWING ITS DEVASTATING defeat in World War II and the dismantling of its empire and military by Allied forces, Japan adopted a U.S.-drafted peace constitution in 1946 that renounced “war as a sovereign right of the nation and the threat or use of force as a means of settling international disputes.”¹ The famous article 9 of Japan’s constitution also declared that “land, sea, and air forces, as well as other war potential, will never be maintained.” Then prime minister Yoshida Shigeru, who oversaw the end of the Allied occupation and the restoration of Japanese sovereignty, dubbed the new Japan a “merchant nation.”

However, in the decades since it reestablished its independence, Japan has consistently expanded its military capabilities, with some of the most dramatic changes coming after the Cold War ended. These include a peacekeeping operations law in 1992, a separate law in 1999 to allow Japanese rear-area support to U.S. military actions for certain “situations in areas surrounding Japan,” temporary laws in 2001 and 2003 to allow SDF dispatch in support of multilateral actions in Afghanistan and Iraq, and most recently, in 2015, security legislation expanding the types of missions for which Japan’s SDF can support U.S. and even other countries’ forces.

Some observers, particularly in China and Korea, have expressed alarm at what seems like a slow return of militarism in Japan.² They worry that Japan’s increasing boldness with the dispatch of SDF personnel around the globe is driven by a rise in Japanese nationalism, which they associate with the possible return of prewar-style Japanese imperialism and aggression in

East Asia. Many point out that this new military activity seems to be accompanied by an effort in Japan to whitewash the wrongdoings of the old Japanese Empire through textbooks that sometimes gloss over the harm it inflicted or fail to accept sufficient responsibility. Critics note that such security legislation is often passed in the face of broad public opposition, as policymakers and bureaucrats consider ways to overcome “obstacles” to implementation, which belie reassurances that Japan’s healthy democracy will prevent any abuses.³

The notion of a nationalist conspiracy orchestrating Japan’s remilitarization, however, is a mischaracterization of a complex reality. Modern Japanese nationalism is not a single movement, a political clique, or a uniform ideology. Japan’s strongest post–Cold War political leaders, Junichiro Koizumi and Shinzo Abe, have adhered more to a civic form of nationalism (*kokumin shugi*) than to the statism (*kokka shugi*) of the Meiji and early Shōwa periods, and even between these two LDP leaders there are many differences.⁴

Abe’s civic nationalism emphasizes a Japanese state in which citizens have the power to determine the fate and role of Japan in international affairs. For Koizumi and other post–Cold War political leaders like Ichiro Ozawa, this includes promotion of political decentralization and local empowerment to varying degrees. Many civic nationalists believe that the burden of Japan’s imperial legacy prevents Japan from being a “normal” country that can participate fully in global security matters, and they seek to overcome this hurdle. There are certainly times when civic nationalists exhibit a sort of self-righteous nationalism (especially on historical issues), which then prime minister Tomiichi Murayama warned against in a cabinet statement issued on the fiftieth anniversary of the end of World War II, but this has not been argued in specific connection to defense reforms.⁵

Civic nationalism contrasts with the statism and almost religious aspects of Japan’s imperial past, which advocated for an authoritarian expansionist state headed by a semi-divine emperor. In modern Japan, this old ideology survives in the form of the right-wing fringe groups that one might see giving amplified speeches in front of Shinjuku Station.⁶ But there are no measurable indications that this old breed of nationalism is on the rise among the general public, and there is no evidence that the new generation of nationalists seeks to dominate Japan’s neighbors or extract economic gain through military force.⁷ All of the defense reforms to date have either been defensive (for self-defense or as a means to sustain the alliance) or aimed at making narrowly defined contributions to international society.

Another characteristic of Japanese political culture that bridges both civic and state nationalism is traditionalism (*dentōteki-kachi*), which seeks to elevate traditional Japanese values and cultural identity. Many traditionalists believe that the American form of liberal democracy instituted after World War II has weakened Japan’s social values of respect for authority, emphasis on group unity, and self-sacrifice, prompting fierce debates over education policy and political reform in particular.⁸ One potentially influential group

in Japan that blends traditionalism with a degree of state nationalism is known as the Nippon Kaigi (or Japan Conference). Its membership includes a parliamentary league representing about one-third of the Diet and many members of Abe's cabinet, but so far this group has rarely converted its impressive network into tangible policy results.⁹

Traditionalists often overlap with civic and state nationalists on certain security and education policies that seek to strengthen government control or restore honor and respect for the military establishment, but they also pursue different policy goals. Abe and others such as Taro Aso might be considered traditionalists in many ways, but Koizumi and others in the Liberal Democratic Party and the Democratic Party are proponents of a smaller central government and advocate decentralization. Moreover, among traditionalists there are varying approaches to debates over Japan's responsibility for wars in Asia from the late nineteenth century through World War II. Within the LDP and among other parties, arguments over reconciliation attempts in the post-Cold War era have been contentious and remain unresolved. The statements under debate include the Kōno Statement of 1993 about Japan's military-run prostitution system in occupied lands, Murayama's fiftieth anniversary statement in 1995, and the 1998 joint statement by then prime minister Keizo Obuchi and South Korean president Kim Dae-jung about Japan's colonization of Korea, among others.¹⁰

Yet another relevant group is the national security realists who prioritize improving Japan's ability to defend itself from external threats and to help protect the liberal international order that sustains Japan's economy. Many in this camp are sympathetic to regional views and worry that ideological groups such as Nippon Kaigi will complicate their security reform efforts by tainting them with an imperialist and authoritarian tinge. Other realist politicians and bureaucrats, however, cynically pursue reconciliation not because they believe their neighbors' historical claims but to advance national security priorities that include positive regional relations in case strategic independence from Washington is needed. This is not an exhaustive look at Japan's ideological and political landscape, but it helps to describe some of the dynamics that influence domestic political negotiation when defense issues are concerned.

Overall, the primary forces that shape Japan's evolving security policies are identifiable, consisting of a blend of realist perceptions of Japan's geopolitical situation in the world, a culture (or what some have called a "security identity") that is reluctant to use its military at all, and a 1994 electoral system reform that reshaped party politics in Japan.¹¹ The dynamics of these different factors can be explored using three post-Cold War defense reform case studies: the 1992 PKO law, the 1997–1999 defense guidelines and SIASJ law, and the 2001–2003 Koizumi special measures laws for Iraq and the Indian Ocean operations. The Abe administration's reforms since 2014 are discussed separately in the following section.

FORCES BEHIND POST-COLD WAR SECURITY POLICY REFORM IN JAPAN

When considering the forces behind Japan's post-Cold War security reforms, a first factor of realism describes the pragmatic approach that Japanese leaders tend to take in response to their geopolitical environment. It is therefore dependent on the external environment, and it suggests notably that many of these reforms would not have happened without events such as the Gulf War, North Korea's missile and nuclear development, and China's massive military modernization program. Absent these and related changes, Japan's leaders are unlikely to have pushed for so many security reforms, and they would not have been successful even if they had tried.

James Dougherty and Robert Pfaltzgraff describe realism as mainly “a critique of utopianism.” “Unlike utopianism,” they write, “realists assume that there is no essential harmony of interests among nations. Instead, they posit that nation-states often have conflicting national objectives.”¹² In addition, the authors note that realism perceives human nature as essentially constant—in contrast to utopian visions of the world, in which human nature can be perfected. For realism, politics is governed by objective laws with their roots in human nature “as it actually is, and with the historical processes as they actually take place.”¹³ From this view, the transformation of Japanese defense policy is not the result of a change in the Japanese. On the contrary, the Japanese in the past two decades are essentially no different from the Japanese of the 1980s and 1970s, or even the 1940s. What has changed is not the Japanese but rather their surroundings and circumstances.

For realists, it is no coincidence that Japan's military transformation has largely taken place after the Cold War. When the Cold War began, Japan's economy was in shambles, and the nation's leaders recognized that it was politically and economically expedient for Japan to be pacifist to avoid entanglement in U.S. wars in Korea and later Vietnam. As Japan regained strength, it understood that it was the anchor in America's East Asia security strategy to counter communism, so it was generally confident that the United States would actively counter aggression by the Soviet Union, which was the only country capable of directly threatening Japan.

When the Soviet threat diminished, however, some Japanese worried that they could lose the U.S. nuclear umbrella and security that they had enjoyed for half a century. Japan's expansion of SDF activities not only rendered Japan slightly more self-sufficient in maintaining its own security but also boosted the perception that Japan was a valuable partner to the United States, meaning Washington would be less likely to abandon its ally in East Asia. North Korea's development of nuclear weapons and China's military assertiveness became additional—and quite powerful—catalysts for Japan's increased concern with security, bolstering internal arguments for hedging and keeping the United States close.

Japanese culture—as a second factor discussed in this report—refers to the ideals and behavior that the Japanese people generally adhere to as a nation, and in the context of security identity it refers to collective attitudes toward the “appropriate role of state action in the security arena.”¹⁴ These ideals may or may not align with the pragmatic tendencies of realism, and in Japan’s case they often do not. Policymakers with realist tendencies find themselves constantly at odds with those who seek to prevent any erosion of the pacifist ethos that Japan gained so bitterly.

Scholars including Peter Katzenstein and Tom Berger highlight the important role that culture and national identity play in shaping foreign policy decisions. They propose, for example, that “because [American and French policymakers] come from cultural backgrounds with different norms and values regarding the military and the use of force,” they can be expected to make very different decisions than their German or Japanese counterparts, even if they are responding to precisely the same geopolitical challenges.¹⁵ The scholars argue that the experience of World War II left an indelible mark on Japanese culture, and that Japan’s use of military force will always be restrained by the general pacifistic sentiment of the people. Unless there is a major challenge to this cultural phenomenon, such as a large-scale military attack against the Japanese homeland, Japan is highly unlikely to allow itself to become militarily entangled in an international conflict.

Some scholars have tried to measure the extent of Japan’s antimilitary culture with an analysis of Japanese public opinion polls, which tend to show a consistent lack of support for any use of force by the SDF overseas. Thus although Japanese defense policies are transforming, public opinion of military matters is relatively constant. Indeed, every expansion of military capabilities to date has been confronted by a strong opposition, and every major expansion started out as a much more ambitious proposal than what was ultimately adopted.

The third factor that shapes Japan’s security policy is the government’s political structure and the way that leaders are elected. In 1994, when the LDP was pushed briefly out of power by a coalition of opposition groups and LDP defectors, the Diet passed electoral reforms that replaced the former multiseat-district system with single-seat districts.¹⁶ Single-seat districts effectively crippled the left-wing Japan Socialist Party (JSP), since it could no longer safely win a minority opposition seat in most of those districts. The JSP had been the main noncommunist political home for Japanese actively opposing the traditionalists and military realists, but its voice became marginalized in the Diet.

The power of factions within the ruling LDP also weakened, since the party was no longer running multiple candidates in a district. This development paved the way for civic nationalists such as Koizumi and Abe to push controversial legislation through the Diet when they enjoyed broad public and political support. Intraparty-faction politics had

added another layer between the voters and their legislature, but this distance shrank to some extent. This is an unpredictable dynamic but generally magnifies the impact of the public's perceptions of threat.

One goal of the electoral reforms was to usher in a more viable two-party system so the public could choose between competing policy visions in single-seat districts. Although this has not worked quite the way the reformers planned, it did allow some leaders to appeal more directly to voters, and an occasionally strong leader with a more centralized political decisionmaking structure combined to open two windows for significant defense reforms during the Koizumi and Abe administrations. This might be replicated in the future, but to what policy purpose depends on the circumstances.

THE PKO CASE AND CAMBODIA

Except for the U.S. Navy's brief and low-profile use of old imperial Japanese minesweeper ships and crews to clear mines out of Korean harbors in the 1950s, Japanese military personnel made no appearances on the world stage between 1945 and 1991.¹⁷ Since Japan joined the United Nations in 1952, there have been occasional murmurings in the Ministry of Foreign Affairs about the need to consider legislation that would allow Japan to participate in UN-sponsored peacekeeping operations, but for nearly four decades these calls received little attention from the cabinet or the Diet. As the Cold War wound down, however, the Japanese government began to seriously consider overseas deployments for the first time in the postwar era. The Gulf War proved to be a critical turning point. Derided at the time by their friends abroad, some of Japan's leaders battled to convince a fierce opposition at home that participation in peacekeeping operations was not only a responsible choice but also one in line with Japan's pacifist principles and its constitution. The result of their efforts was the 1992 PKO law, which allowed the government to deploy SDF personnel abroad for UN PKO under limited circumstances.

The Japanese government's first serious postwar consideration of deployment overseas was in 1987, during the final stages of the Iran-Iraq War. The United States requested that Japan send minesweepers to the Persian Gulf to clear Iranian mines that threatened neutral shipping.¹⁸ Then prime minister Yasuhiro Nakasone was ready to respond to this request but was ultimately dissuaded by then chief cabinet secretary Masaharu Gotoda, a conservative-pacifist member of the powerful Tanaka faction. Publicly, Gotoda argued that, if attacked during the course of their duties, the minesweepers would be forced either to violate the constitution by fighting back or die refusing to defend themselves. He later explained that he "would oppose any plan of the prime minister if it was going against the national interests."¹⁹ Apparently, forty years after the end of World War II was still too soon to dispatch the SDF overseas.

Three years later, Washington again attempted to recruit Japan's SDF for a Middle East operation. Following the Iraqi invasion of Kuwait, then president George H. W. Bush personally telephoned prime minister Toshiki Kaifu to request Japan's assistance. Japan was the world's second-largest economy and unrivaled in its dependence on Middle Eastern energy resources. Hoping to provide logistical support to his allies on the ground, Kaifu proposed the establishment of a UN peace cooperation corps (UNPCC), to be made up of individual volunteers as well as members of the SDF and Japan Coast Guard. When Kaifu met Bush at the Waldorf Astoria in New York City shortly before the start of the Gulf War, he explained his plan for a new law that could "enable Japan not to just send money but also personnel" to the region to assist in nonmilitary activities. "We will be sweating with you too," Kaifu assured Bush.²⁰

When Kaifu first floated the Middle East dispatch idea, Japanese polls showed an overwhelming majority opposed, and Kaifu's approval rating immediately plummeted.²¹ Opposition also came from within the LDP, notably again from former chief cabinet secretary Gotoda. In a front-page article for the *Mainichi Shimbun*, Gotoda declared that, if the UNPCC bill were to be passed, "the door will be opened for Japan to become a military superpower."²² In the face of this widespread opposition, LDP members distanced themselves from the UNPCC bill. One LDP Diet member, a self-proclaimed hawk on defense issues, reported, "I would have been worried about voting yes. Voters paid attention to this issue very closely, and they were against the dispatch of SDF overseas."²³ The bill was scrapped in early November, demonstrating the influence of a nonmilitaristic security identity within the largest political faction.

Although the UNPCC bill failed, comparing it with the later successful PKO bill provides insight into where the politicians and the public drew the line between acceptable and unacceptable. The UNPCC proposal would have allowed Japan to fully participate in all varieties of peacekeeping missions, including potentially dangerous ones such as policing ceasefires as part of an international peacekeeping force (PKF). To keep in accordance with the language of article 9 of Japan's constitution, however, the UNPCC as a unit would have been restricted from collectively using military force (*buryoku no kōshi*) or even threatening to use military force. Individual members of the UNPCC could only have been equipped with small side arms for personal defense in case of attack.²⁴ In the context of the Gulf crisis, the UNPCC would have been able to provide logistical support to the international coalition gathering in northern Saudi Arabia to compel Iraq's withdrawal from Kuwait. If and when hostilities broke out between the coalition and Iraq, the UNPCC would have been promptly withdrawn.

The PKO law that followed was considerably more restrained than the original UNPCC bill. As initially proposed, the PKO law allowed the government to unilaterally dispatch troops overseas for disaster relief and humanitarian operations, but it restricted permission in peacekeeping operations to those conducted under the direct authority of the UN

Security Council—ruling out participation in Gulf War–style U.S.-led coalitions. This nuance was important, not only because it addressed fear of entrapment in American wars but also because it addressed the reluctance, born out of their government’s inability to restrain the military during World War II, of many Japanese to trust their government with the decision to deploy military power. This lack of trust was central to Gotoda’s opposition to both Nakasone’s dispatch and to the UNPCC bill.

By the time the PKO law was enacted in June, a host of other restrictions and conditions were steadily added to the bill to quell fears and woo support. To win the blessing of the Democratic Socialist Party, for example, the LDP and its coalition partner Kōmeitō made prior Diet approval necessary for each PKO dispatch. In addition, the more dangerous PKF participation was sufficiently unpopular with the public that Kōmeitō suggested a “freeze” on PKF involvement, which the ruling coalition adopted. The bill went forward instead with just the logistics support component. The PKF freeze was not lifted until December 2001.²⁵

Furthermore, Kōmeitō insisted that the cabinet adopt five conditions for participation in a PKO, conceding to the public’s aversion to any risk of becoming involved in foreign wars. The first condition restricted SDF deployments to regions where ceasefires had already been implemented. Lest the SDF be viewed as an unwelcome army of invasion, the second condition required the consent of the target state. The third condition was that Japan remain neutral in the conflict. The fourth demanded withdrawal of Japanese troops if any of the other conditions were broken. The fifth forbade SDF personnel to carry weapons that exceeded the narrow purpose of self-defense.

Though weighed down with these various restrictions and conditions, the LDP was finally able to muster enough legislative and public support for the PKO bill. Even then, the opposing Japan Socialist Party protested and filibustered as long as possible, insisting till the end that the law was unconstitutional. Owing to the freeze on PKF participation, however, the bill was more accurately an international disaster relief and civil engineering law. The PKO law demonstrated that, while the government was able to convince the public that Japan ought to make a personnel contribution to troubled areas around the world, many politicians and the public clung tightly to their principles of neutrality and nonintervention in military conflicts.

In the process, the public debate surrounding Kaifu’s attempts to make a personnel contribution to the Gulf War did clarify what was unacceptable to the Japanese public and centrist politicians. Although polls often showed upward of 70 percent to be worried about entanglement in overseas conflict, around 50 percent of the Japanese population was willing to dispatch troops to noncombat zones for reconstruction efforts. With this in mind, after the Gulf War ended in April 1991, Kaifu made one more attempt to involve Japan in the crisis, ordering four minesweepers, two support ships, and 511 Maritime

SDF personnel to help clear the hundreds of mines that Iraq had set up in the Persian Gulf during the war.

As a peaceful mission in a noncombat zone, this final attempt at an overseas dispatch related to the Gulf War met with little opposition and only became more popular once the SDF began its duties in the Persian Gulf. Less than a week before the minesweepers were launched, an *Asahi Shimbun* poll showed 56 percent of respondents in support of the dispatch. About one month after the minesweepers' arrival in the Persian Gulf, another *Asahi* poll asking the public about dispatches in general found 74 percent to be supportive.²⁶ Clearly, the success of the minesweeping mission left a positive impression of the SDF, reinforcing the idea that a dispatch to a noncombat zone did not necessarily foreshadow a return to militarism and dangerous nationalism. The business community supported this protection of Japanese shipping as well.

The first test of the new PKO law came in the fall of 1992. On July 1, a mere twelve days after the passage of the PKO law, Japan sent inspectors to study the state of the UN PKO already on the ground in Cambodia. Even before the PKO law, Japan had been playing a diplomatic role in the resolution of the Cambodian conflict since 1990, when Kaifu invited leaders from Cambodia's warring factions to discuss a peace settlement in what became known as the Tokyo Conference. Even the Tokyo Conference was considered a significant turning point in modern Japanese diplomacy, "since it was one of the rare cases of Japan's direct involvement in the international peace process in the post-war" era.²⁷ Japan's involvement in Cambodian state-building from 1990 to 1993 might be seen as a microcosm of Japan's new diplomacy strategy, which has rarely been implemented since then to a similar degree.

Japan's involvement in the 1990–1993 UN Transitional Authority in Cambodia (UNTAC) operations covered a wide range of activities, from diplomacy and financial contributions to civilian and military personnel contributions. Particularly, Yasushi Akashi's designation as the UN special representative of the secretary general and chief of missions for Cambodia provided an opportunity for more active Japanese diplomacy, by giving a Japanese official the chance to helm UNTAC operations. In fact, Japan was also actively involved in writing UN Security Council Resolution 792 to address Khmer Rouge attacks on UNTAC peacekeepers—an uncommon occurrence for Japanese diplomacy at the time.²⁸ Japan also led the International Committee on the Reconstruction of Cambodia, while contributing up to one-quarter of the total \$880 million raised in promised aid.²⁹ Besides SDF personnel, Japan also sent forty-one electoral observers and seventy-five civilian police to aid in administering elections and security.

As for SDF involvement, Japan dispatched Maritime SDF and Air SDF ships and planes to Cambodia in September 1992 to provide humanitarian support and prepare the way for ground troops. A Ground SDF engineering battalion began to arrive later in the

month, and between October and the following September Japan maintained a total of 600 Ground SDF personnel in Cambodia. In addition to providing food and medical care, the SDF reconstructed roads and bridges, restoring Cambodia's war-ravaged infrastructure. The first battalion was followed by a second in April 1993.

As Japan's leaders hoped, the mission also had a positive effect on the perception of their nation abroad. Visiting Cambodia, Madeleine Albright, then U.S. ambassador to the United Nations, was reportedly so impressed by the SDF that she enthusiastically told Japan's ambassador to Cambodia—three times—that “Japan is entitled to be a permanent member of the UN Security Council.”³⁰ This was an about-face from the American response to Japan's Gulf War efforts, when it was reported that 30 percent of Americans had lost respect for Japan owing to its impersonal checkbook diplomacy and its mine-sweeper dispatch, condemned by one writer as a “belated dispatch of four small wooden minesweepers two months after the hostilities ended.”³¹

While the SDF did not suffer casualties during the Cambodia deployment, fragile domestic support for the mission was threatened by the tragic deaths of two Japanese citizens during the spring of 1993: Atsuhito Nakata, a civilian working in Cambodia as a UN volunteer, was shot and killed on April 3, and Haruyuki Takada, a civilian police officer, suffered a similar fate on May 3. Following these incidents, many in the LDP worried that the public would turn against Japan's new peacekeeping law, and that the gains of the post-Gulf War minesweeping operation and the 1992 PKO law could be reversed. Within then prime minister Kiichi Miyazawa's own cabinet, chief cabinet secretary Yohei Kōno and posts and telecommunications minister Junichiro Koizumi (later prime minister) both supported withdrawal of the SDF before there were more casualties. Miyazawa shared these concerns, noting that “public opinion is that kind of dangerous, fragile thing. I learned to my core the terrible aspect of public opinion that can turn so easily.”³²

At the same time, Japanese politicians' sudden desire to back off from the conflict threatened to negate the positive international attention that the Cambodia mission had thus far received. Indeed, domestic opinion, not international prestige, seems to have been at the forefront of his mind when Koizumi argued that the situation in Cambodia had become “more like a civil war” and that Japan should avoid the possibility of further bloodshed “and just put up with the criticism.”³³ Following the deaths of Nakata and Takada, polls showed that 77 percent of the Japanese public doubted the government's initial affirmation that Cambodia was safe.³⁴ Foreign observers were unsympathetic to the Japanese government's cause, arguing that it had “played down the dangers of peacekeeping operations” to win support for the PKO law.³⁵ Japan went so far as to request that the UNTAC allow Japan's remaining police officers in Cambodia to be temporarily relieved of their duties, but UNTAC resisted “on grounds that no special treatment can be accorded any particular nationality.”³⁶

Despite the criticism from within his own party and cabinet, and his own fears about the fragility of public support for the operation, Miyazawa ultimately chose to continue with the mission, assuming correctly that public displeasure would subside over the issue and there would not be a significant or lasting demand for withdrawal. Although his time as prime minister came to an abrupt end in August 1993 owing to scandal within his faction in the LDP, two months before the completion of the SDF mission, Miyazawa's decision appears to have been the right one. There were no more Japanese casualties in Cambodia, and Japan emerged from the conflict with heightened respect in the international community.

Although some Japanese were unhappy with the government's representation of Cambodia's safety, the public's enthusiasm for peacekeeping operations as outlined in the PKO law had not subsided. As the decade progressed, Japanese support for SDF participation in UN PKO increased, rising from 48 percent in 1991 to 80 percent in by 2000.³⁷ Opposition to such deployments dwindled over the same period, from 22 percent to 5 percent, according to polls.³⁸

From the UNPCC bill to the PKO law to the Cambodia mission, the Japanese government found itself constantly engaged in a precarious balancing act of making substantive contributions overseas and improving Japan's image on the international stage while maintaining public support at home. The desire of Japan's first two post-Cold War prime ministers to get their country involved with UN PKO and international coalitions was driven by a realist strategy of maintaining Japan's relevance on the evolving international stage, lest the United States abandon its old ally. Many Japanese leaders were also interested in increasing their nation's international influence and prestige in the United Nations, where it hoped to eventually secure a permanent seat on the UN Security Council. Some, like LDP heavyweight Ichiro Ozawa, were also purposefully chipping away at Japan's non-interventionist security identity, although they emerged from the experience disappointed at how little was achieved.³⁹

The Japanese public, long accustomed to peace and suspicious of its government's ability to handle the military, was wary of government attempts to expand the role of the SDF. These suspicions—held not only by the public but by respected LDP politicians such as Gotoda—were strong enough to stifle Kaifu's efforts to join the international coalition against Iraq. There also may have been realist reasons for Japan to avoid the Gulf War: by paying \$13 billion, Japan was able to appease its allies “just enough” while avoiding entanglement in a Middle Eastern conflict. Criticized though it was, the financial contribution combined with passage of rules to permit overseas service on its own terms may have been the best possible outcome for Japan from the Gulf War experience.

The international relations professor Daisuke Akimoto describes the 1992 transformation of Japanese involvement as a shift from “negative pacifism” to “positive pacifism.”

The former is based on the strict interpretation of article 9 of the Japanese constitution, whereas the latter emphasizes the ideals of the preamble to the constitution.⁴⁰ Indeed, while promoting the PKO bill in the Diet, Miyazawa appealed to the preamble, stating that “the contents of the PKO Bill are obviously what the Constitution of our country and its Preamble expects, and there is no doubt that it is peaceful international contributions.”⁴¹ In other words, Japan maintained its platform of pacifism in the post–Cold War era but changed its approach to pacifism. It now took an interest in actively solving international crises, albeit without resorting to the use of force itself, which differed from its earlier approach of simply avoiding the involvement of the SDF altogether. Japan’s government took this a few steps further in 1999, 2001, and 2015, but PKO never became a major mission for the SDF.

SITUATIONS IN AREAS SURROUNDING JAPAN

The post–Cold War era began with significant but relatively distant and strategically detached security challenges for Japan, in the form of the Gulf War and the PKO mission in Cambodia. This changed in 1994 when the U.S. standoff with North Korea over its nuclear program nearly erupted into military conflict, accompanied by a series of other crises.⁴² As a result, the simmering debate in Japan about how to adjust its security policies took on a new urgency, just as a new government and prime minister in Japan had established a high-profile advisory panel on defense reform in early 1994.

Then prime minister Morihiro Hosokawa, prompted in large part by former LDP member Ichiro Ozawa, who had been frustrated by the Gulf War and PKO experiences, created the Advisory Group on Defense Issues, chaired by Asahi Breweries chairman Hiroto Higuchi. The purpose was to help develop some degree of consensus on these issues among a diverse group of coalition partners in the new government, who were frankly much more focused on political reform and economic revitalization and preferred to avoid a divisive debate on security.⁴³

North Korea did not begin the post–Cold War era on a collision course with the United States and its allies. Shocked by the collapse of its former Soviet supporter and embittered by closer China–South Korea ties, North Korea began the 1990s in a defensive mode speaking of peace and reconciliation. The two Koreas signed a “basic agreement” on nonaggression and reconciliation in 1991 and a Joint Declaration on the Denuclearization of the Korean Peninsula in 1992, while China and Russia moved to normalize relations with South Korea. Japan saw both a need and opportunity to improve its bilateral relations with North Korea. If the Cold War was going to end on the Korean Peninsula as it seemed to be in Europe, then Tokyo did not want to be left behind without influence in the shifting geopolitical landscape.

By the early 1990s, Japan had become an important source of support for the North Korean economy, as Soviet financial aid for the Kim regime dissipated. By some estimates, the General Association of Korean Residents in Japan (Chōsen Soren) was sending \$650 million to \$850 million each year to the North via remittances and trade.⁴⁴ In September 1990, LDP heavyweight politician Shin Kanemaru visited North Korea and met privately with Kim Il-sung, securing the release of two Japanese sailors who had been held by North Korea since 1983, “clearing the way for the Japanese Foreign Ministry to open formal negotiations with North Korean representatives in Beijing.”⁴⁵

The diplomatic winds soon shifted, however, with revelations about North Korea’s budding nuclear program, as well as the exposure in the 1990s of North Korea’s abduction of Japanese citizens during the 1970s and 1980s. In 1992 and 1993 North Korea began to defy the International Atomic Energy Agency (IAEA) and restart the nuclear reactors that it had begun building in the early 1980s. In January 1994 the U.S. Central Intelligence Agency announced that North Korea had quite likely built two nuclear devices, and in June, after North Korea began removing spent fuel rods from its Yongbyon reactor and announced its withdrawal from the IAEA, the United States threatened harsh sanctions.

Because North Korea vowed to go to war if sanctions were applied, Washington began reinforcing the U.S. military presence in South Korea and asked Tokyo what logistical support it could provide in case a battle ensued. Officials in the U.S. asked about rear-area support in the form of intelligence gathering, repairing U.S. equipment, the use of Japanese civilian ports and airports, and possibly SDF participation in a naval blockade or minesweeping around North Korea. The allies were supposed to have already studied this kind of scenario, as per the 1978 defense guidelines, but little joint work had taken place since 1982, and the Americans were now in a hurry to clarify.⁴⁶

The Japanese government quickly assembled a study group under the chief cabinet secretary to consider the U.S. requests, but it concluded in the summer of 1994 that most of the actions would quite likely violate Japan’s self-denial of its right of collective self-defense, and the government had no current legal authority to proceed. Influential MOFA officials such as Hitoshi Tanaka—then policy coordination director in the Foreign Policy Bureau—openly wondered whether the United States would “consider Japan to be a country worth protecting” if Tokyo could not contribute more.⁴⁷ Once again, Japan’s leaders found their hands tied by the nation’s constitution and current laws, prohibiting them from playing an active role in an impending crisis involving its key ally, and weak political leadership exacerbated the problem.

Shortly after former U.S. president Jimmy Carter diffused the immediate crisis with North Korea through personal diplomacy, in June 1994, then Japanese prime minister Tsutomu Hata’s government was too weak to continue, and he resigned. Tomiichi Murayama of the JSP became prime minister as part of a new “grand coalition” cabinet

with support from the LDP, forming one of modern Japan's most unlikely political alliances.⁴⁸ This coalition had vastly different internal views about security policy, so it was in no position to act on the recommendations of the Higuchi Commission when it reported in November, even though alliance managers in Tokyo and Washington were trying to move this security dialogue forward.

The 2+2 bureaucracy (see chapter 1) in the United States and Japan communicated closely during and after the Higuchi Commission's work through the Nye Initiative, and that effort coincided with the Clinton administration's development of its National Security Strategy and East Asia Strategy Report. The 1994 showdown with North Korea revealed an overall lack of preparedness by the allies to coordinate Japanese logistical support and U.S. combat operations for a regional contingency, so defense planners tried to improve cooperation in this area. This fed into the 1996 Joint Declaration on Security discussed earlier and its call for revised defense guidelines, eventually concluded in 1997.

Japan may have dodged a bullet with North Korea in 1994, but if Murayama's cabinet had any thought of moving on without reforming the government's ability to cope with emergencies and security challenges, that hope was soon crushed by a barrage of crises throughout its administration. On the morning of January 17, 1995, the city of Kobe was devastated by the Great Hanshin Earthquake, which killed over 6,300, injured at least 35,000, and left 300,000 homeless. Two months later, the Aum Shinrikyo cult staged a sarin gas terrorist attack on the Tokyo metro, killing twelve, and from July Beijing initiated a series of missile tests and other moves to intimidate Taiwan ahead of its presidential election, prompting counter moves by the United States and stoking regional tension.

Tokyo recognized—and the Higuchi Report highlighted—that Japan needed to steadily improve its capacity to contribute to security cooperation multilaterally (as in PKO) and bilaterally with the United States (for a North Korea and possibly Taiwan scenario). It also worked to strengthen its own defense and crisis management capabilities, notably in the areas of disaster relief and missile defense.⁴⁹ Doing all of this meant clarifying—and in some cases expanding—the legal basis for deploying the SDF. The Higuchi Report recommended that Japan replace the 1977 National Defense Program Guidelines and carry out a 30–50 percent cut to Ground SDF personnel owing to the diminished Russia threat.⁵⁰ The Air SDF and Maritime SDF, the report continued, would be sufficient for protecting Japan from potential regional threats. Finally, the Higuchi Report emphasized that Japan should become increasingly involved with peacekeeping operations and multilateral initiatives sponsored by the United Nations.

When some in Washington expressed concern that Japan might be diverting valuable resources to the multilateral dimension at the expense of the alliance, Higuchi Commission members tried to reassure their American friends. Akio Watanabe, for example, explained that the writers of the Higuchi Report were aware the United States

would be nervous about Japanese multilateralism, but the point of the report was that the relationship between multilateral security cooperation and the U.S.-Japan alliance was not a question of choosing one of the two.⁵¹ Rather, in Watanabe's view, multilateralism was the *raison d'être* for the alliance in the post-Soviet world. Whereas before the two nations had cooperated bilaterally against the Soviet threat, now they should cooperate in pursuit of regional and global security in the context of multilateralism through international institutions, such as the United Nations. This was a more optimistic assessment of multilateralism than by most in Washington, but it reflected the mood in Tokyo at the time.

Many Japanese scholars at the time were also advocating for a broader concept of comprehensive or human security, of which hard military power was just one component.⁵² If multilateral security cooperation could incorporate nonmilitary efforts to enhance the health, food, energy, and broader economic security of vulnerable populations, then Japan might be able to carve out a more substantive (and appreciated) role for itself in multilateral coalitions.

The Murayama cabinet-approved NDPG from 1996 repeated much of the same language as the 1977 version, but there were several important additions and changes that reflected the Higuchi Report and Nye Initiative. Notably, the U.S.-Japan Security Treaty was mentioned thirteen times in the new NDPG—far surpassing the three appearances it made in 1977. Substantively, the new NDPG reduced the size of the SDF and called for more seamless cooperation among the various branches of the military. It also gave a nod to the new international peacekeeping activities and emphasized that the SDF “will also have to be prepared for various situations such as large-scale disasters.”⁵³

The most significant change, however, was the document's emphasis on the security not only of Japan's geographic bounds but also of the regions around Japan. Regarding Japan's “security arrangements with the United States,” the new NDPG said that they are “indispensable to Japan's security and will also continue to play a key role in achieving peace and stability in the surrounding regions of Japan and establishing a more stable security environment.” It continued: “Should a situation arise in the areas surrounding Japan, which will have an important influence on national peace and security,” Japan now pledged to “take appropriate response in accordance with the Constitution and relevant laws and regulations, for example, by properly supporting the United Nations activities when needed, and by ensuring the smooth and effective implementation of the Japan-U.S. security arrangements.”⁵⁴ On this last point, Tokyo had more work to do, but policymakers had a plan.

Following the U.S.-Japan Joint Declaration on Security in 1996, which confirmed the two nations' new security strategies expressed through the NDPG and the East Asia Strategy Report, the allies agreed on a new set of defense guidelines in 1997. The new guidelines formalized the allies' updated strategy of working together to maintain security not only

in Japan but also in the wider region. Japan still prohibited itself from engaging in the use of force outside of Japan's borders, but it vowed to provide logistical support to U.S. forces who are helping to defend Japan or who are responding to situations in areas surrounding Japan, as long as Japan's support is not integrated with America's use of force. This concept of integration (*ittaiika*) with the U.S. use of force became a significant limitation in practical terms. A list of "rear-area" noncombat activities that Japan could perform—such as search and rescue, medical treatment, and supplying nonlethal materiel—was added to the new guidelines, but they all had to be separated from America's use of force.

The 1997 defense guidelines by themselves were not binding and had no force of law, so Japan's Diet had to pass new legislation to make key parts of it actionable. This was a controversial step to take. By this time the Socialist Party was out of the ruling coalition again, and its leader, Takako Doi, objected to the government's action. She criticized the new guidelines as a fundamental change to the U.S.-Japan Security Treaty, rather than just an adjustment made under and within the original authority of that treaty.⁵⁵ Rather than a purely principled stand against adoption, however, she proposed changes to make the law more acceptable, including an amendment to the bill requiring Diet approval for SIASJ missions, which the LDP accepted.⁵⁶ In addition, after the LDP lost its majority in the upper house in 1999, they made further compromises on the SIASJ law by forming a new coalition with the Kōmeitō, which reduced opposition against the legislation. Recent aggression by North Korea in the form of the August 1998 missile test over Japan and a March 1999 intrusion by two spy ships into Japanese waters also helped decrease public and political opposition and ensured smooth passage of the legislation.⁵⁷

Between the 1993 Higuchi Report and the 1999 SIASJ law, Japan gradually articulated a new defense strategy under which it could support American troops outside of Japan and potentially get involved in regional conflicts that might not pose a direct or immediate military threat to the Japanese homeland. While during the Gulf War and under the PKO law Japan was able to deploy SDF personnel only after a conflict had ended, this new series of legislation allowed Japan's military "to participate in logistical support *during* an emergency," albeit with a variety of limitations.⁵⁸ It also moved Japan away from an exclusive UN decisionmaking framework and introduced more discretion for Tokyo to decide when it would support the United States in a regional contingency.

Realism, culture, and the political structure of Japan suggest an explanation for the difference in response and relatively low level of public outcry during the NDPG and SIASJ debates. By the mid-1990s, the Japanese public appeared more attuned to the growing threats of North Korea and China. In its arguments for reform, the government heavily emphasized the need to adapt to the evolving security situation following the Cold War and highlighted recent events to persuade the public that they were right.

But these realist concerns were not enough to persuade the Japanese people to tolerate absolutely any kind of reform. Although the NDPG and the SIASJ bill expanded the scope of SDF missions, Japanese policymakers also took into account the lessons of the Kaifu-era debates. The government's careful preservation of the SDF's defensive role—and avoiding integration with U.S. forces—was key to limiting the formation of strong opposition. Indeed, a 1999 *Asahi* poll showed that 37 percent of Japanese supported the SIASJ law and 43 percent disapproved—numbers comparable to the support eventually won by the PKO law in 1992.⁵⁹ Clearly, the PKO experience had taught the Japanese government that there was a political culture line that should not be crossed. Although the NDPG, the 1997 defense guidelines, and the SIASJ law formed a bold step for Japan, public attitudes made it impossible for the government to stray too far from a strictly self-defense policy.

Political structure might also have played a role in events leading up to the SIASJ law. The NDPG was adopted in 1995 under the coalition government led nominally by Socialist prime minister Tomiichi Murayama. To hold together his diverse coalition, which included the conservative LDP, Murayama ended his party's long-standing opposition to the SDF and the alliance with the United States. This meant that on the political level there was no longer a major opposition movement in the Diet, as there had been during the PKO law deliberations. The Socialists opposed the SIASJ law in 1999, but the impact of its opposition was muted owing to their earlier collusion with the LDP. Moreover, the combination of electoral reform and the emergence of more moderate opposition parties left the Socialist Party on the losing end, dropping from 209 seats before the reforms to just fifty-three by the end of 1996. The party never recovered. This meant that the main voice of opposition to Japan's military and alliance responsibilities was diminishing precisely during the debates over the defense guidelines and the SIASJ law.

Spurred on by realist perceptions of increasingly dangerous threats in the region, limited by a pacifistic phobia of becoming entangled in a foreign war, and unopposed in a reformed political system that pulled the parliamentary soapbox out from beneath the feet of the nation's leftists, Japan created a new legal framework through which it could take a stand in regional conflicts by providing limited logistical support to its ally. The SIASJ law was another important step up for Japan's security policy in terms of legal authority, procurement, and training. It reflected a realist response to the heightened North Korean threat as well as a way to respond to U.S. requests for more tangible and practical Japanese support during a regional crisis. At the same time, domestic political sensitivities in Japan restricted the degree to which Japan's support could be integrated with U.S. operations, limiting it to rear-area and noncombat-oriented activities such as search and rescue, medical treatment, and delivery of nonlethal supplies. It was a significant psychological step with limited practical impact.

ANTITERRORISM AND IRAQ SPECIAL MEASURES LAWS

Japan's defense reforms of the 1990s facilitated prime minister Koizumi's quick response in the wake of the September 2001 terrorist attacks in the United States. Appealing to the 1992 PKO law, for example, Koizumi was able to send Air SDF cargo planes to provide humanitarian relief for Afghan refugees after the U.S.-led invasion to overthrow the Taliban leadership and destroy the terrorist network there.⁶⁰ A mere forty-eight days later, on October 29, the Japanese government passed the Antiterrorism Special Measures Law (Tero-taisaku Tokubetsu-sochi Hō), which allowed Japan to provide logistical support to allied forces battling terrorist groups in the Middle East.

The idea of logistical support for an ongoing U.S. military operation stemmed from the bilateral 1997 defense guidelines and the 1999 SIASJ law, even if that law was not applicable in the specific case of Afghanistan. A new law was required, not only because Afghanistan was far away but also because Japan would most likely be cooperating with other nations as well. The spirit of the SIASJ law applied, however, and unlike previous SDF deployments, the Maritime SDF dispatch to the Indian Ocean for refueling operations under the temporary law took place during an actual conflict. For the first time since World War II, Japan's military was playing a support role in an active war, even if it was a noncombat mission far from the front lines. Two years later, when the United States launched its invasion of Iraq, Koizumi pushed through additional temporary legislation to allow the SDF to support a Japanese humanitarian and reconstruction program in Iraq.

As with the PKO and SIASJ laws, Japan's antimilitarist security identity shaped the content of the Antiterrorism Special Measures Law. Some MOFA officials reportedly considered dispatching the Ground SDF to the Afghanistan-Pakistan border to provide humanitarian aid to the region, while others wanted Japanese soldiers to provide medical aid to allied soldiers near combat zones.⁶¹ These somewhat radical proposals evaporated quickly.

To head off any public fears (and legislative battles) that the government would make a permanent expansion of the SDF's activities, the bill had a built-in expiration date: it would only last for two years, after which the Diet would have to vote again on whether to continue. The government also banned the supply of weapons, ammunition, or fuel for combat operations by allied forces, which was consistent with the 1997 defense guidelines and the SIASJ law.⁶² To satisfy this last requirement, Japan's Ministry of Defense often requested detailed reports from U.S. counterparts concerning their ships' travel logs after receiving fuel, so Japanese bureaucrats could reassure the public that American vessels were not conducting offensive operations using Japanese diesel. Although the operation was quite helpful initially, by the end U.S. defense officials were not sorry to see that particular law—along with its cumbersome bookkeeping—expire.⁶³

With these restrictions in place, the new bill looked to the public like a tailored application of a previously approved law, and the opposition parties' criticisms fell flat. A Yomiuri poll taken a week before the bill was passed showed 65 percent held a positive impression of the government's response to the terrorist attacks and a mere 30 percent were opposed—an unusually high level of support for an SDF dispatch.⁶⁴

Koizumi also cleverly inverted the legislative process to streamline the legislation. Rather than working within the LDP, he crafted the legislation with coalition party leadership, “well aware that once the three parties reached an agreement, it would be difficult for individual LDP members to oppose the decision, especially on such an urgent international issue.”⁶⁵ Koizumi still came under fire from critics like Liberal Party leader Ichiro Ozawa, who thought it was an ad hoc set of “half-measures” that skirted the important defense policy issues at stake.⁶⁶ The DPJ also failed to support it from the Left, but Koizumi and his plan to aid the U.S. effort in its time of need was sufficiently popular with the Japanese public.

The Japanese public was considerably less sympathetic, however, toward American plans for war in Iraq than they were in the case of Afghanistan. Iraqi leader Saddam Hussein had not yet directly attacked or threatened to attack in the same way that the terrorists had on September 11, and Japan's pacifistic culture was suspicious of a preemptive military solution to the potential problem of weapons of mass destruction. Nevertheless, Koizumi expressed support for the United States. Rather than publicly taking the unpopular American position that Saddam Hussein was a threat who needed to be deposed, however, Koizumi emphasized that failure to support the United States would damage the bilateral relationship and Japan's national interests.

For realist reasons, this argument resonated with voters to some degree, since a growing concern for many in Japan at the time was North Korea, whose leader Kim Jong-il had admitted in the autumn of 2002 that his government had kidnapped at least thirteen Japanese citizens between 1977 and 1983 to train spies. In addition, the Japan Coast Guard had recently battled with another North Korean spy boat in Japanese waters in late December 2001 and in a rare instance actually fired upon and sank the boat near Amami Island. The Japanese government later raised the ship and put it on public display, with as many as 12,000 visitors a day waiting in line for their turn to view the wreckage.⁶⁷ With fears of North Korea reaching new heights, ironically, “Koizumi's statement of support for the Iraq War was more popular than the war itself.”⁶⁸

Koizumi's ability to both pledge and actually deliver a Japanese personnel contribution to the Afghanistan and Iraq conflicts can be contrasted to the Kaifu government's stunted response to the Gulf War ten years before. Not only was Koizumi successful; he was also remarkably swift. During the Gulf crisis, the LDP was able to make a personnel

contribution (in the form of minesweepers) only after the conflict had ended, and this was after long and heated debate. Even the proposed UNPCC bill, which had been Kaifu's attempt to put boots on the ground, would not have matched Koizumi's achievements. In less than two months, Koizumi managed to pass a bill that allowed Japan to provide logistical support to allied forces during conflict, and he pushed through a law that allowed Japanese troops to be on the ground during a conflict—in particular, Iraq—despite his inability to name a single noncombat zone in the country when questioned in the Diet by opposition leader Naoto Kan.⁶⁹

Koizumi succeeded for a variety of reasons. First, he was standing on the shoulders of his predecessors. As described above, many of his actions were based on the precedent of the PKO law, the 1997 defense guidelines, and the SIASJ law. The succession of administrations during the 1990s had, through trial and error, discovered that the Japanese people were willing to tolerate and support overseas dispatches of the SDF under particular circumstances and passed laws accordingly, especially when perceived threats increased or to support the United States and UN-sanctioned peace efforts when a just-cause argument could be made. When Japan's Maritime SDF ships departed to support the Afghanistan mission, Defense Agency chief Gen Nakatani explained the purpose in terms of fulfilling an obligation to the international community, saying that “we must aim to be a nation that is respected by the rest of the world and a nation that can act on behalf of people around the world by contributing actively and responsibly.”⁷⁰

Koizumi's temporary measures were not revolutionary. Rather, they pushed only slightly the boundaries of established laws. Afghanistan fit the just-cause definition, modeled largely on the SIASJ law, even though it was not in an area around Japan. The LDP sold Iraq as a sort of peacekeeping mission. As noted above, ambitions to have the SDF engage more actively in the war were quickly abandoned. Later, a Japanese court determined that parts of the Iraq Special Measures Law were unconstitutional anyway.⁷¹

Another cause of Koizumi's success was earlier election reforms. In the previous multiseat-district system, LDP factions played an important role in funding competing LDP candidates within districts and supporting them logistically. But the new single-seat framework strengthened the party core, which chose the final candidates at the expense of factions. In the 1996 election, for example, “record numbers of LDP candidates, especially newcomers, chose not to join any faction at all.”⁷² Freed from factions and more directly responsible to their constituents, young politicians in this new system who could generate sufficient public support were more independent than their predecessors, and it was these independent young politicians who helped the maverick Koizumi achieve an upset victory in the April 2001 LDP presidential election.⁷³ The new system played to Koizumi's strengths as a publicly popular leader and bolstered his political strength within the government, allowing him to act boldly on the security front, just as he did on a variety of domestic reforms that he prioritized.

The Diet extended both temporary laws multiple times before letting the Iraq operation lapse in 2009 and the refueling activities end in 2010. Contrary to a theory that the Japanese government in the 1990s and then under Koizumi at the beginning of this century was taking a “salami-slicing” approach, gradually exposing Japanese voters to overseas military adventures incrementally until voters were willing to accept the so-called remilitarization of Japan, there has since been little appetite in the Diet or the Ministry of Defense for additional deployments. The Maritime SDF did begin an extended series of counter-piracy patrols with other countries in the Gulf of Aden starting in 2009, and small Ground SDF engineering units were sent later to support PKO in Haiti and South Sudan, but the main focus has been national defense. The modest defense budget increases afforded the SDF in recent years have gone toward protecting Japan’s airspace, exclusive economic zone, and outer islands, with little extra available for overseas missions.⁷⁴

Japan’s post–World War II antimilitarist security identity remains strong for the present. Through election and administrative reforms advanced by a few politically strong and proactive politicians, the Japanese government has slowly centralized decisionmaking and reduced the parochial impacts of factionalism. As a result, the government is more in tune with globalized policy trends and mechanisms, which has allowed it to play a more active role in world affairs, even as Japan’s economic strength has waned since the Cold War’s end. Japanese pacifism is certainly much more nuanced than a blanket opposition to all forms of involvement in conflict, and Shinzo Abe’s second chance as prime minister from late 2012 has enabled him to do more than any predecessor to expand the boundaries of what the SDF can do overseas. The question is how much further Abe can or plans to push on these issues and whether U.S. policymakers should anticipate future Japanese administrations to carry on the dynamic changes initiated by Abe 2.0.

ENDNOTES

1. Emperor Hirohito announced the promulgation of the new constitution on November 3, 1946, although it did not take effect until May 3, 1947. The text is available at http://japan.kantei.go.jp/constitution_and_government_of_japan/constitution_e.html.
2. For example, occasional Japanese prime minister visits to the controversial Yasukuni war shrine—which honors fourteen accused class-A war criminals from World War II—have been interpreted by China and Korea as an affront to their colonial victimhood. Japan’s continued territorial disputes with its neighbors, such as China and Korea, have also brought forth worried accusations of Japanese expansionism.

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3. Observed by the author at a policy workshop involving Americans, Japanese, Koreans, and Chinese in Tokyo, Japan, on June 28, 2016.
4. Compare Kevin Doak, *A History of Nationalism in Modern Japan: Placing the People* (Leiden, Netherlands: Brill, 2007).
5. Tomiichi Murayama, "On the Occasion of the 50th Anniversary of the War's End," Ministry of Foreign Affairs of Japan, August 15, 1995, <http://www.mofa.go.jp/announce/press/pm/murayama/9508.html>.
6. For analysis of this "sonic activism," see Nathaniel M. Smith, "Facing the Nation: Sound, Fury, and Public Oratory Among Japanese Right-Wing Groups," in *Sound, Space and Sociality in Modern Japan*, eds. Joseph D. Hankins and Carolyn S. Stevens (New York: Routledge, 2014).
7. Jennifer Lind and Chikako Ueki, "Is Japanese Nationalism on the Rise?," paper prepared for the annual meeting of the International Studies Association, Atlanta, Georgia, March 19, 2016.
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9. See "Right Side Up," *Economist*, June 6, 2015. Nippon Kaigi promotes constitutional revision and some successful education reform initiatives, but the list of policies that it disagrees with and which the government has adopted is long, including reaffirming the so-called Kōno Statement of 1993 on Japan's wartime "comfort-women" military prostitution system, a bilateral agreement with South Korea accepting responsibility for the comfort-women system, and a compromise with the Kōmeitō on Japan's right to exercise limited collective self-defense.
10. See Yoshibumi Wakamiya, *The Postwar Conservative View of Asia: How the Political Right Has Delayed Japan's Coming to Terms With Its History of Aggression in Asia*, trans. Chogin Business Service (Tokyo: LTCB International Library Foundation, 1998) (originally published in Japanese by Asahi Shimbun Publishing, 1995).
11. Andrew L. Oros, *Normalizing Japan: Politics, Identity, and the Evolution of Security Practice* (Stanford, CA: Stanford University Press, 2008), chap. 1. Other scholars in English have described this second general dynamic as culture (Thomas U. Berger, 1998), norms (Peter Katzenstein, 1996), and ideology (Richard Samuels, 1994).
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13. Hans J. Morgenthau, *Politics Among Nations: The Struggle for Power and Peace* (New York: A. A. Knopf, 1948).
14. Oros, *Normalizing Japan*, 9.

15. Thomas U. Berger, "Norms, Identity, and National Security in Germany and Japan," in *The Culture of National Security: Norms and Identity in World Politics*, ed. Peter Katzenstein (New York: Columbia University Press, 1996), 326.
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18. Thomas U. Berger, *Cultures of Antimilitarism: National Security in Germany and Japan* (Baltimore: Johns Hopkins University Press, 1998), 136.
19. Tomohito Shinoda, *Leading Japan: The Role of the Prime Minister* (Westport, CT: Praeger, 2000), 57.
20. "Meeting With Prime Minister Toshiki Kaifu of Japan," White House, September 29, 1990. Document 6 from the declassified set of documents making up the National Security Archive Electronic Briefing Book no. 382, *Japan and the United States From Kennedy to Clinton*, posted on June 20, 2012, <http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB382>.
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22. "Interview With Masaharu Gotoda," *Mainichi Shimbun*, October 21, 1990 (morning edition).
23. Quoted in Midford, *Rethinking Japanese Public Opinion and Security*, 74.
24. 『第122回国会 国際平和協力等に関する特別委員会 第3号』“Dai 122 kai kokkai kokusai heiwa kyōryoku nado ni kansuru tokubetsu iinkai dai 3 gō” [122th National Diet, Special Committee Related to Peacekeeping Cooperation Number 3], 衆議院 Shūgiin [Japanese House of Representatives], November 18, 1991, <http://kokkai.ndl.go.jp/SENTAKU/syugiin/122/0732/12211180732003a.html>.
25. Kōmeitō asked for the freeze “for the sake of building more understanding and support domestically and abroad.” See “PKF本体業務凍結解除など” “PKF Hontai Gyōmu Tōketsu Kaijo Nado” [Lifting of the freeze on PKF activities and related issues] Ministry of Defense of Japan, 2001, http://www.clearing.mod.go.jp/hakusho_data/2002/honmon/frame/at1404020102.htm.
26. Midford, *Rethinking Japanese Public Opinion and Security*, 84. Japanese ships disposed of thirty-four mines, according to Teruaki Aizawa, National Institute for Defense Studies Briefing Memo, December 2014, http://www.nids.go.jp/english/publication/briefing/pdf/2014/briefing_e193.pdf.
27. Daisuke Akimoto, “The Shift From Negative Pacifism to Positive Pacifism: Japan’s Contribution to Peacekeeping in Cambodia,” *Ritsumeikan Journal of Asia Pacific Studies* 31 (2012): 122.
28. *Ibid.*, 125.

29. Glenn D. Hook, Julie Gilson, Christopher H. Hughes, and Hugo Dobson, *Japan's International Relations: Politics, Economics, and Security* (New York: Routledge, 2001), 223.
30. Imagawa Yukio, *Kanbojia to Nihon* カンボジアと日本、[Cambodia and Japan] (Tokyo: Rengo Shuppan, 2000), 186–7. Translation in Akimoto, “Negative Pacifism to Positive Pacifism,” 127.
31. March 17, 1991, quoted in Woolley, “Japan’s 1991 Minesweeping Decision,” 805; David Arase, “New Directions in Japanese Security Policy,” *Contemporary Security Policy* 15, no. 2 (August 1994): 46, quoted in Woolley, “Japan’s 1991 Minesweeping Decision,” 806.
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42. Jamie McIntyre, “Washington Was on the Brink of War With North Korea 5 Years Ago,” CNN, October 4, 1999, <http://www.cnn.com/US/9910/04/korea.brink>.
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47. *Ibid.*, 95, quoting a 1994 article in *Gaiko Forum*.
48. The LDP–Socialist Party collaboration in 1994 might not have been possible without the Carter–Kim Il-sung meeting, as the advent of U.S.–North Korea diplomatic engagement temporarily took North Korea out of the policy equation, which would have put the Socialists in the politically difficult situation of aligning with the U.S. military against a socialist country.
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50. Takao Sebata, *Japan's Defense Policy and Bureaucratic Politics, 1976–2007* (Lanham, MD: University Press of America, 2010), 268.
51. *Ibid.*, 270.
52. See, for example, Akiko Fukushima, *Japanese Foreign Policy: The Emerging Logic of Multilateralism* (New York: St. Martin's Press, 1999); or Toshiya Hoshino, “Ningen no Anzen-hoshō to Nihon no Kokusai Seisaku” 人間の安全保障と日本の国際政策 [Human security and Japan’s foreign policy], *Kokusai Anzen-hoshō* 国際安全保障 [International security] 30, no. 3 (December 2001): 9–25.
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54. *Ibid.*
55. A strict reading of the Security Treaty supports Doi’s view, since the Treaty never envisioned direct Japanese involvement in regional contingency operations.
56. Hitoshi Mizuno, 周辺事態法の成立：米軍再編問題と「世界」 “Shūhen Jitai Hō no Seiritsu: Beigun Saihen Mondai to ‘Sekai’,” *Chiba Shōdai Daikiyō* (Chiba University of Commerce) 47, no. 2 (March 2010): 84, 90, available at <http://ci.nii.ac.jp/naid/110007571561/ja/>.
57. Japan Economic Institute, “Outlook: Defense Debate Continues,” *JEI* 1999, no. 15 (April 1999), <https://global-factiva-com.ezp-prod1.hul.harvard.edu/redir/default.aspx?P=sa&an=jeir000020010828dv4g00020&cat=a&cep=ASE>.

58. Sebata, *Japan's Defense Policy and Bureaucratic Politics*, 314.
59. *Asahi Shimbun*, March 17, 1999, quoted in Midford, *Rethinking Japanese Public Opinion and Security*, 103–4.
60. Invoking the PKO law framework, Japan transported relief items to Afghan refugees via SDF aircraft on October 9, 2001. See “Japan’s Assistance to Afghan Refugees and Displaced Persons,” Ministry of Foreign Affairs of Japan, December 2011, http://www.mofa.go.jp/region/middle_e/afghanistan/assist0112.html.
61. Daniel M. Kliman, *Japan's Security Strategy in the Post-9/11 World: Embracing a New Realpolitik* (Westport, CT: Praeger, 2006), 80.
62. “The Anti-Terrorism Special Measures Law (tentative English summary),” Japanese Cabinet Office, October 2001, http://japan.kantei.go.jp/policy/2001/anti-terrorism/1029terohougaiyou_e.html.
63. Based on author discussions with several Department of Defense officials in 2010. The Japanese law specifically prohibited the SDF from supplying fuel or conducting maintenance on aircraft preparing to take off on military sorties, but this principle was applied to shipping as well.
64. Midford, *Rethinking Japanese Public Opinion and Security*, 117. An *Asahi Shimbun* poll around that same time showed 51 percent support and 29 percent against. See Tomohito Shinoda, *Koizumi Diplomacy: Japan's Kantei Approach to Foreign and Defense Affairs* (Seattle: University of Washington Press, 2007), 97.
65. Shinoda, *Koizumi Diplomacy*, 94.
66. *Ibid.*, 96.
67. Mark Magnier, “Spy Ship Exhibit Stirs Up Japanese,” *Los Angeles Times*, June 15, 2003, <http://articles.latimes.com/2003/jun/15/world/fg-spyship15>.
68. Midford, *Rethinking Japanese Public Opinion and Security*, 128. Among poll respondents, 36 percent supported Koizumi’s argument in favor of the war, while only 27 percent supported the war around that time.
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72. Frances McCall Rosenbluth and Michael F. Thies, *Japan Transformed: Political Change and Economic Restructuring* (Princeton, NJ: Princeton University Press, 2010), 108–9.
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74. For example, Japan spent the bulk of its current and obligated procurement budget in 2015 and 2016 on such platforms as the F-35 fighter, Osprey aircraft, amphibious vehicles, Global Hawk reconnaissance drones, and other items for which there are no plans to deploy in support of overseas missions.

CHAPTER FOUR

ABE'S SECOND-CHANCE SECURITY REFORMS: FINAL STOP?

NO JAPANESE PRIME minister since Yasuhiro Nakasone in the 1980s has been as committed politically to expanding the role and status of the SDF in Japan as Shinzo Abe. During his first stint as prime minister, from 2006 to 2007, Abe was responsible for elevating the Japanese Defense Agency to a full-fledged Ministry of Defense (MOD) led by a cabinet minister. More recently, in his second term, he has orchestrated a government reinterpretation of the constitution to allow limited exercise of collective self-defense, among a collection of other defense reforms.

Although there have been other important turning points regarding Japanese defense policy since Nakasone, they were usually steps taken in response to an external crisis or U.S. request (for example, the PKO law, the SIASJ law, Special Measures Laws, and prior limited relaxation of defense export restrictions). In a few cases a prime minister like Junichiro Koizumi pushed legislative changes proactively that addressed specific perceived shortcomings (for example, national emergency legislation in 2002 or opening up the use of space for defensive purposes in 2008), but Abe has been the most focused on comprehensive changes up to and including the goal of constitutional revision. This can be explained partly by his traditionalist and nationalist mind-set, but it is also a realist reaction to an increasingly severe security environment, as viewed by many from Tokyo.

TOKYO'S ASSESSMENT OF NATIONAL SECURITY CHALLENGES

In the modern era, international trade has been vital to Japan. The country's high dependency on imports for commodities of all kinds, most notably food and fossil fuels, is well-known. Japan is the least self-sufficient for calorie intake among developed nations and for energy (39 percent and 6 percent, respectively), and its imports as a percentage of GDP have doubled since 2000.¹ This has put pressure on Japan's positive trade balance and high savings rate, producing frequent trade deficits since 2011 and a decline in gross savings by about 20 percent since 2000.

Exports to China and Hong Kong surpassed those to the United States in 2015 and made up almost one-quarter of Japan's total, while imports from Hong Kong represent a slightly higher percentage of total imports.² The majority of Japan's trade travels by sea, highlighting the importance of freedom of navigation, and Japan has a large exclusive economic zone (EEZ) to supervise. At roughly 4.5 million square miles, Japan has the sixth-largest EEZ in the world, despite a landmass that ranks sixty-first.

In addition, Japan's economy and productivity are under pressure from a well-known demographic challenge, as its society is one of the "grayest" in the world, and its population growth rate is the lowest in Asia (at minus 0.2 percent). For the first time, Japanese aged sixty-five or older accounted for 27 percent of the nation's total in 2015, more than double the number of those aged fifteen or younger.³ A government agency suggests that Japan's population could fall below 90 million by 2060 (from 127 million in 2015), though the government pledges to do all it can to maintain a population of at least 100 million. As time goes on, this dynamic will strain recruitment for the SDF, which stands at about 250,000 personnel in 2016. Already the number of eighteen- to twenty-six-year-olds in the country has dropped by about one-third since 1994, from 17 million to 11 million in 2015, and this pool of future recruits continues to shrink.⁴

Another challenge for Japan that can adversely affect future infrastructure and defense spending is the government's poor fiscal health. Japan's debt-to-GDP ratio is the highest among OECD countries, at 230 percent, although the bulk of this debt is domestically owned. About one-quarter of Japan's general government spending goes to debt servicing.⁵ This crowds out other government expenditure and could get worse in the near to medium term, as deficit spending and borrowing continue. The problem is compounded by rising social security obligations associated with the demographic challenge.

In recent years, the government of Japan has taken some policy steps to reduce spending and increase revenues, but the changes are not sufficient at the moment to close the annual budget gap, and a planned consumption-tax hike was postponed in 2016 for a second time (until late 2019). In addition, the number of households in Japan considered welfare dependent hit a record high in 2016 of over 1.63 million people, so this remains an uphill

battle.⁶ Susceptibility to large-scale natural disasters amplifies Japan's sense of vulnerability (especially with the 2011 earthquake, tsunami, and nuclear accident still fresh in people's minds), and it is an added planning priority for the SDF.

At the same time that Japanese leaders fear their country is growing more vulnerable in general economic terms, it also faces increasing military pressure from two main sources: China first and foremost, followed by North Korea, whose continued nuclear weapons and missile development is a high-risk (if still a relatively low-probability) concern.

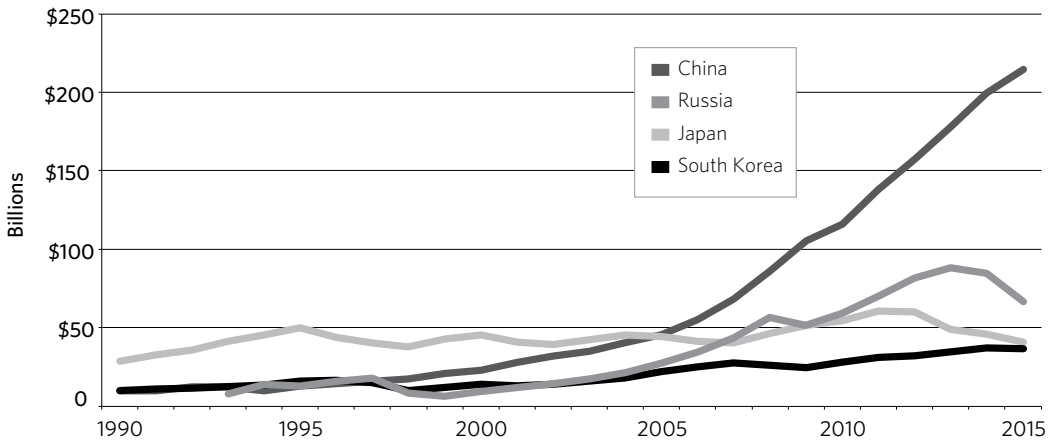
China's remarkable economic growth has allowed it to increase defense spending annually at rates between 10 and 25 percent since the end of the Cold War. Chinese military spending has more than quadrupled since 2000 and ranks second in the world, exceeding \$180 billion in 2015 (four times the size of Japan's defense budget—see figure 4.1).⁷ China has used these resources to add new capabilities and enhance the overall quality of its armed forces, notably with development of accurate long-range missiles and integrated air-defense systems, progress toward fielding fifth-generation fighter aircraft and well-equipped nuclear-powered submarines, and modern cyberwarfare and space capabilities (including directed energy weapons and satellite jammers).⁸

China's advances are expected to increase the vulnerability of U.S. bases in Asia and the United States' most expensive weapons platforms. This vulnerability, in turn, could call into question America's willingness to risk conflict escalation with China and thus undermine deterrence stability under certain circumstances. Many U.S. officials see foreign military investments by China, Russia, Iran, and others as designed to deter and defeat a regional intervention by the U.S. military, which is a concern to Japan as well.⁹

Most unsettling to Tokyo is China's willingness to flex its new military muscle in pursuit of territorial advantage in the East China Sea, whether by undermining Japanese claims to the Senkaku Islands, carving out a wider EEZ for oil and gas development, or by enforcing a new air defense identification zone that overlaps with Japan's. Historically, Japan has often scrambled its aircraft to counter airspace intrusions by Russia, but incursions by China have grown steadily in recent years and tend to be politically motivated. This was the case in 2005, when Chinese violations jumped from thirteen to more than one hundred after the Japanese government awarded oil and gas drilling rights in a disputed maritime area to a Japanese firm (see figure 4.2).¹⁰ This is the kind of coercive diplomacy or Chinese bullying that Japan fears, and this growing advantage emboldens China to press for greater Japanese concessions in negotiations over drilling rights in disputed parts of the East China Sea.¹¹

Japan's efforts to counter such moves with its own physical presence in these areas has occasionally led to minor incidents (for example, near misses in the air or Chinese directing fire-control radar at Japanese ships) that some fear could spark more serious—if unintended—conflict. Sources close to the SDF reported in 2016 that some Chinese

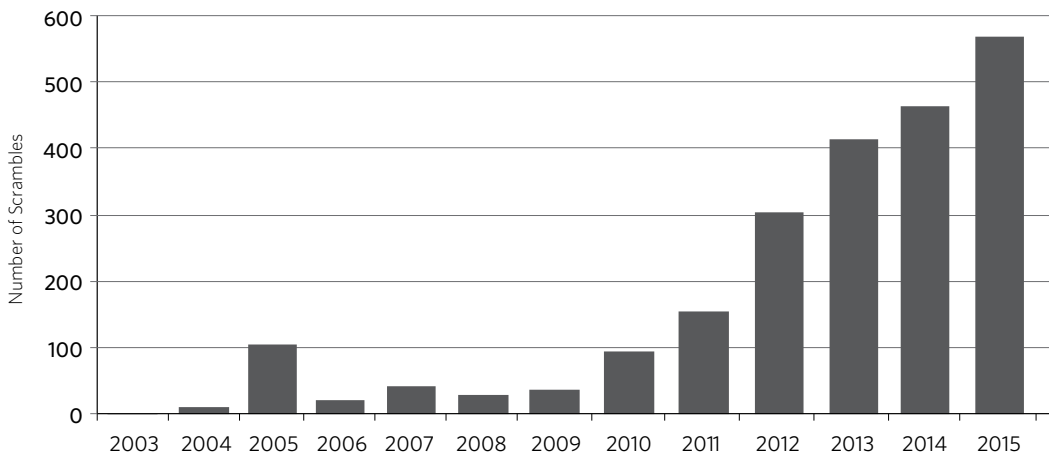
FIGURE 4.1: Select Defense Budgets in Asia, 1990–2015



NOTE: Russia data starts in 1993, when it became available after the fall of the Soviet Union.

SOURCE: Stockholm International Peace Research Institute, "SIPRI Military Expenditure Database," 2016, <https://www.sipri.org/databases/milex>.

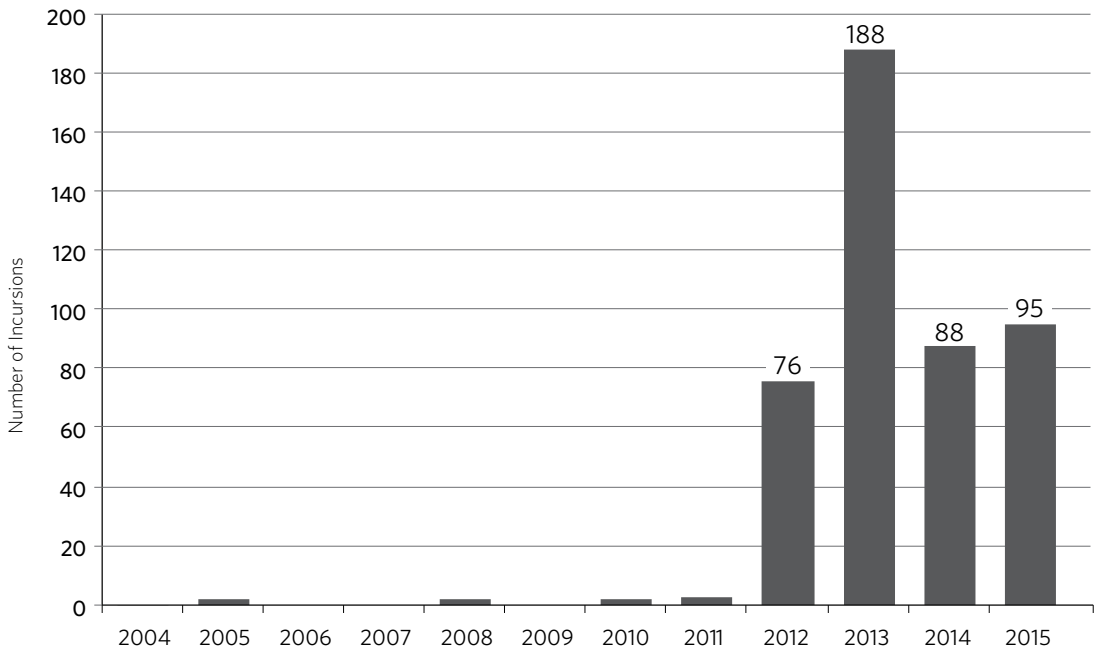
FIGURE 4.2: Japan Air SDF Scrambles Prompted by China



SOURCE: Joint Staff Office, "Information on Fiscal Year 2009 Emergency Enforcement Takeoff Circumstances (in Japanese)," Ministry of Defense, April 23, 2009, http://www.mod.go.jp/js/Press/press2009/press_pdf/p20090423_1.pdf; Joint Staff Office, "Information on Fiscal Year 2012 First Half Emergency Enforcement Takeoff Circumstances (in Japanese)," Ministry of Defense, October 18, 2012, http://www.mod.go.jp/js/Press/press2012/press_pdf/p20121018.pdf; Joint Staff Office, "Information on Fiscal Year 2016 Fourth Quarter Emergency Enforcement Takeoff Circumstances (in Japanese)," Ministry of Defense, July 5, 2016, http://www.mod.go.jp/js/Press/press2016/press_pdf/p20160705_01.pdf; and Japan Air Self-Defense Force, "Protecting Japan's Peace From the Air (in Japanese and English)," Ministry of Defense, 2016, <http://www.mod.go.jp/asdf/special/download/pamphlet/pdf/jasdf2016.pdf>.

pilots had tried to engage Air SDF fighters in mock dogfights while fully armed.¹² Moreover, China is increasingly dispatching government ships (including those in the 3,000-ton class) into Senkaku waters (see figure 4.3), and it is building a 10,000-ton class vessel that will exceed anything in the Japan Coast Guard inventory.

FIGURE 4.3: Chinese Government Vessels in Senkaku Territorial Waters



SOURCE: “Trends in Chinese Government and Other Vessels in the Waters Surrounding the Senkaku Islands, and Japan’s Response,” Ministry of Foreign Affairs of Japan, November 2, 2016, http://www.mofa.go.jp/region/page23e_000021.html.

While China’s military investments and actions are having the biggest impact on Japanese defense policy, procurement, and doctrine, North Korea also continues to drive current SDF investments in missile defense capabilities. Given the central role that U.S. bases in Japan would play in any major Korean conflict, Tokyo fears that North Korea might target Japan with ever-improving nuclear, biological, and chemical weapons mounted on missiles, as a way to deter Japan from supporting U.S. intervention (and from allowing U.S. forces based in Japan to launch attacks against the North). In addition to missile defense, Japan’s government has considered acquiring a modest offensive strike capability of its own (by aircraft, cruise missile, or possibly ballistic missile), more seriously since North Korea’s second nuclear test in 2009. Japanese policymakers have consistently argued that such strikes in self-defense (after suffering attacks at home) would be allowable under the Constitution, but the political and financial cost has discouraged much movement in that direction, and will continue to do so as long as confidence in the United States remains sufficient. Japan is putting its money into more missile defense for the time being.¹³

Japan's confidence in the United States has been under strain since George W. Bush's second term, as America has struggled in the Middle East and has suffered economically from the Great Recession. Potential U.S. vulnerability to North Korean nuclear strikes is a growing concern, as well. Many in Japan believe that the United States is a weakening global power vis-à-vis China specifically and in the face of a widening array of security and economic challenges around the world more broadly. Political dysfunction in the United States—marked by government shutdowns and budget sequestration—adds to Japan's worries, and Europe's diminished ability to play a strong supporting role underscores the problem. The feared outcomes of these developments include possible American accommodation of China and alliance abandonment (thus putting Japan at the mercy of Chinese coercion), as well as overall deterioration in global governance moving toward a "might makes right" world. And "might" is not Japan's strong suit.

Abe's response in the short term has been to tighten security relations with the United States as a way to promote greater U.S. reliability and bolster deterrence in the eyes of potential adversaries. This was an overarching objective for negotiating the 2015 defense guidelines and Japan's subsequent security legislation, among other steps. It is also prompting Japan to diversify its security relationships with countries like Australia and some NATO members and has led Japan to reach out to forge stronger relationships with countries such as India and others in Southeast Asia. Abe and his team have pushed through a wide range of policy reforms in just four years that will have a lasting impact on Japan's defense posture and the security alliance with the United States.

REBUILDING THE SECURITY INFRASTRUCTURE

Soon after becoming prime minister for the second time in December 2012, Shinzo Abe began a deliberate process of strengthening Japan's national security position, starting with the creation of a new National Security Council in December 2013. The NSC's purpose is to consolidate interministry coordination and strengthen the hand of the prime minister and his team (including the foreign minister, the defense minister, and the chief cabinet secretary) on relevant policy issues for more efficient decisionmaking. Abe tried to realize this reform during his first stint as prime minister in 2007, but he did not have sufficient political strength to make it happen. A half-dozen years later, he was able to mobilize more political and bureaucratic allies in support of this administrative reform.

The NSC's opening act was to craft and approve Japan's first National Security Strategy, which emphasized strengthening its own capabilities to deter threats and defend the nation (especially defense and maritime surveillance of remote islands, missile defense, and cybersecurity); deepening cooperative relations with other countries (especially the United States, but also Australia, the United Kingdom, France, India, and others); and bolstering Japan's technology base and information-collection capabilities.¹⁴

The new strategy is consistent with statements in Japan's recent NDPG, but it carries more weight as an interministry document driven by the prime minister's office. The impact of this was clearly evident in 2014, when the government loosened restrictions on arms exports and developed a plan to strengthen Japan's defense industry, both of which were priorities in the new strategy but required action by multiple ministries and new legislation to be carried out. These were substantive moves, completed in a relatively short time, that are having a significant impact on the business, science, and engineering communities in Japan, and it is possible that only the new NSC (with a strong prime minister) could make it happen.

A new National Security Secretariat supports the NSC, consisting of about eighty staff members drawn from various ministries but mostly MOFA and MOD (including some SDF members). The secretariat is becoming a central player in Japan's policymaking process, especially on matters where the Defense; Foreign; and Economy, Trade, and Industry and other ministries' jurisdictions intersect. On the intelligence front, it has the advantage of receiving input from various sources within the government, although it has a limited ability to digest and process this information. The secretariat has also benefited from strong initial leadership with close ties to a popular prime minister (particularly Secretary General Shotaro Yachi and deputies Nobukatsu Kanehara and Nobushige Takamizawa), but because that organization experienced its first major wave of staff turnover in late 2016, there are questions about whether the NSC can remain at the core of Japanese policymaking, especially once Prime Minister Abe leaves office.

Finally, in connection with the release of a new National Security Strategy and to enhance the nation's security infrastructure, the Japanese legislature passed in December 2013 a tougher Act on the Protection of Specially Designated Secrets (popularly known as the State Secrets Law or Tokutei Himitsu Hogohō) to facilitate the secure exchange of sensitive information with the United States and a few other select countries. U.S. officials had pressed Japan for several years (often through the bilateral dialogue process known as the Bilateral Information Security Consultations, or BISC) to upgrade its ability to protect classified information and punish offenders.¹⁵ Otherwise, the United States would not be able to expand its level of information sharing with Japan. For Japan to implement the alliance-strengthening and deeper integration components of its new strategy, it had to make these kinds of legal adjustments, despite relatively strong public opposition.

NATIONAL DEFENSE PROGRAM GUIDELINES FOR FY 2014

The other major component of these December 2013 reforms was the approval of the new NDPG for fiscal year 2014 and beyond, which replaced a previous version from three years earlier. The government would not normally update the NDPG so soon, but the new Abe cabinet was keen to sharpen its focus in light of a "more tense" security

environment, the new National Security Strategy, the U.S. rebalance to Asia, and the 2011 Great East Japan Earthquake.¹⁶

These new policies and reforms are tied together by a single theme: Japan's preparing to fight defensively in a way that it has not since the end of World War II. For decades Japan believed that military threats were largely theoretical, and if conflict did, by chance, emerge, it would be of a nature that would quickly involve the United States to handle the most intense combat. North Korea's missile development at the beginning of this century changed this calculation modestly, and Japan responded by investing almost \$16 billion from 2004 to 2016 in an effective missile defense system.¹⁷ China's challenge in the East China Sea has altered Tokyo's calculation again, and the government understands that it will be responsible for handling any low-threshold threats to its sovereignty and security in that area, be it military or paramilitary.

North and South Korea's conflict over Yeongpyeong Island in 2010 and the Philippines' Scarborough Shoal incident with China in 2012 impressed on the Japanese the limits of U.S. assistance for countering low-level provocations.¹⁸ Mere SDF and coast guard presence around its islands and EEZ is no longer enough, Tokyo determined, as opponents could seek advantage with pressure that does not trigger U.S. involvement. Therefore, Abe's team changed the Dynamic Defense Force of the old NDPG into a Dynamic Joint Defense Force, which focuses on improving operational ability and effectiveness of the entire SDF to neutralize threats over a sustained period.¹⁹ Japan is not only investing to bolster deterrence but also preparing in practical ways for deterrence failure.

The 2014 NDPG highlighted the following priorities for strengthening SDF capabilities (with a focus on joint functions and interoperability with U.S. forces):

- Intelligence, surveillance, and reconnaissance (ISR) via unmanned aerial vehicles, a new squadron of E-2C surveillance aircraft at Naha in Okinawa, and better geospatial intelligence capabilities
- Transport and mobility, especially for swift unit deployment and including a new air-refueling squadron, mobile combat vehicles, and tilt-rotor aircraft
- Command and control, managing units nationwide in a mobile, joint, and integrated manner, including a new central headquarters to control all regional armies in the Ground SDF, along with data links among the three services and with remote islands²⁰
- Remote island defense, which drives the emphasis on ISR, transport, amphibious operations, and the establishment of new rapid deployment units, including one amphibious rapid-deployment brigade (all drawn from existing forces)²¹

- Ballistic missile defense, including two new Aegis-equipped destroyers, continued cooperation with the United States, and some initial study of a potential strike capability to disable North Korean missile launch facilities
- Outer space and cyberspace defense, focused on enhancing space situational awareness and satellite survivability, as well as persistent surveillance and response capabilities in the cyber realm
- Responses to major disasters, leveraging many of the functions noted above but adapted for specific disaster scenarios
- International peace support activities, similarly drawing on above-mentioned functions with an emphasis on broader coalition interoperability and sustainability

Developing the 2014 NDPG in close connection with all of the other National Security Strategy initiatives provided defense leaders with a clear and coherent direction for reform and procurement with top-level political support. The near-term impact has been significant for specific procurement decisions, and so far the government appears committed to fulfilling the guidelines as faithfully as possible. Another quick turnaround for a new NDPG in 2018 is possible, so as to reflect the 2015 security legislation and to guide the development of a new five-year midterm defense plan, the process for which begins in 2017.

ADJUSTING ROLES AND MISSIONS

In addition to the shift in resources from the country's northeast to the southwest and the new capabilities prioritized in the NDPG, the 2015 defense guidelines and implementing legislation will also influence the future roles and missions of Japan's SDF. Consistent with the latest NDPG, the new guidelines promote closer alliance cooperation, with a heavy focus on ISR, air and missile defense, maritime security, and overall "jointness" (including operations that involve multiple domains such as sea, air, space, and cyberspace).²²

The new guidelines create the potential for more integrated alliance missions, compared with the previous approach that separated forward-area (United States) and rear-area (Japan) activities. The new arrangement also makes interoperability and real-time information exchange even more important for the allies. An increase in joint and shared use of facilities in Japan and abroad is encouraged, and to facilitate such closer cooperation the allies upgraded bilateral planning and introduced the alliance coordination mechanism (described in chapter 1) for certain crisis situations. Japan's State Secrets Law and establishment of the NSC are key enablers for this increased integration.

As highlighted earlier, Tokyo took steps to provide a broader legal foundation for SDF action under the defense guidelines with the passage of security legislation in September

2015. This legislation includes an International Peace Support Law,²³ which paves the way for Japan to provide logistical support to the armed forces of a UN-approved (or by a similar international body) “peace and security” coalition. It also includes a series of amendments to existing laws that will expand the scope of the SDF’s missions.²⁴

These new or expanded missions include ship inspection operations, the rescue of Japanese nationals overseas, a wider range of PKO, and additional support activities for U.S. and non-U.S. armed forces (including ISR, asset protection, and the provision of ammunition to U.S. forces) in certain circumstances. The SDF could also be authorized to use force overseas in limited situations, for which it must develop at least some expertise in collaboration with the U.S. military, probably in the areas of air and missile defense, antisubmarine warfare, and minesweeping. For these missions, the previously mentioned integration (*ittaiika*) limitations are not supposed to apply any more. This opens up a lot of opportunities, on paper.

Although Japan’s investment in traditional offensive capabilities for use abroad will probably be modest—given the significant political and legal limitations that remain and the costs involved—the SDF might be less constrained over time with regard to the use of outer space and cyberspace from a security perspective. Japan’s National Security Strategy highlighted both of these domains in a defense context and called for strengthening the technological and industrial base that supports them. The 2015 guidelines emphasized alliance cooperation and information exchange in these areas as well. Consistent with this, Japan’s third Basic Plan for Space Policy, announced in January 2015, includes a national defense and security component to an extent never seen in previous iterations. Japan plans to double the size of its reconnaissance satellite program, develop a space-based missile early-warning capability, and construct a maritime domain awareness constellation, although the affordability of the full program is in some doubt.²⁵

On the cybersecurity front, Japan passed a new Cyber Security Basic Act in November 2014 to clarify responsibilities and enhance Japan’s capabilities. The act centralizes control at the cabinet level via cyber-security strategic headquarters and empowers it through a new National Center of Incident Readiness and Strategy for Cybersecurity (NISC), residing in the cabinet secretariat.²⁶ The NISC establishes Japan’s cybersecurity budget priorities and drafts policies for headquarters approval, and it monitors independent administrative agencies and other government-linked organizations for cyber attacks.²⁷

To fund Japan’s many new priorities, the government has increased defense spending every year since 2013, albeit in a limited way, owing to overall budget limits and following several years of real spending decline. Japan has managed to provide additional funds to MOD via annual supplementary budgets and special accounts related to rebuilding after the 2011 earthquake, tsunami, and nuclear plant disaster, but the overall defense budget atmosphere continues to reflect severe tension between needs and resources. The fiscal year

2016 base budget was 4.86 trillion yen (approximately \$44 billion), or about a 40 billion yen (0.08 percent) increase from the year before.²⁸ The fiscal year 2017 request was for 4.97 trillion yen (or a 2.3 percent increase over 2016).

PERSONNEL AND ACQUISITION REFORM

The Japanese government has revised various laws and rules in recent years designed to foster integration among the SDF branches, improve efficiency, and address past acquisition scandals. One result is a larger voice for SDF personnel in operational decisionmaking and possibly in the area of procurement and sustainment. Pertinent to this first point, changes to the Defense Ministry Establishment Law in June 2015 now place the chiefs in the Joint Staff Office of the Ground, Maritime, and Air SDF on an equal footing with the civilian directors-general at the Ministry of Defense rather than being required to funnel their military advice to the defense minister through those bureaucrats. This follows earlier reforms in 2009 that created the position of special adviser to the minister of defense, a post that has since been occupied by retired military officers.

In 2015, parts of the logistics or engineering-related divisions in the SDF service staff offices joined equipment procurement bureaucrats from elsewhere in MOD to create the new Acquisition Technology and Logistics Agency. In this case, what the SDF loses in control over the early drafting of procurement wish lists it should gain in closer involvement with the whole life-cycle process. Also, the Ministry of Economy, Trade, and Industry (METI) added ten SDF personnel to its Export Control Policy Division in 2015.²⁹

Other related changes include the creation in 2014 of forty permanent posts for uniformed officials within MOD's Internal Bureau (the set of MOD offices in charge of policy, acquisition, international cooperation, local base issues, and related affairs), further expanding SDF influence within the civilian bureaucracy. The Ministry of Defense also created that year a new position of vice minister of defense for international affairs, who ranks just below the top MOD bureaucrat, administrative vice minister of defense. This new post recognized the need for a senior civilian counterpart to the U.S. undersecretary (as well as their equivalents in an expanding group of partner nations), given MOD's stepped-up direct interaction with other countries on policy and procurement matters.

On the acquisition side, Japan's 2013 National Security Strategy has sought to enhance the country's defense production and technological bases in part by strengthening international competitiveness. Tokyo started to implement the defense-industry component of its National Security Strategy by revising its principles on the transfer of defense equipment and technology in April 2014. Until the Abe administration, Japanese governments since

the end of World War II had effectively banned defense exports as a way to demonstrate the country's commitment to peace and avoid foreign entanglements. This ban included items that contained any Japanese-made content, which made Japanese firms undesirable business partners because a co-developed product could only be sold in Japan (with very few exceptions).

Under the new rules, Japan now allows defense transfers overseas in a variety of situations, including those that support peacekeeping and disaster relief efforts, as well as international cooperation. Transfers also must contribute to Japan's national security, such as by implementing joint development projects or otherwise deepening defense cooperation with allies and partners. Tokyo will still abstain from arms sales if they violate treaty obligations or UN-backed sanctions or if they are to a country where the United Nations is trying to broker peace in an ongoing conflict.³⁰

The new rules also allow follow-on sales to another country beyond the initial buyer (a so-called third-party transfer) when "appropriate control" of that technology is ensured, which widens the potential market further. The first export license Japan issued under the new rules in 2014 was for a small gyroscope used by the United States in the Patriot missile defense system (to be sold to Qatar), but the government has ambitions to issue many more export licenses for components, subsystems, and whole defense platforms to the United States, Australia, NATO, India, and many countries in Southeast Asia. So far, however, relatively few licenses have been applied for and approved, and Japan failed to win a tender by Australia in 2016 for new diesel-powered submarines. This area remains a work in progress.

The biggest part of Japan's acquisition reform process was the formation of a new agency to oversee the entire procurement process, from R&D and identifying military requirements all the way through selection, procurement, and even life-cycle management of the equipment. This is ATLA, established in October 2015. The agency consolidates functions that had been scattered around the ministry and the SDF branches, and it adds new capabilities to manage international collaboration and exports. Drawn from within MOD and the SDF, roughly 1,800 officials and SDF personnel work in ATLA under an agency commissioner who reports directly to the defense minister. The agency is responsible for policy, research and development, testing and evaluation, project management, contracting, technology security, and other functions in close cooperation with the SDF, METI, and the National Security Secretariat.

POLITICAL AND FINANCIAL SUSTAINABILITY

During his second stint as prime minister, Abe moved aggressively and with clear purpose to expand the quality and scope of Japan's SDF, beyond what most had thought possible

even a few years earlier. The changes were substantive and have created meaningful opportunities for the allies to cooperate over the medium to long term. This is all positive, but doubts remain about the post-Abe sustainability of the reforms and whether their implementation over time will live up to its full potential. It will be up to future prime ministers to decide how to fund and use the SDF amid fiscal and political constraints. In Japan's long and incremental ascension up this security reform staircase since 1990, the country has virtually sprinted up the last few steps during Abe's second term, but it has most likely now reached a landing at the top of the stairs. There are limited political or financial means to allow future administrations to keep climbing, without some major shift in the regional security environment.

Throughout the process of implementing his defense reforms, Abe has had to compromise frequently to mollify public opposition and gain support from his coalition partner, the peace-loving Kōmeitō. Before Abe regained power in 2012, the LDP's election platform previewed his goals for national defense, in particular advocating increased SDF troop levels and defense spending. In both cases, however, there has been hardly any change. The number of SDF personnel actually has declined by eighteen since 2012, and the base defense budget grew by only 4.4 percent over four years through 2016 (roughly keeping with the pace of inflation and accommodating some yen weakening).³¹ When supplemental budgets are factored into the equation, Abe has not even been able to match the largest defense budget total passed by the DPJ in 2011, when the SDF required significant recapitalization after the March 11 earthquake and tsunami disaster.³²

Although the Abe administration has been hailed as successful for its security reforms, the LDP's performance has still fallen short of its own ambitions. In its election platform, for example, the party argued for a basic national security law to "comprehensively" promote national security duties and infrastructure, but this law was never even brought before the Diet.³³ The LDP's security goals have been only partially accomplished in pieces since 2013, with the NSC, State Secrets Law, and others. Even the historic security legislation of 2015 that opened the door to exercising collective self-defense was the product of much compromise. The Self-Defense Forces' transformation is taking place only at the margins, because the Japanese public overall and Kōmeitō actively oppose more drastic reform. Even some within the LDP have been uncomfortable with a few of the originally intended proposals.

The centerpiece of the 2015 security legislation was supposed to be a clear expression of Japan's ability to exercise its right of collective self-defense, but Kōmeitō argued effectively that this could be constitutional only if it were directly linked to Japan's defense and only if there were no other means to address the situation.³⁴ Japan's exercise of collective self-defense is thus highly qualified and would be almost impossible to apply to a situation in the Middle East, an example Abe provided in Diet debate on the theory that a block on all oil exports from that region would imperil Japan's economy. In reality, Japan's strategic

oil reserve would enable the country to absorb major supply disruptions for several months, and other measures could be taken that would preclude the need for a near-term SDF dispatch.

Thus despite Abe's suggestion that a Middle East scenario might be applicable and opposition party claims that the new legislation will "draw Japan into America's wars overseas," the most likely use of these laws—if they are ever invoked—would be in the case of renewed war on the Korean Peninsula.³⁵ In this scenario, Japan is simply stretching its self-defense rationale as a practical response to growing North Korean nuclear and missile threats rather than a proactive step toward a more militarized foreign policy. Such Japanese support to U.S. forces can strengthen deterrence and help cope with deterrence failure, but it is clearly less than what Abe envisioned in 2012.

Another reason why the security policy reforms of 2015 might end up being less impactful than initially hoped is that their implementation generally becomes watered down in the process of developing doctrine and procedures. The mission of asset protection, for example, by which Japan's SDF might be allowed for the first time to come to the aid or help protect U.S. military assets (a ship, plane, or radar station) is likely to be qualified in practice. The initial procedure discussed by MOD, MOFA, and key Diet members would allow Japan to aid the Americans if they were exercising together and an attack came out of the blue, unexpected, but it would discourage an SDF deployment with U.S. forces into an area that posed a higher risk for conflict.³⁶ As a result, the more likely it is that U.S. forces would need Japanese support, the less likely would be Tokyo's approval for the SDF dispatch. These kinds of issues will need to be clarified within the alliance during Donald Trump's administration to mutual satisfaction.

Constitutional revision was another underlying goal of the LDP platform, and while this also remains possible, it is hard to see how the ruling coalition can generate sufficient support for language specifically targeting security policies and article 9 that would exceed authorities in the 2015 security legislation. In fact, some ardent supporters of revision complained that the 2015 security legislation made changing the Constitution more difficult, since the public now believes that collective self-defense can be exercised sufficiently if Japan is in any direct danger, obviating the need to change the supreme law.³⁷ A series of NHK World polls from 2013 to 2016 shows declining support for amending the constitution, with those opposed growing to 31 percent by 2016 (versus 27 percent who say it is "necessary"). The number of people specifically opposed to amending article 9 hit 40 percent (versus 22 percent in support). One-third or more of the people are usually undecided on these issues.³⁸

The LDP added seats and gained a party majority in the Diet's upper house via the 2016 summer election, so it is in a relatively good position to seek some form of constitutional revision in the near future. Still, even if a two-thirds majority is interested in the idea of

constitutional revision in general, opinions usually diverge on precisely how and with what priority, so finding sufficient support for specific revision proposals in the security area will be a high hurdle to overcome.

Overall, Prime Minister Abe and his party have been winning elections since 2012 based on voters' hope that Abe can deliver on his economic growth promises and because of their disenchantment with three years of opposition rule led by the DPJ.³⁹ In recent successful elections for the LDP, for example, the party actually won fewer votes than it had when it lost power to the DPJ in 2009. The DPJ lost because voters abandoned the party, not because voters were swayed by the LDP. Although the number of LDP members around the country has increased for three years straight since 2012, at 990,000 the membership total is still well below the 1.2 million mark of 2005 and nowhere near the peak of 5.5 million of 1991.⁴⁰ Moreover, the LDP's defense and security policies have not been popular beyond the general appeal of remaining firm against China and North Korea. Abe's promotion of security reforms has tended to drag down his approval ratings rather than provide a boost.

For example, a majority of Japanese voters disapproved of the State Secrets Law in late 2013 and opposed the security legislation passed in September 2015, contributing to a quick slide of the Abe cabinet's support rate from as high as 80 percent in some polls down to 38 percent before recovering again. The sensitive political environment surrounding these issues means that implementation by the government is likely to be cautious. One small example of this kind of self-censorship was the Abe government's decision to postpone military exercises or bilateral planning with foreign troops based on the new security legislation ahead of the summer 2016 upper house election for fear of highlighting it as a campaign issue.⁴¹

The ruling coalition of the LDP and Kōmeitō won a majority of seats in the 2014 lower house election, which means they could wait until December 2018 before facing another major election.⁴² Abe's second consecutive term as LDP president (and thus prime minister) ends in September 2018, and the LDP would have to change its rules for him to continue with another term. This has never happened before in the LDP's history since it instituted a two-term limit in 1974, but the party is preparing to allow a third term and will officially decide in March 2017.⁴³ Abe and his highly regarded Chief Cabinet Secretary Yoshihide Suga are already the longest-serving leadership duo in modern Japan, but even with an extended term their goal of constitutional revision will be difficult to achieve.

Notwithstanding Abe's political resiliency, the current sense of government stability and continuity in Japan belies an undercurrent of concern about the LDP's political future and the strength of its governing ability over the long term. Japan's economic performance and the prevailing mood among its people will determine the durability of Abe's tenure.

Weak political opposition suggests that the LDP will maintain its majority for some time, but without a strong prime minister the government could easily lose momentum on defense issues or even regress. The fate of the economy is critical in this regard, and recent experience combined with global weakness, accumulated domestic liabilities, and big social welfare needs do not bode well.

The combination of a strong prime minister and his frequent use of the NSC to push reform aggressively have been the key to facilitating change since 2013. For example, the NSC was given the primary lead for passing the 2015 security legislation, and Abe has used a newly created Cabinet Bureau of Personnel Affairs to shape bureaucratic behavior by promoting like-minded leadership. In the Abe era, the NSC is likely to retain an influential role in defense policy making, but the extent to which this continues beyond then is unpredictable. Personnel adjustments and a weakened prime minister could erode NSC influence and make it less effective. Despite many Japanese defense specialists and conservatives who confidently predict constitutional amendment and possibly even U.S.-Japan Security Treaty revision in the not-too-distant future, alliance managers might feel fortunate a decade from now if they are simply able to implement the bulk of alliance activities described in the 2015 Defense Guidelines.

Although Japanese citizens have become more security conscious and supportive of the SDF, the potential impact of public attitudes on policy is often restrained owing to a general aversion to war and wariness of overseas entanglements. The number of those who think the SDF should focus more on international peace cooperation activities in the future, for example, has actually declined in recent years (from 44 percent in 2012 to 36 percent in 2015, compared with the 70-plus percent who prioritize disaster relief and defense of Japan).⁴⁴

Moreover, Japan continues to rank the absolute lowest (64 out of 64 countries surveyed in 2015) in “willing[ness] to fight for your country in a war,” if necessary (only 11 percent), so concerns about Japan becoming more militaristic and eager to engage abroad seem premature.⁴⁵ Japan has consistently ranked lowest on this point since the end of the Cold War.⁴⁶ The SDF is just beginning to contemplate doctrine with regard to how and when it might shoot to kill enemy combatants, and at least some young soldiers are wrestling with the moral implications.⁴⁷ The services also have a long way to go in terms of conducting true joint operations and supporting forward-deployed forces, including battlefield medicine and other skills that accompany the use of force.⁴⁸

In addition, the inability of the U.S. government and military to completely prevent training accidents or violent crimes by Americans in Okinawa means that the political sustainability of U.S. forces in Japan—and close collaboration with the SDF—is always one crisis away from severely damaging alliance relations. The relocation of the Futenma Marine Corps Air Station to offshore from Camp Schwab in northern Okinawa would

help this situation by reducing the number of U.S. Marines in the prefecture, returning valuable land to Japanese control, and moving to a less densely populated part of the island, but a majority of Okinawans are still pushing for an all-or-nothing solution to get the Marines out of Okinawa entirely. The alleged rape and murder of a local woman by an American military contractor at Kadena Air Base rekindled emotions in 2016 and mobilized tens of thousands in protests reminiscent of the 1995 rape incident. This ongoing political struggle has often retarded public support in Japan for close security cooperation with the United States.

Japan's record on defense spending also suggests that its security commitments will remain limited. Japan's defense spending in 2016 was nearly the same amount as it was in 2000 (at 4.95 trillion yen), even as the general account budget increased by roughly 12 percent. Meanwhile, expectations for increased Japanese defense spending going forward might be overblown, since the country's high debt-to-GDP ratio means that debt servicing costs are consuming ever higher percentages of the general budget.

A significant shift in Japan's threat environment or confidence in the United States could change this dynamic, but it is hard to envision Japan sustaining the pace of defense reforms without more offensive Chinese or North Korean military moves. North Korea's nuclear weapons program is a major wild card in this context. Considering the question of whether Japan is still climbing the metaphorical security stairs or consolidating at the top landing, a variety of economic, demographic, and political factors suggest the latter. This assumption has important implications for U.S. policymakers as they develop their Japan and broader Asia policy for a new administration. Consolidating and operationalizing recent gains in alliance security cooperation and managing the political sustainability of U.S. forces in Japan should be priorities for the next decade or two, while exploring opportunities to invest in new forms of alliance collaboration for mutual strategic benefit in this uncommon alliance.

ENDNOTES

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5. Ministry of Finance, *Japanese Public Finance Fact Sheet* (Tokyo: Ministry of Finance, 2016), <http://www.mof.go.jp/english/budget/budget/fy2016/03.pdf>.
6. “Welfare-Dependent Elderly Households Top 50% of Total in Japan,” *Kyodo News*, June 2, 2016.
7. A variety of estimates for Chinese military spending exist. The announced budget by Beijing is roughly 900 billion yuan or about \$144 billion, but the U.S. government factors in other defense- and military-related expenditures and estimates over \$180 billion for 2015. See, for example, U.S. Department of Defense, *Annual Report to Congress: Military and Security Developments Involving the People’s Republic of China* (Washington, DC: U.S. Department of Defense, April 2016), <http://www.defense.gov/Portals/1/Documents/pubs/2016%20China%20Military%20Power%20Report.pdf>.
8. David Ochmanek, “The Role of Maritime and Air Power in DoD’s Third Offset Strategy,” Statement before the Subcommittee on Seapower and Projection Forces of the Committee on Armed Services House of Representatives, December 2, 2014, <http://docs.house.gov/Committee/Calendar/ByEvent.aspx?EventID=102768>; and Frank Kendall, “A Case for Reform: Improving DoD’s Ability to Respond to the Pace of Technological Change,” Statement before the Committee on Armed Services House of Representative, January 23, 2015, <https://armed-services.house.gov/legislation/hearings/case-reform-improving-dod-s-ability-respond-pace-technological-change>. Also, Ministry of Defense, *Defense of Japan 2015* (Tokyo: 2015), 34–48.
9. Kendall, “A Case for Reform.”
10. Chinese violations dropped back down again after it became clear that the Japanese firm Teikoku Oil had no immediate plans to conduct test drilling.
11. For example, despite a Japan-China agreement in June 2008 regarding the need to consider joint development of certain potential oil and gas fields in the East China Sea, China has declared the Tianwaitian gas field off-limits for joint development, while Japan has argued that it should be included.
12. Multiple former SDF officers, interview with author, Tokyo, Japan, June 28, 2016.
13. Japan will add 200 billion yen (about \$1.8 billion) in its third supplementary budget for 2016, for example, to upgrade sea- and shore-based missile defense systems, which is in addition to about 200 billion yen already included in the base FY 2016 budget. “Govt Eyes ¥200 Billion for Missile Defense,” *Yomiuri Shimbun*, November 27, 2016.

14. “National Security Strategy,” Japan Cabinet Office, December 17, 2013, <http://www.cas.go.jp/jp/siryou/131217anzenhoshou/nss-e.pdf>.
15. The U.S. lead organization for BISC is the Defense Technology Security Administration (in collaboration with the Policy bureau of the Office of the Secretary of Defense, AT&L, the State Department, and others). The Ministry of Defense’s Intelligence Division (in the Internal Bureau) is the Japan lead for BISC, supported by some new ATLA offices.
16. Ministry of Defense, *Review of NDPG: Defense Posture Review Interim Report* (Tokyo: Ministry of Defense, August 8, 2013).
17. Based on the author’s review of Japan’s annual defense budgets.
18. In these two cases, military and paramilitary force used by North Korea and China pressured U.S. allies’ claims to territory but was carried out at a level of intensity that did not trigger direct U.S. involvement and left the response to South Korea and the Philippines, respectively.
19. Emphasis added. See Ministry of Defense, *Defense of Japan 2014*, 145. Author interviews with several drafters of the 2014 NDPG revealed this underlying thinking behind MOD’s emphasizing of the “joint” concept.
20. A Ministry of Defense internal review carried out during preparation of the 2014 NDPG, for example, apparently revealed such data link shortcomings where each service’s air defense and sensor systems could not share information sufficiently (that is, weapons from one branch could not benefit fully from sensor data provided by another branch), forcing MOD to invest in a short-term fix. Author interview with MOD officials, Tokyo, Japan, February 14, 2014.
21. Some Ground SDF will relocate from Japan’s northeast to the southwest (for example, a coast observation unit on Yonaguni Island near Taiwan); the Japan Air SDF added (by relocation) an F-15 fighter squadron to Naha; and new destroyers will be equipped with a towed-array sonar system for antisubmarine missions.
22. “The Guidelines for U.S.-Japan Defense Cooperation, April 27, 2015,” Ministry of Defense of Japan, http://archive.defense.gov/pubs/20150427_--_GUIDELINES_FOR_US-JAPAN_DEFENSE_COOPERATION.pdf.
23. The law’s full title is 国際平和共同対処事態に際して我が国が実施する諸外国の軍隊等に対する協力支援活動等に関する法律（平成27年9月30日法律第77号） or “Law Related Our Country Implementing Armed Forces in Cooperation Supporting Activities in Situations Dealing With Joint International Peace (2015 September 30 Law #77).”
24. For background, see Atsuhiko Fujishige, “New Japan Self-Defense Force Missions Under the ‘Proactive Contribution to Peace’ Policy: Significance of the 2015 Legislation for Peace and Security,” CSIS Japan Chair Platform, July 21, 2016, <https://www.csis.org/analysis/new-japan-self-defense-force-missions-under-%E2%80%9Cproactive-contribution-peace%E2%80%9D-policy>.
25. See *Uchū Kihon Keikaku (Heisei 27 Nen 1 Gatsu 9 Nichi Uchū Kaihatsu Senryaku Honbu Kettei)* 宇宙基本計画(平成27年1月9日宇宙開発戦略本部決定) [Outer space basic plan decided

- by the Space Development Strategy HQ on January 9, 2015], <http://www8.cao.go.jp/space/plan/keikaku.html>.
26. The NISC acronym survives from its previous incarnation as the National Information Security Center.
 27. The NISC's expanded mandate was approved in September 2015 as part of a revised draft cybersecurity strategy, prompted in part by a huge personal data breach in the Japan Pension Service. Government of Japan, "Cybersecurity Strategy," National Center of Incident Readiness and Strategy for Cybersecurity, September 4, 2015, <http://www.nisc.go.jp/eng/pdf/cs-strategy-en.pdf>.
 28. "Defense Programs and Budget of Japan," in *Overview of FY 2016 Budget*, Ministry of Defense, http://www.mod.go.jp/e/d_budget/pdf/280330.pdf. Overall budget figure excludes U.S. force realignment and SACO-related expenses. Author used 110 yen to 1 U.S. dollar to calculate the 2016 U.S. dollar figure.
 29. Author interview with a METI official, Tokyo, Japan, June 18, 2015.
 30. See "Three Principles on Transfer of Defense Equipment and Technology," Ministry of Foreign Affairs of Japan, April 1, 2014, http://www.mofa.go.jp/press/release/press22e_000010.html.
 31. See "Defense Budget," Ministry of Defense, accessed December 22, 2016, http://www.mod.go.jp/e/d_budget/index.html.
 32. The FY 2011 total defense budget was 4.66 trillion yen base plus 489 billion yen supplemental for a 5.15 trillion yen total (or almost \$64 billion at the average exchange rate that year, Japan's highest U.S. dollar-equivalent defense budget ever).
 33. 『J-ファイル2012 自民党総合政策集』 "J-Fairu 2012 Jimintō sōgō seisaku shū" [J-File 2012 LDP Comprehensive Policy Collection], 自民党 "Jimintō" [Liberal Democratic Party], November 27, 2012, https://jimin.ncss.nifty.com/pdf/j_file2012.pdf, 39.
 34. The 2015 security legislation requires "three new conditions" for the use of force:
 - (1) An armed attack against Japan has occurred or an armed attack against a foreign country that is in a close relationship with Japan has occurred and as a result threatens Japan's survival and poses a clear danger to fundamentally overturn people's right to life, liberty, and the pursuit of happiness.
 - (2) There is no other appropriate means available to repel the attack and ensure Japan's survival and protect its people.
 - (3) Use of force will be limited to the minimum extent necessary.*Japan's Legislation for Peace and Security: Seamless Responses for Peace and Security of Japan and the International Community* (Tokyo: Government of Japan, March 2016), <http://www.mofa.go.jp/files/000143304.pdf>.
 35. Kazuo Shii, Japan Communist Party leader, Testimony before the Special Committee of the House of Representatives on the Legislation for Peace and Security of Japan and the International Community, Tokyo, Japan, May 28, 2015, observed by author.
 36. MOD and SDF officials, interview by author, Tokyo, Japan, April 22, 2016.

37. Conservative Japanese scholars, interview by author, Tokyo, Japan, March 7, 2015.
38. “Poll: People Divided on Constitutional Amendment,” NHK, May 2, 2016. An *Asahi Shimbun* poll taken at the same time showed that 55 percent believed there was no need to amend the constitution, with far fewer undecided.
39. In March 2016, the DPJ and the Japan Innovation Party merged to form a new opposition party called the Democratic Party (DP) to improve their ability to compete in elections.
40. “980,000 in LDP Ranks,” *Yomiuri Shimbun*, March 4, 2016; and “Abe Shushou no Mutōhyōsaisen ni Fuman no Koe: Tōinsū wa Shihan Seiki de 547 Man Nin → 89 Man Nin ‘Sousaisen de tōhyō dekiru’ to Kanyūshitanoni 『安倍首相の無投票再選に不満の声 党員数は四半世紀で547万人→89万人 「総裁選で投票できる」と勧誘したのに...』” [Dissatisfied voices toward Abe’s election-less reelection: In a quarter century, party membership drops from 5.47 million to 890,000, despite claims that “an election for the president is possible”], *Sankei Shimbun*, September 12, 2015, <http://www.sankei.com/premium/news/150912/prm1509120012-n1.html>.
41. “Joint Drills With Expanded SDF Role Are Postponed Until After Upper House Election,” *Kyodo News*, May 1, 2016; and multiple author interviews with U.S. and Japanese government officials and military officers.
42. Abe dissolved the lower house and forced a general election in December 2014, starting the clock on a maximum four-year term for members of the House of Representatives. The prime minister can dissolve the lower house and force a new election at any time.
43. The LDP provided Yasuhiro Nakasone a one-year extension for his second two-year term, but a full third term (let alone a third three-year term) has never been sought or approved. Shinichi Fujiwara, “Abe Could See 3rd Term as LDP Leader Under New Party Rules,” *Asahi Shimbun*, October 19, 2016.
44. *Jieitai-Bōei Mondai ni Kansuru Seron Chōsa* 自衛隊-防衛問題に関する世論調 [Public opinion survey on the Self-Defense Forces and defense issues], Japanese Cabinet Office, January 2015, http://survey.gov-online.go.jp/h26/h26-bouei/3_chosahyo.html.
45. “WIN/Gallup International’s Global Survey Shows Three in Five Willing to Fight for Their Country,” Worldwide Independent Network of Market Research and Gallup International, 2015, accessed December 22, 2016, <http://gallup-international.bg/en/Publications/2015/220-WIN-Gallup-International%E2%80%99s-global-survey-shows-three-in-five-willing-to-fight-for-their-country>.
46. *Changing Human Beliefs and Values, 1981-2007: A Cross-Cultural Sourcebook Based on the World Values Surveys and European Values Studies*, eds. Ronald Inglehart et al. (Mexico City: Siglo Veintiuno Editores, 2010), 172.
47. “With Security Laws in Force, Are JSDF Personnel Ready to Shoot Humans?,” *Mainichi Shimbun*, June 7, 2016.
48. Ibid.; and author interviews with SDF and USFJ personnel.

CHAPTER FIVE

THE UNCOMMON ALLIANCE

THUS FAR, the post–Cold War evolution of the U.S.-Japan alliance has been a story of overall continuity amid dramatic geopolitical change, a steady dampening of economic rivalry, and strengthened security and broader global cooperation to protect and promote shared interests. In many ways, the alliance has gone from being relatively weak in terms of joint action but stable during the Cold War, to becoming a much stronger and capable partnership, even if it is increasingly fragile as the risks become more tangible and priorities diverge. Throughout all this time the U.S.-Japan relationship has remained a fundamentally asymmetric or uncommon alliance.

As allies, the United States and Japan are far apart in various tangible and intangible ways. The two countries are physically distant and dissimilar: the United States is a quintessential land of plenty blessed with vast land and natural resources, and Japan is a small, densely populated archipelago with relatively few natural resources beyond fresh water and easy access to the sea. The United States is a global power, whereas Japan's geopolitical influence is more limited though still substantial in the Asia-Pacific region and in many international organizations. America maintains a federalist system of democracy with a diverse population that keeps renewing itself through immigration, in contrast to a homogeneous Japan that allows very little immigration and governs via a centralized parliamentary system of government.¹ These and other dynamics contribute to substantially different types of political economy.

Once at war with each other, their militaries are now configured quite differently, with a security commitment flowing only from the United States to Japan's defense, as Japan's constitution prohibits an offensive military doctrine. The U.S. armed forces have a far more celebrated role in the United States, retired military officers hold important cabinet positions, and Washington spends over ten times what Japan does on defense. The entire Japanese defense budget is roughly equivalent to what the U.S. Department of Defense spends on healthcare each year.² Beyond the military, there are other large culture gaps between the two (including language and religious background, among others) that influence how their institutions make decisions, how they educate their children, and how they practice capitalism and handle legal disputes.

At the same time, the allies do share many basic common strategic and economic interests, as well as core values of democracy, human rights, and the rule of law. Moreover, there is generally speaking a seemingly illogical affinity or mutual respect between these two cultures that often complement each other. America's strengths of diversity, individualism, freedom, and risk taking are frequently viewed as lacking in Japan, while the same (in reverse) can be said in America of such Japanese strengths as respect for tradition, group harmony, patience, and attention to detail, among other cultural attributes. These are broad generalizations that do not always hold true, but anyone spending considerable time in both countries will recognize these tendencies, and blending the two cultures can often create a positive synergy wherein each side brings out the best in the other. Of course, it also leads frequently to miscommunication and frustration during joint activities. So what helps to explain the durability of the U.S.-Japan alliance?

International relations theory suggests numerous motivations for alliance formation, including the preservation of a general balance of power, access to strongly desired public goods, and the capacity to ward off specific threats. None of these rationales, by itself alone, seem sufficient to explain an alliance between countries that are so different, so far apart, and in such dramatically different geopolitical environments. Instead, something closer to a security bargain framework seems more useful for explaining why Tokyo and Washington keep investing in their alliance over time, even as the terms of their bargain continue to evolve.³

The original grand bargain of U.S. defense protection and economic security support in exchange for military bases in Japan and an anticommunist stance had already been redefined by the time the Cold War ended, in recognition of Japan's growing economic strength. Their strategic bargain kept adjusting as globalization accelerated, the threat of terrorism expanded, and China became a leading power in East Asia. Over the past quarter century, the United States and Japan have become closer economically and socially, though there are persistent gaps between them that should be factored into any future alliance strategy. We begin with the gaps, consider the convergence, and conclude with an overall assessment of the alliance in the post-Cold War era.

PERSISTENT GAPS AND DIVERGING SECURITY PRIORITIES

The United States and Japan began the 1990s with an unusually high degree of mutual suspicion and even some contempt. Laid-off U.S. autoworkers could be seen occasionally lining up at union events for a turn at smashing a Japanese car with a sledgehammer while cursing unfair trade practices for taking their jobs.⁴ Meanwhile, some leading Japanese politicians publically called U.S. workers “too lazy” or illiterate to compete with Japan.⁵ Mutual disdain between Americans and Japanese seemed to be winning out, despite the natural respect and admiration the two cultures shared. Twenty-five years later the situation appears quite different, even if some stereotypes are hard to shake. A 2015 poll conducted in both countries showed that over 70 percent of Americans viewed Japanese as honest, inventive, and unselfish, but only 25 percent of Japanese identified Americans as hardworking.⁶

In the classic alliance dilemma of balancing fears of abandonment and entrapment, Japan often struggles with both, although abandonment tends to be more of an elite policymaker concern, while entrapment fears emanate largely from the public. Despite a positive view about Americans overall, polls show that about half of average Japanese see Americans as “aggressive” or “selfish,” a view no doubt influenced by excessive gun violence in the United States compared with Japan (consider, for example, that there are about 12,000 gun deaths in the United States annually versus twelve in Japan).⁷ This has an impact on their assessment of U.S. military engagements. Although the 1990 UN-backed Gulf War was mostly seen as justifiable in Japan, the Iraq War was not. Several polls in 2003 showed that around 70 to 80 percent of the Japanese public disagreed with the U.S. decision to invade Iraq, and this dynamic only worsened when disturbing evidence was revealed in 2004 about U.S. torture of prisoners in Iraq and elsewhere.⁸

Part of the problem at that time was the way Washington talked about and pursued the global fight against terrorist networks and rogue states. As professor Akio Watanabe has pointed out, extra effort is needed overall to explain how the so-called war on terror is an international war that requires a large group of willing and capable participants. “To the extent that the United States tends to explain the Afghan and Iraqi wars as American wars,” he said, “Japanese leaders will find it harder to justify contributions of the SDF before domestic opinion.”⁹

In this way, those in Japan who advocate an internationalist security policy that aligns closely with the United States are limited by public perceptions of how judiciously America wields its military might around the world, and for whose benefit. In its efforts to share the defense burden with allies and friends, therefore, the United States must not lose sight of the fact that capabilities cannot be divorced from circumstances or from the political decisions to employ those capabilities.

This perspective was expressed in a 2008 comment by former LDP secretary general Koichi Kato during debate on extending the Maritime SDF's refueling of coalition ships in the Indian Ocean. "It's time to stop it," he said. "While the mission has been significant in providing support to the United States, we will not obtain parliamentary approval for it."¹⁰ Kato apparently did not realize (or chose to ignore) that more than half of the fuel provided by Japan in the previous three years went to ten other countries, and in 2008, U.S. vessels received only about 15 percent of all delivered fuel.¹¹ The public's perception of the situation was what mattered to Kato, and few policymakers were willing to proactively reshape that perception. Only uniquely strong political leadership in Japan is able to overcome this dynamic, as Abe did in 2015, when nearly 80 percent of Japanese initially worried that his pending security legislation could pull Japan into a U.S.-led war.¹²

Beyond Japanese disillusionment with the way the United States prosecuted its military engagements in the Middle East since the Cold War's end, a deeper rift between the allies has emerged at a strategic level, as China's remarkable growth presses on a persistent fault line in the alliance. Japanese and U.S. national interests have never been identical, but they have long overlapped. China's rising economic and military power combined with America's divided attention on terrorism and other threats, however, is shrinking this area of shared interests.

Unlike the United States (which enjoys an absence of regional peer competition in the Western Hemisphere), Japan views its national security through two different lenses, one global and the other strictly regional. Both must be kept in mind when considering threats and vulnerabilities. Similar to the United States, Japan has a national security outlook that pays close attention to the economy and prioritizes political and economic stability in key regions around the world. National defense, however, is less often thought of in a global context by Tokyo.

For all the allies' talk about responding to a "new security environment" that includes terrorism and failing states abroad, it is still the potential local threats that dominate defense planning in Japan. North Korea's nuclear and missile programs stand out, of course, but so do large defense-spending increases and capability upgrades by China, especially when accompanied by competitive pressures, such as those involving Japan and China's dueling claims to the Senkaku/Diaoyu Islands.

Having administered those islands itself after World War II, the United States formally recognizes Japan's administration of the Senkakus, even if it declines to take a position on ultimate sovereignty of the uninhabited islands. This distinction is important, because the U.S. treaty commitment to help Japan defend itself applies to territory administered by Japan, not just owned or inhabited by Japan.¹³ Still, many Japanese officials wonder how aggressively U.S. forces would move if a Japan-China conflict broke out over these small islets so close to Taiwan.

Japan's main concern is not simply that China is spending more on defense and modernizing its forces. It is instead the nature of this modernization and the relatively quick and substantial investment in certain military capabilities that are steadily eroding the allies' ability to dominate the skies and seas around East Asia as they once could. Moreover, Chinese strategic-force modernization will raise the potential costs to the United States that U.S. policymakers must weigh when considering an option of intervening against Chinese interests on Japan's behalf. What troubles Japan is less a specific fear of attack than a general feeling of vulnerability if and when a dispute occurs, particularly involving low-level skirmishes between Japan and China that may (or may not) attract direct U.S. military involvement.

China's military capability improvements in and of themselves do not mean that conflict is somehow inevitable in East Asia. In fact, few analysts think that China has any intention of instigating a skirmish with Japan or the United States, let alone a war. For its part, China considers this military modernization program necessary to maintain a "lean and effective deterrent force," capable of responding to "strategic maneuvers and containment from the outside."¹⁴ As always, one country's threat perception is another country's prudent deterrent, which underscores the need to be careful when justifying allied military investments in terms of deterrence, without questioning their need or impact on the regional balance.

Japan does not expect to be attacked or invaded by a regional power, and at present it probably does not fear any significant intimidation in the near to medium term (though on this last point one can find diverging opinions). In the longer term, however, if Japan's economic clout is diluted by other countries' growth, and if China maintains the sole permanent Asian seat on the UN Security Council and develops a massive military capable of effectively imposing its will within the region (especially at seemingly low thresholds related to "Asian problems" of less concern to Washington), then this will become a major issue for Japan.

In addition, within the sphere of common alliance interests there is a growing split in terms of each country's security priorities, nowhere more evident than in how defense budgets are being spent. The United States is motivated largely by concerns about nuclear terrorism and other large-scale terrorist attacks on U.S. territory (or attacks that could otherwise undermine global economic and energy stability). Additional justification for U.S. defense spending includes America's handling of the potential rise of a peer competitor or regional peer (such as China, Russia, or Iran) as well as the protection of Israel and other major allies (including Japan).

But the U.S. military is wrestling with the perceived need to prepare for all types of warfare, from counterinsurgencies to large-scale state-to-state conflict against modernizing forces; and though spending in the Pacific theater was prioritized as part of Barack

Obama's rebalance to Asia strategy, the U.S. defense budget overall has declined about 15 percent since 2010 amid political gridlock at home. Moreover, the U.S. military faces huge recapitalization expenses in the near future if it wants to remain prepared for a wide range of conventional, nuclear, and asymmetric threats.

This challenge was already evident toward the end of George W. Bush's second term, when the U.S. ambassador to Japan, J. Thomas Schieffer, specifically called on Japan to boost its defense spending, noting that Japan's ratio of defense spending to GDP has been declining despite its growing concerns over potential military threats. He said, "We believe that Japan should consider the benefits of increasing its own defense spending to make a greater, not lesser, contribution to its own security."¹⁵ President Donald Trump echoed these sentiments less diplomatically during his 2016 presidential campaign. Part of the reasoning in both cases is that the United States generally views much of its own defense spending as serving the global public good by promoting geopolitical stability and protecting free and open trade. Washington's urging Tokyo to spend more on defense is not a new phenomenon, of course, but it is taking on new significance amid persistent budget deficits in both countries while the regional and global military challenges grow.

To be sure, the United States is spending and fighting to protect itself from specific and unique threats, such as Daesh, al-Qaeda, and other terrorist networks, but most Americans believe that the United States is a target of terrorism precisely because it has been the standard-bearer for freedom, democracy, and free-market capitalism in the world. The United States has often fought in support or on behalf of others when it perceived the existence of strong common interests and recognized its own vital stake in the success of that friend or ally. Consequently, U.S. officials and many Americans have a hard time understanding why others do not rush more enthusiastically to the common defense, be it in Iraq, Afghanistan, or other global hotspots, when the world's stake in America's success is supposedly just as great.

This sense of disappointment is not reserved for Japan but applies to other allies as well, such as South Korea and certain NATO countries that even contributed troops to Afghanistan (though in low numbers and with tight restrictions regarding their deployment). As one U.S. defense adviser commented in 2008 about NATO involvement in Afghanistan, "The mood [in the Pentagon] veers between acceptance and despair. . . . We ask for more troops, and they're not forthcoming. For many countries, being in Afghanistan seems to be about keeping up appearances, rather than actually fighting a war that needs to be won."¹⁶ These kinds of perceptions contributed to waning U.S. public support for overseas military actions during the Obama administration.

Still, Japan has been supportive of America's military engagements around the world, both through financial assistance to distressed countries (directly and through international organizations) and through past noncombat missions in the Indian Ocean and Iraq. Japan

has also been an active partner in the Proliferation Security Initiative to hinder the international transportation of weapons of mass destruction and related materials and continues to serve as part of the counterpiracy coalition in the Gulf of Aden.

Some Japanese policymakers embrace this expansion of geographic and situational applicability of the alliance because they readily agree that global stability has a direct, positive impact on Japan's national security, and they recognize Japan's responsibility in this area.¹⁷ Japan also stated in its 2004 NDPG that "the peace and stability of Japan is inextricably linked to that of the international community" and that "Japan will, on its own initiative, actively participate in international peace cooperation activities." As noted earlier, the Japanese government decided in 2006 to elevate international peace cooperation operations to a primary mission of the SDF.

For all of this rhetoric, however, the budget and procurement decisions Japan has made in recent years belie a dedication to support that new priority mission. Overall, Japan failed to put sufficient resources behind its new overseas missions and focused instead on national and coastal defense. When Japan began designing a replacement for its aging C-1 transport aircraft at the beginning of this century, for example, it made sure that the new C-X cargo plane could ferry around Patriot missile defense batteries for national defense. But the C-X cargo plane is not as large as the U.S. C-17 Globemaster III, which means it cannot carry Japan's CH-47J transport helicopters, which are often the most critical equipment needed for disaster relief or PKO missions.¹⁸ Japan's major new airlift investment, therefore, is suboptimal when it comes to supporting this overseas priority mission. Overall, with the possible exception of the new Hyuga-class helicopter destroyer, most of Japan's defense capital spending will go to traditional air and maritime defense, missile defense, and antisubmarine capabilities.

All of this suggests a situation that can perhaps be described as two friends not being completely honest with each other. Washington is trying to recruit Japan to become a more capable and proactive partner in multilateral coalitions to maintain global stability and promote democracy, but it still needs to reassure Japan that it remains committed to Japan's defense and regional deterrence. Officials in the U.S. government regularly voice their ready support for the defense of Japan and its interests, but they are reluctant to be pinned down on specifics regarding which units would respond to different defense-of-Japan scenarios. Overall, the United States wants to preserve flexibility for international missions and do as little as necessary to reassure Japan of its security commitments. This is not to say that Washington takes these commitments lightly. Far from it. But invariably the U.S. threshold of satisfaction regarding plans and preparations for Japan's defense (broadly speaking) will be lower than in Tokyo.

In a way, each country is providing minimal satisfaction to the other on issues of paramount importance to receive what it wants in return. While this is largely understandable,

not uncommon, and has not yet undermined the alliance in any crippling fashion, it is an inherently weak foundation for the alliance going forward. Moreover, some geopolitical developments suggest that this grand bargain could possibly lose its value for the allies if accommodating steps are not taken. Quickly stated, if a less stable and more multipolar geopolitical environment evolves in the context of zero-sum thinking and heightened competition for vital natural resources, the allies could reconsider whether the alliance “dues” they are paying are worth the cost. Greater global instability is certainly not a foregone conclusion, and even if it came to pass in some form, the allies might decide that they need each other even more. But either way, alliance managers need to communicate well and understand what their counterparts think as they try to balance the regional and global security equation.

Symbols have always been important to the alliance and to the concept of deterrence, and for many years an American policy to forward deploy at least 100,000 military personnel in East Asia was seen as a symbol of U.S. security commitment to its allies in the region. But when the George W. Bush administration began to deemphasize the 100,000 threshold in 2001, followed by personnel moves out of Korea and planned redeployments out of Japan as part of the Pentagon’s global posture review, suspicions of a slow U.S. retreat from East Asia grew in Tokyo.

When the new quadrennial defense review came out in 2006 during Bush’s second term, at least a few key Japanese policymakers and defense planners noted that subheadings in the 2001 review such as “maintaining favorable regional balances” and “detering forward” had been replaced by an intense focus on “fighting the long war” against terrorist networks and “defending the homeland in depth.”¹⁹ The simple explanation to the Japanese was that Washington was distracted by conflict in the Middle East and Central Asia, and it viewed everything through a hunkered-down prism of homeland defense. The reality was quite different, and an interesting dichotomy was evident when Tokyo worried about a U.S. pull-back while Beijing simultaneously lectured about America’s buildup in the region.

Objectively speaking, overall the United States was (and still is) increasing its military capabilities in the Asia-Pacific region, not pulling back. The buildup was one of the many objectives of the Bush administration’s global posture review, as a way of responding to a perceived shifting of “the global community’s ‘center of gravity’ [toward] the Asia-Pacific region.”²⁰ It continued as part of the Obama administration’s rebalance to Asia strategy and became more overt. However, the buildup was not always easy to quantify, since it relied on less visible measures such as upgrading equipment, more frequent rotational deployments, access agreements with partners in the region to broaden deployment flexibility in times of crisis, and similar incremental moves.²¹

Taken together, these improvements and additions and the busier military exercise schedule in the region suggest that external balancing has been in play vis-à-vis China, along

with contingency planning for North Korea, even if those in Japan who worry about America's security commitments do not notice it. Part of the reason for this is that as old symbols of deterrence are phased out, they are being replaced with a diffuse range of more capable (but only vaguely understood) assets, often deployed from farther away. The assurance effect is less concrete and immediate, though the deterrence effect might actually be stronger, because a potential adversary's defense planners are paying perhaps the closest attention to the array of new capabilities. This helps explain why Tokyo can be underwhelmed by recent developments while those same developments alarm Beijing.

A similar dynamic was at work in South Korea early in the Bush administration when the United States began pulling about 10,000 troops off the peninsula, consolidating bases, and moving most of the U.S. forces farther south near Pyongtaek.²² Conservatives in South Korea worried that the Americans were leaving, while North Korea focused on the capabilities upgrades and improved counterattack positioning of the redeployed forces. Eventually, the U.S. government was effective at convincing skeptics in Seoul of its continued commitment to the ROK's defense, in part by constantly highlighting the \$11 billion in capability upgrades and numerous other improvements that Pyongyang was worried about. It was essentially a long and sustained public relations campaign that paid dividends in terms of reassuring Seoul and bolstering deterrence on the peninsula.

It is easy to boast of how capable one is at destroying an adversary, however, when that adversary is North Korea, with which the United States has virtually no diplomatic or economic ties. It is another story if a major object of deterrence also happens to be a permanent member of the UN Security Council, is your largest source of imports (as is China for both the United States and Japan), and holds about \$1.2 trillion (8.5 percent) of your nation's long-term debt. Thus even if it wanted to, Washington would find it politically difficult to stridently reassure Japan vis-à-vis China, especially if that required senior officials and officers to regularly and publicly advertise all the capability improvements noted above. Still, China is a growing concern for Japan.

China's behavior in recent years suggests that as Beijing grows confident in the country's strength, its leaders are willing to bend market forces when possible, ignore disadvantageous legal and diplomatic norms, and challenge the geopolitical status quo in the Asia-Pacific region. While there is no immediate crisis of confidence regarding the durability of the alliance or its ability to deter aggression, questions are building in Japan about the long-term reliability of the United States as a security guarantor and regional stabilizer, especially at lower thresholds of conflict.

The political appeal in the United States of President Trump's America First foreign policy platform intensified this concern in 2016. Trump reopened old wounds that many thought had been healed, and the foreign policy establishment in Washington assumed that most Americans understood that the U.S.-Japan relationship today is far different

from what it was in the 1980s and 1990s. They were surprised at how easily a national political figure could sow popular doubt about the value of that alliance for America or the benefits that free trade agreements have delivered to the country overall. It is worth considering how much has—and has not—changed between the allies since the end of the Cold War.

DEEPENING OF ECONOMIC, SOCIAL, AND POLITICAL TIES

Perhaps the most noticeable change in the U.S.-Japan relationship from 1990 to 2015 is the absence of acrimony over trade issues and economic competition. Prime Minister Abe's economic strategy and Japan's promotion of a weaker yen reignited some friction from 2013, but complaints have been relatively minor despite Trump's and Democratic hopeful Bernie Sanders's incorporation of these themes into their presidential candidacies in 2016. After all, Japan's share of the total U.S. trade deficit went from 40 percent in 1990 to just 9 percent in 2015.²³ A consistent series of polls in the United States shows this change in sentiment dramatically, finding that Americans' opinion toward Japanese trading practices basically flipped, from 63 percent rating it unfair in 1989 to 55 percent rating it fair in 2015.²⁴

It is more than simply a matter of a less dynamic and imposing Japanese economy vis-à-vis the United States, however, because the numbers were even slightly worse in 1997 (64 percent unfair versus 19 percent fair) when Japan's economy was in the depths of a bad-loan crisis and growing at less than half the rate of the United States. For another measure, formal trade complaints by U.S. companies (using U.S. trade laws) against Japan have decreased steadily over time, dropping from 57 antidumping cases involving Japan between 1985 and 1994, to 29 from 1995 to 2004, and down to just 7 from 2005 to 2014.²⁵ Whereas in the 1990s trade complaints usually involved iconic national brands battling one another as a proxy for U.S.-Japan competition (for example, Kodak versus Fujifilm), the internationalization of business today is evident in a 2016 case in the United States brought by Fujifilm against Sony Corporation for patent infringement.²⁶

The changed environment between the two countries seems to reflect significant adjustments in Japan's economy and its corporate behavior, with a corresponding effect on U.S.-Japan economic relations. The evolution of Japan's political economy has been influenced in part by broad geopolitical and technological change—in particular the rise of China and some other key Southeast Asian nations—and a hefty dose of political pressure from Washington and European capitals amid growing multilateral trade liberalization. The result is a Japanese economy that has more in common with other G7 nations than ever before, at both macroeconomic and microeconomic levels. The ability of the United States and Japan to negotiate a free trade agreement in the form of the TPP in 2015 is one manifestation of these changes, even if Congress failed to ratify the deal.

Japan's economy has been constantly evolving in the post–World War II period, slowing from a period of high growth averaging over 9 percent annual real GDP growth from 1956 to 1973 to a more modest 4.2 percent from 1974 to 1990, and only about a 1 percent average in the post–Cold War period.²⁷ Even as growth slowed, Japanese households became wealthier (driven by accumulated gains and a stronger yen), to the point where in 1996 their financial assets as a percentage of the nation's GDP came to equal that of the United States, and domestic demand grew to constitute a larger portion of the economy.²⁸ A wealthier and older population started saving a lower percentage of its income, and Japan's savings rate dropped from 34 percent in 1990 to 19 percent by 2014 (compared with a drop from 20 percent to 17 percent in the United States over the same period).²⁹ Japan's final consumption expenditure (household and government) as a percentage of GDP also rose during this time, from about 66 percent to 81 percent, which is nearly equivalent to that of the United States.³⁰ Deficit spending by the government supported the trend of increased domestic demand, although low wage growth has worked against it in recent years. Exports are still important to Japan, and those sectors suffer when the yen rises, but the impact is mitigated to some extent by lower costs abroad.

Thus relative to earlier decades and with a strengthened yen overall, Japan's citizens and companies had money to spend, boosting imports slowly but also driving direct investment overseas that contributed an increasing share of the nation's income. Japanese firms bought properties and other companies and built their own factories and businesses throughout the United States, Europe, and Asia. The supply chain configuration changed as new plants were established in emerging markets and trade barriers came down, leading Japan to export more components and fewer finished goods. Japan's merchandise trade surpluses gradually declined until slipping into deficit in 2011, owing largely at the end to the March 11 tsunami disaster and subsequent shutdown of the country's nuclear reactors, which drove up fossil fuel imports. Returns on overseas investments, however, kept Japan's current account in the black. Japan today is as much a nation that invests and manages as it is one that manufactures and trades, which marks a major shift in its global presence.

A strong indicator of Japan's increased investment overseas can be seen in the ratio of foreign assets to total assets of Japanese companies, which rose from 3 percent in 1990 to 19 percent in 2013.³¹ A lot of this investment went into North America. Nearly one-quarter of all Japanese manufacturing now occurs overseas, and this figure includes all Japanese companies, not just those with foreign subsidiaries.³² After all, Japanese firms have pumped a total of \$394 billion in foreign direct investment (FDI) to the United States since 1991, with a striking \$184 billion flowing from 2011 to 2015.³³ A high-profile 2016 announcement by SoftBank's CEO Masayoshi Son about \$50 billion in planned U.S. investments suggests this trend will continue.³⁴ Similar investments can also be seen in China and Southeast Asia. As of 2013, Japanese firms directly employ more than 5.5 million people outside of Japan and about 650,000 of them in North America, and when

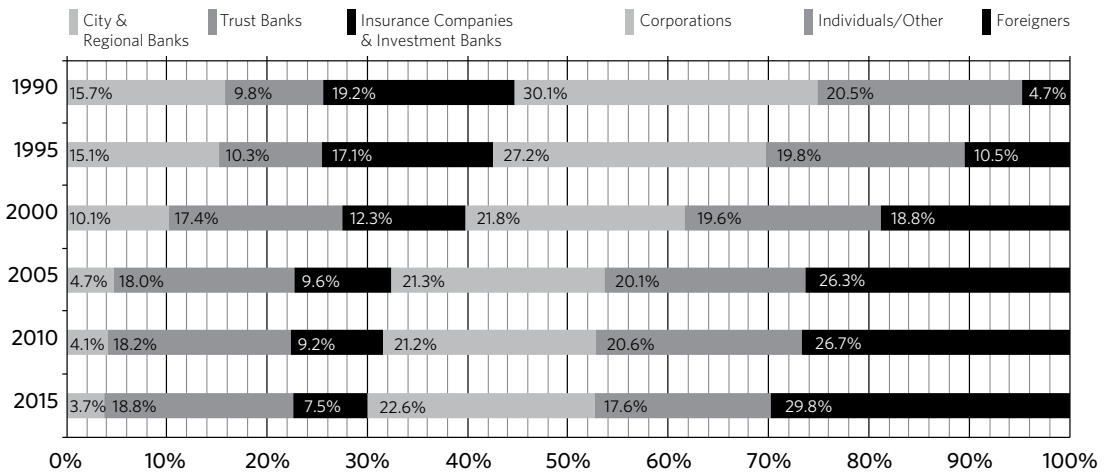
their affiliates are included the employment figure rises to over 860,000 just in the United States.³⁵ Among all international investors, Japan is the largest manufacturing employer in United States at around 360,000 employees.³⁶

The most important deciding factor for these kinds of investments is strong current or anticipated local demand for the company's product, cited by almost 68 percent of Japanese firms.³⁷ America's capable and affordable workforce is another factor. Adoption of NAFTA in 1994 facilitated some of this inflow, owing to its preferential treatment for goods made within the bloc. In the auto industry, for example, this meant that three of every four Japanese automobiles sold in North America in 2015 were manufactured there, according to NAFTA's rules of origin, whereas three decades earlier that figure was only one in ten.³⁸ This has opened up many more opportunities for U.S. makers of parts and services to supply Japanese firms within the NAFTA bloc without having to export all the way to Japan. This dynamic has occurred in other industries as well.

Of course, one cannot discuss post-Cold War economic development in Japan (or just about anywhere) without talking about China. It surpassed Japan as the world's second-largest economy in 2010 and has gone from being a relatively insignificant trading partner for Japan in 1990 to becoming its most consequential since 2005. In 1990, China accounted for less than 2 percent of Japan's exports and 5 percent of its imports, a lower total than Japan's trade with Hong Kong at the time. In comparison, Japan sent 32 percent of its exports to and received 22 percent of its imports from the United States that year. It was a far different situation in 2015, with about one-quarter of all Japanese imports coming from China and 18 percent of Japanese exports bound for China, making it Japan's largest trading partner.³⁹ The factors behind this change also drove up Japanese investment in China to the point where over one-third of all new Japanese overseas affiliates were established there, before giving ground since 2011 to Southeast Asia as growth slowed in China and Japan-China tensions increased.⁴⁰

Microeconomic behavior in Japan has changed in other ways, noticeably in the decline of cross-shareholdings among private firms and of the horizontal business networks (*keiretsu*) system over time. Some scholars consider this a shift from a closed innovation model to an open one, and it now involves a lot more foreign capital than ever before.⁴¹ Foreign ownership of Japanese shares on the Tokyo Stock Exchange, for example, soared from 5 percent in 1990 to 30 percent in 2015 (see figure 5.1). Stock ownership by trust banks doubled during this same period, to 19 percent, while the gains in these two categories came at the expense of city and regional banks, insurance companies, and corporations themselves.⁴² One result of all this adaptation and corporate governance reform has been steady (if not spectacular) profit making by Japanese firms despite the slow growth era but along with it a corresponding lack of imagination about where to invest for the future. Retained earnings by Japanese companies has risen dramatically since 1990 (particularly since after 1998 and the aftermath of the Asian financial crisis), climbing from 26 percent

FIGURE 5.1: Tokyo Stock Exchange Shareholder Structure, 1990–2015



SOURCE: “Survey Results for the Current State of Stock Distribution in Fiscal Year 2015 (in Japanese),” Japan Exchange Group, June 20, 2016, <http://www.jpx.co.jp/markets/statistics-equities/examination/nlsgeu000001q8j8-att/j-bun-pu2015.pdf>.

of GDP in 1998 to 68 percent by 2014 (piling up over \$3 trillion of cash sitting on the sidelines available for investment, employee wages, or shareholder dividends).⁴³

At the same time, globalization, demographics, and an opening economy have shifted employment trends in Japan. The percentage of Japanese workers employed in agriculture, manufacturing, construction, and other primary and secondary industries has declined steadily from 1990, while the number of workers in tertiary industries (services, transportation, retail, real estate, and so on) has grown by over 10 percent. These sectors now employ about three-quarters of Japan’s workforce, which makes sense, as Japanese firms finance more of their manufacturing and agriculture ventures overseas.⁴⁴ Meanwhile, the foundation of Japan’s lifetime employment system has eroded as the number of temporary or nonregular workers (*hiseiki shain*) rose significantly since the early 1990s, affecting workers under thirty and over sixty years of age the most. Nonregular employees make up almost 30 percent of all workers under the age of thirty-five (up from about 12 percent in 1993), and nearly 50 percent of those over fifty-five. Unemployment overall remains low (at about 3.3 percent), but the rise in the number of contract workers suppresses wage growth and adds to general economic anxiety.

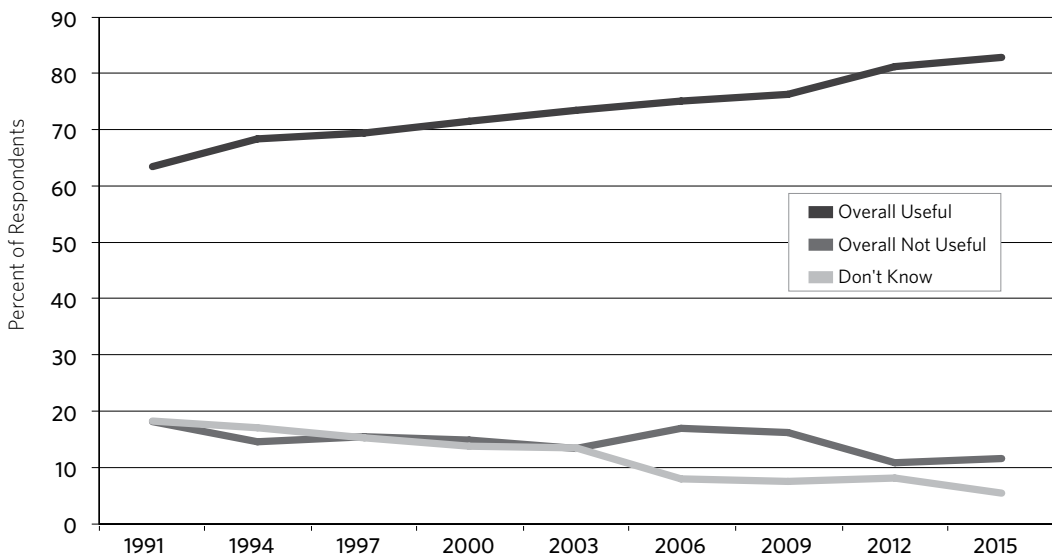
Overall, Japan has developed a mature and diversified economy that is more market oriented and integrated with the global economy than ever before. Trade battles with the United States and other countries had a role in these developments, for example by reducing tariffs, expanding market access, and influencing reform of such sectors as financial services (including the so-called Big Bang reforms of the late 1990s), retail and

distribution, and so forth. Multilateral dynamics including the establishment of the WTO had a role as well, in addition to Japan's own reforms such as postal privatization and others. To some extent these changes have combined with global trends to push up income inequality in Japan, though not as much as has been experienced in the United States and the United Kingdom.⁴⁵ Still, for a culture that takes pride in economic egalitarianism, further reforms that smack of free market fundamentalism will be difficult to sell politically in Japan, so this trend will likely slow in the near term.

In addition, as discussed throughout this manuscript, Japanese public attitudes on the security front have evolved as well. Compared with 1990, there is now a stronger base of political support for close security cooperation with the United States and developing a more active security role for Japan internationally. Japanese government surveys reveal that the public's "positive impression" of the SDF grew from 67.5 percent in 1991 to 92.2 percent in 2015. Meanwhile, the 2015 survey also demonstrated how 65 percent of Japanese believe the SDF should maintain its level of involvement in international peace cooperation activities, and another 26 percent think the current level should be increased.⁴⁶ One of the more telling indicators is the collection of responses to a Japan Cabinet Office survey question asked regularly every three years about whether Japanese "think the U.S.-Japan Security Treaty is useful for Japan's peace and security" (see figure 5.2). Since 1978, the lowest positive response (yes or maybe yes) occurred in 1991, at 63.5 percent. The highest positive response came in the most recent poll in 2015, at 82.9 percent. Notably, the percentage of those who were not sure dropped from 18.3 percent in 1991 to its lowest point ever in 2015, at 5.5 percent.⁴⁷ The perceived value of the alliance in Japan appears to be well entrenched among the Japanese public, given the tough regional security situation and the mutual trust that has built up over time. That same level of confidence appears somewhat elusive in the United States at the moment, which is why explaining the alliance's value and role in America's national strategy is particularly important for the new U.S. administration.

Although the United States has also experienced economic and social change since the end of the Cold War, it is more difficult to characterize quickly because of the size and diversity of the country and because it was already a mature economy and global power in 1990. Washington's promotion of globalization and free trade agreements came in for criticism during the 2016 presidential campaign for costing American jobs and exacerbating income disparities over the past quarter century, but from a macroeconomic perspective the post-Cold War era has been good overall for the American economy. Unemployment in 1990 was 5.6 percent, and—after falling and rising—it ended up slightly lower at 5.3 percent in 2015.⁴⁸ In this and many other categories, America's economy has outperformed most other G7 countries since 1990. Per capita income has more than doubled, from \$24,000 to \$56,000 (often in the annual top ten in the world), and exports make up an increasing portion of the nation's economy (from 9 percent to 13 percent of GDP).⁴⁹ The shale gas and oil boom starting at the beginning of this century was another boon for the U.S. economy, and the country will most likely become a net exporter of natural gas in the future.

FIGURE 5.2: Japanese Public Views on Alliance Utility, 1990–2015



SOURCE: Polls from the Japanese Cabinet Office. See the following webpages: <http://survey.gov-online.go.jp/h02/H03-02-02-24.html>; <http://survey.gov-online.go.jp/h05/H06-01-05-14.html>; <http://survey.gov-online.go.jp/h08/bouei.html>; http://survey.gov-online.go.jp/h11/bouei/3_chosahyo.html; http://survey.gov-online.go.jp/h14/h14-bouei/3_chosahyo.html; http://survey.gov-online.go.jp/h17/h17-bouei/3_chosahyo.html; http://survey.gov-online.go.jp/h20/h20-bouei/3_chosahyo.html; http://survey.gov-online.go.jp/h23/h23-bouei/3_chosahyo.html; and http://survey.gov-online.go.jp/h26/h26-bouei/3_chosahyo.html.

However, certain sectors and regions of the United States suffered job displacement and other negative effects from globalization and the Great Recession disproportionately, making for a potent political issue amid a widening wealth gap and vexing political dysfunction in the country. An increasing number of Americans feel left behind as a new tide seemingly carries a select few toward greater prosperity. By every measure, the disparity between upper-income Americans and those in the middle- and lower-income tiers is the widest that it has been since the Federal Reserve began collecting such data thirty years ago, and some data show a gap as wide as that during the Great Depression.⁵⁰ Adding to this economic unease in the post–Cold War era is the growth and pervasiveness of radical Islamic terrorism, which comes in many forms but consistently targets the United States and its partners.

Politics in the United States has responded in a polarizing fashion, as the country has become more diverse (for example, a drop in the non-Hispanic white population from 76 percent in 1990 to 62 percent in 2015), more able to connect with like-minded people and news sources (the Internet-connected population grew from 1 percent to about 90 percent during that time), and more sensitive overall to weakened U.S. primacy in the world. Deepened political partisanship has left the government unable to address long-term challenges such as funding Social Security and other entitlement programs, immigration reform, and sufficient infrastructure investment, all of which contribute to a less confident and capable America on the world stage.

In the meantime, the United States and Japan have become closer over the years, despite the great distance and culture gaps between them. Japanese FDI in the United States has contributed to this dynamic, helping to double the number of Japanese residents in America to about half a million.⁵¹ Whereas in the past Japan-oriented caucuses within the U.S. Congress would focus on Cold War security issues or applying trade policy pressure on Japan, today they are more often advocates for the relationship, representing election districts hosting large amounts of Japanese investment and related businesses that support their communities. When announcing the new U.S.-Japan Caucus in March 2014, co-chair Joaquin Castro noted that “Japan is the 4th largest contributor of foreign direct investment in Texas with over 30 business projects in the state.”⁵² Japanese embassy officials whose predecessors used to battle diplomatically with Washington counterparts over trade issues now spend their time collaborating on shared economic positions in multilateral forums.⁵³

American culture has long been popular in Japan, be it film, fashion, sports, food, music, or higher education, but the two-way flow of cultural exchange has developed in the post-Cold War era. Japanese food was an early gateway, as the number of Japanese sushi restaurants alone in the United States grew from fewer than 100 in 1990 to about 3,500 in 2015 (and served in countless supermarkets).⁵⁴ But Japan’s cultural presence in the United States has expanded to include Japanese video games, design, animation (anime), Pokémon and other games, business practices, and sports stars.⁵⁵ Hideo Nomo became Japan’s first baseball export to the United States in 1995, opening a wave of top Japanese talent appearing at U.S. ballparks and on TV screens across America every day during baseball season.⁵⁶ Ichiro Suzuki being named the American League’s most valuable player in 2001 and Hideki Matsui the World Series’ most valuable player became as natural as having the American-born Chad Rowan (known as Akebono) becoming a Sumo grand champion (*yokozuna*) in Japan.⁵⁷

Another area of U.S.-Japan interaction that bears mention is historical reconciliation, which has come so far since the two nations’ brutal war against each other that it sometimes gets overlooked. Given years of hateful propaganda and the terrible loss, suffering, and intense emotion experienced in the Pacific during World War II, it is remarkable that the two countries became allies so quickly and even genuine friends in just a few decades. But important gaps among Asian nations’ collective understanding of war history and responsibility were demonstrated by the rise of previously victimized countries that gained more means for recourse and reparation as they strengthened. A series of high-profile war-related anniversaries during the 1990s highlighted their grievances.

The fiftieth anniversary of the war’s end, for example, brought controversy in Washington over an exhibit of the *Enola Gay*, the plane that dropped the first atomic bomb on Japan. Similar debates occurred in Tokyo over how to express remorse for Japan’s war-time actions, among related issues that had been kept out of the spotlight for years.⁵⁸

Subsequent anniversaries, court cases, and school textbook publications rekindled friction and in some cases hardened attitudes that pushed historical interpretation higher up the political agenda (especially in Northeast Asia) and ahead of current challenges. At the same time, the United States and Japan made progress through gestures and human interaction, such as events that brought former combatants together on past battlefields in Iwo Jima and Saipan, among others, to jointly commemorate the past and embrace a shared future.⁵⁹ Prime Minister Abe's speech in 2015 before a joint meeting of Congress and Obama's visit to Hiroshima and Abe's visit to Pearl Harbor, both in 2016, were useful steps as well. Such events do not produce common interpretations of the past or completely heal the broader wounds that fester in the alliance, but with consistent effort and open minds the two countries can keep this issue on the side of deepening relations rather than persistent gaps.

Overall, for all of the cultural, political, diplomatic, and economic forces pulling at the U.S.-Japan relationship, there appear to be at least an equal number of undercurrents pushing the allies together. Maintaining the bilateral alliance used to be—at its core—a national strategic decision essentially delegated to a relatively small group of bureaucrats and elected politicians, and for them the choice was easy. Establishing, maintaining, and occasionally enhancing the alliance was always attractive because the security bargain framework provided benefits for both sides, despite a variety of associated costs in each country.

In the post-Cold War era, however, given the growing number of stakeholders, their expanding use of communications technologies, dramatic geopolitical changes, and other factors, alliance management has become more democratized. Some of this has occurred as a natural function of greater business activity, Japan's increased international role, and the accumulated experiences of U.S. military personnel and their families serving in Japan. Part of it has also been actively fostered by government and philanthropic programs including the Japan Exchange and Teacher Program, Fulbright educational exchanges and scholarships, Rotary Club scholarships, the U.S.-Japan Conference on Cultural and Educational Interchange, the Japan Foundation Center for Global Partnership, the U.S.-Japan Leadership Program, the U.S.-Japan Council, and many others. If this deepening of economic, social, and political ties had not occurred, then the alliance would likely look much different than it does today.

The two publics did not make decisions on alliance strengthening or conclude trade deals, but they accepted these developments in part because the friendship aspect of the bilateral relationship also became democratized. Mutual respect and affinity are not universal, and many aspects of culture clash persist, but the kind of bond that used to be confined mostly to alliance managers, military officers, and a few scholars who invested considerable time in the relationship now extends to a much wider population of teachers, business professionals, students, engineers, doctors, designers, and more. This is another positive legacy of the post-Cold War era to date.

A NEW IMPERATIVE AND A NEW OPPORTUNITY

The United States and Japan have evolved each in their own way since the end of the Cold War, and they have advanced together as an alliance. Some aspects of their development are mutually reinforcing, and some are separate. Their national journeys are underpinned by a strong commitment to an open, liberal, and internationalist global order that they believe will enhance security and prosperity over the long term and put all countries collectively in a better position to address transnational challenges to human development (for example, climate change, resource depletion, and failing states). This international system took shape after World War II as an effort to rebuild, promote cooperation, prevent conflict, and bolster the containment of communism. It began with the United Nations and Bretton Woods systems, but it evolved far beyond to include a wide range of international organizations, regulatory authorities, and governing or facilitating agreements related to trade, finance, public policy, travel, food safety, the environment, health, technology, space, and other areas.

The Soviet Union's collapse strengthened allied convictions about the value of and potential for this liberal, internationalist global order, and George H. W. Bush started to give a name to this vague aspiration, what he called the "new world order."⁶⁰ The challenge of defining this slogan and reactionaries' concern for its implications put the term quickly out of favor, but its roots stretch to a long American tradition that includes Woodrow Wilson's fourteen points and Franklin Roosevelt's four freedoms. In fact, aspects of this foreign relations order or system stem from some of the world's earliest empires.

This "order" has evolved over time—both organically and by design—to combine formal rules, institutions, loose norms, mere habits, and even shared desires altogether to become a complex yet amorphous whole that I call the open stable system. Parts of the system are easier to identify and define than others, but in broad terms it is the accumulation of means and behavior aimed at maximizing human interaction as predictably, productively, sustainably, and safely as possible. The system has some negative consequences—mostly related to how benefit and disruption are distributed—but overall it has contributed to global prosperity (notably in the United States and Japan) and a decline in conflict between states.

Although there have been various shocks to the open stable system since the early 1990s—including the Asian financial crisis, the dot-com stock bubble burst in 2000, increased terrorist activity and war in the Middle East, and the Lehman shock and Great Recession—the United States and Japan overall have remained productive, innovative, wealthy, and influential. The allies have benefited from the modern system, and they leverage the alliance to strengthen their ability to influence system development. On their own, as allies, and in collaboration with other nations and institutions, the United States and Japan work to shape and solidify—and repair, when necessary—the open stable

system. Both countries have a good, but certainly not impeccable, track record when it comes to following the international standards or rule of law that they advocate.

Still, the allies' commitment to the open stable system differs between the two countries in subtle ways. Americans tend to believe that the system will (and should) lead naturally to more countries that resemble the United States, politically and economically. Japan, however, is less focused on such political transformation as long as there is ready access for global trade and a fair and predictable set of rules within which to compete that is not subject to manipulation by the strongest. This slight gap between the allies can inhibit close cooperation at times when it affects one country's or the other's policy approach, such as Washington's conditioning of foreign policy on certain human rights benchmarks or democratic and free market reforms.

Moreover, the United States and Japan have reason to reconsider their early optimism for the post-Cold War world, as many dynamics have not unfolded as positively as they hoped or predicted. For example, China has become more capitalist and democratic (in certain ways), but this has not prevented a growing sense of zero-sum competition in East Asia, complete with stepped-up military investments, espionage, cyber attacks, propaganda battles, and even minor clashes. Russian political and economic reform never lived up to initial U.S. hopes, and a new form of cold war has returned to Eastern Europe, highlighted by a Moscow-supported Russian separatist movement in Ukraine from 2014.⁶¹

Russia and China chafe against the idea of a G7 blueprint for global order that they believe can disadvantage and marginalize them or otherwise interfere in their sovereign affairs. They also have the means to push back and are actively building their own networks and institutions. After a period of American primacy after the Cold War ended, a combination of some decline of the United States and Europe together with the rise of others has produced a new era of multipolarity and great power rivalry to which the U.S.-Japan alliance must adapt.⁶²

Similar to China and Russia, several countries in the Middle East, Southeast Asia, and elsewhere often reject the notion that international rules or norms should be allowed to influence politics or regulation within the borders of their nations, even as they seek to benefit economically from globalization.⁶³ Some leaders in these countries resist what they see as the imposition of Western standards for Western advantage or exploitation, while others are more narrowly concerned with the threat these outside influences could pose to their current standing and power. While there have been democratic advances around the world since 1990, there have been plenty of retreats as well in countries such as Thailand, Pakistan, Malaysia, Turkey, and Egypt.

More than a quarter century after the Berlin Wall came down, there continues today a competition over the normative foundation of international relations and state behavior, one that is especially acute and consequential in Asia.⁶⁴ This competition is no longer

as straightforward as democracy and capitalism versus communism. It occurs in multiple and interconnected areas of economics, politics, religion, and technology, against a convoluted and often conflicting philosophical backdrop of social justice and perceptions of fairness.⁶⁵ In this area, although there is relatively broad agreement among Americans and Japanese about what fairness looks like (compared, in particular, with China, North Korea, and Russia), their views are by no means identical and often diverge on issues of military conflict, conditionality, history, and international privilege.⁶⁶

On top of this, within the United States and Japan themselves there is nagging doubt about the efficacy of capitalism and democracy as currently practiced, given that their political systems appear incapable of addressing systemic challenges such as the long-term viability of social safety nets, the corrupting influence of money in politics, and balancing government budgets, among others. Both countries have experienced wrenching economic crises induced by bad loan or asset-bubble practices, and, whether self-inflicted or not, they erode confidence in the free market as the most efficient and beneficial system for the whole population, especially when public funds are used to keep offending firms solvent or double standards in general seem to be applied within society. This is part of a wider phenomenon of what European scholar Jan Techau has called “sophisticated state failure,” whereby mature democracies function relatively effectively on a day-to-day level (for example, elections, courts, tax collection, police, public administration) yet cannot make necessary political decisions about reform for the future, with slow but recognizably damaging consequences for their nations over the long term.⁶⁷

Thus while from a macro perspective the United States and Japan continued to do well and prosper in the post–Cold War era—enviably so, in the eyes of many countries—they gained only incrementally, unevenly, and against a backdrop of high expectations from 1990. In addition, the allies encountered many domestic setbacks along the way, including natural disasters, domestic and international terrorist attacks, and political corruption scandals. The Internet and digital revolutions that accompanied this era have been both enablers and antagonists in the two countries’ economic and political development, while the pace of change and its erratic nature tend to amplify public foreboding and undermine confidence. This is a fragile environment requiring well-informed political leadership characterized by integrity and a collaborative spirit.

Interestingly, the process of adjusting to these disappointments and challenges throughout this era has helped catalyze closer cooperation between the U.S. and Japanese governments. Precisely because events have not unfolded as favorably as anticipated, U.S. and Japanese leaders found renewed purpose in their relationship and frequently lashed their boats together—often with other like-minded countries—as they rode out the various post–Cold War rapids. This was accompanied by a growing alignment of the two countries’ business interests, aided by Japan’s economic maturity, reforms, and investment and combined with the multilateralization of trade and investment rules more broadly. These

dynamics and an increase in the number of shared cultural experiences among the two nations' citizens—through sports, pop culture, new technology, and new products, among others—have contributed to deeper mutual understanding and a stronger alliance foundation compared with earlier times.

Among the two governments, the U.S.-Japan relationship advanced most in the security arena, where there was both a mutually recognized need and a lot of room to grow. They redefined their security treaty in 1996 with the Joint Declaration on Security, cemented this new definition with revised defense guidelines in 1997 and implementing legislation in Japan two years later, and in 2015 finally began to operationalize those intentions, with new defense guidelines and legislation in Japan. On one hand, these adjustments have been remarkable. Whereas Japan's dispatch of Maritime SDF minesweepers after the Gulf War made news worldwide and broke with decades of Cold War precedent, Japan has since sent thousands of SDF troops abroad for PKO, humanitarian assistance, disaster relief, counterpiracy, and several other missions and exercises—often in close collaboration with U.S. forces—with decreasing global mention.⁶⁸ U.S.-Japan missile defense cooperation also traveled far, moving from the basic WestPac joint study in 1990 all the way to co-development, co-production, and testing of the SM-3 Block IIA missile by 2015.⁶⁹

On the other hand, by most measures, this seemingly rapid change (compared with the Cold War era) has really been slow, modest, and incremental, considering the fast pace of geopolitical and technological change. Japan's new International Peace Support Law (Kokusai heiwa shien hō) of 2015, for example, is essentially the realization of a general SDF dispatch law (*ippanhō*) that has been promoted by MOD and LDP members since around 2004 but consistently stymied.⁷⁰ The 2015 amendments to the SIASJ law were largely pieces that had been dropped from initial goals for the 1999 bill owing to political opposition. Emergency and crisis legislation passed in 2003 (*yūji hōsei*) was identified in the late 1970s as necessary to deal effectively with an attack on Japan, and there were still gaps to fill in the 2015 security legislation in the area of gray-zone contingencies.

Additionally, regulatory tweaks in Japan to allow for smooth missile defense co-production with the United States kept encountering interagency roadblocks as late as 2012, until the Abe administration finally cleared the way for good in 2014.⁷¹ In all of these cases (and many others), domestic legal and political hurdles in Japan trimmed expectations significantly, even as the allies managed to realize meaningful upgrades over time in their ability to work together in crisis situations involving armed forces. The two countries and the region are better off because of these gains, but further expansion is uncertain beyond what they can operationalize within the 2015 defense guidelines.

Noteworthy in this context is the supplementing of America's "hub-and-spoke" alliance system in Asia with a parallel networked alliance concept, following the growth of multilateral security cooperation among nations starting in the Gulf War and carrying on

through the conflicts in Bosnia, Afghanistan, and Iraq, as well as large or sustained (or both) disaster relief, peace building, counterpiracy, and counterproliferation activities. The end of the Cold War facilitated this, for although the United States accepted support from other countries in the past (for example, from several countries in the Korean War and from South Korea in Vietnam), these were atypical and hardly mil-to-mil cooperation situations for which the U.S. military planned and trained on a regular basis (beyond the unique NATO situation). High-stakes geopolitics during the Cold War usually made such collaboration potentially escalatory and therefore unreliable.

In addition, economic and technological advancement of U.S. allies in recent decades made multilateral cooperation more feasible. Since the 1990s, there have been a growing number of trilateral and multilateral security cooperation exercises and forums in Asia with a pragmatic and regionally focused problem-solving approach (for example, RimPac and Cobra Gold military exercises, the ASEAN Defense Ministers Meeting-Plus, trilateral dialogues, and others), in contrast to more utopian visions for collective security under UN auspices that had been hoped for in the wake of the Berlin Wall's collapse.⁷²

In the post-Cold War era, the United States and Japan have both consciously and unconsciously positioned their alliance as an important part of a high-level and rather abstract strategy of advancing when possible—and defending when necessary—the open stable system in which they thrive. In Japan's case, one could say the alliance is an essential part of its strategy and less abstract, but nonetheless it has been shaped, confirmed, and articulated via consistent government leadership interaction and statements over decades.⁷³ Efforts to work with China within this system and to engender Chinese support for its future development have been important, because multilateral collaboration could easily breakdown if confrontation deepens between the allies and China.

Since the early 1990s, advocacy for the open stable system has not been intended to disadvantage other nations, with the possible exception of North Korea or maybe South Africa under apartheid. In fact, the allies regularly highlight many of their policies and investments aimed at bolstering economically and integrating (politically) countries such as China and Russia. Suspicion and disagreement persist, however, regarding the management of international affairs and the global economy. In other words, the allied approach is not unambiguously good for all and therefore generates tension, and sometimes even conflict, with those holding different views. Unresolved historical gripes and economic competition exacerbate the dilemma.

This abstract alliance strategy to promote the open stable system is protected and defended by the military side of U.S.-Japan cooperation, but this primarily addresses just the downstream aspects of this strategy. That is, it provides the means to guarantee access in the region if needed to maintain openness, restore stability, or protect friends. It is there to address problems after they have manifested (and perhaps deter them from happening).

Some military capacity building and other engagements venture upstream, but that is not the main purpose of military investments. It is a by-product.

Further upstream, the allies employ a variety of unilateral, bilateral, and multilateral tools at a tactical level to support the open stable system. These include overseas aid, technical assistance, institution building, infrastructure development, educational exchanges, economic investment, and others. The Global Partnership of 1992 was the first concerted effort by the allies to organize these kinds of tactical initiatives in more direct service to their broader strategy, but they have not been able to sustain this approach in meaningful ways. The cost-benefit ratio of collaboration was rarely convincing, the logistics too inefficient, the impact too indirect, and the distraction of other crises and domestic priorities too great. There has long been a fuzzy middle between the allies' tactical programs and their larger strategy in support of the open stable system.

Reconstruction in Afghanistan from 2002 is one possible exception, although this was coordinated within a truly multilateral context without distinct U.S.-Japan bilateral leadership. Other exceptions might include Cambodia in the 1990s and to some extent the effort to support economic and political transformation in Myanmar from 2010. These two examples come closest to an orchestrated program of tactical activities (for example, aid, investment, capacity building, advocacy, and support for reconciliation) with indispensable U.S. and Japanese leadership in direct support of their overarching strategic goal. Other countries and institutions played critical roles, of course, but in these two cases (especially with regard to Myanmar) an alliance commitment and coordination of policy (including debt relief and sanctions removal), funding, and political leadership were essential for the overall program to move forward. It is debatable whether this kind of upstream collaboration can or should become a more prominent feature of the U.S.-Japan alliance going forward. Some might believe it is enough for the alliance to focus primarily on the downstream, but the upstream side can be enhanced, and I believe it would be advantageous to do so.

The U.S. rebalance to Asia, if continued in the next administration in some form, is a perfect opportunity to explore this potential. Japan has been a high priority for the United States within the rebalance, as expressed in comments from then national security adviser Tom Donilon, who highlighted five "lines of effort" underscoring the U.S. rebalance to Asia. The first among these, he said, was strengthening U.S. alliances in the region, "beginning with Japan."⁷⁴ Still, although policymakers often call for strengthening or deepening the alliance, what this means beyond enhancing security cooperation (as laid out in the 2015 defense guidelines, for example) is not clear. There is no articulated vision or strategy for nonsecurity components of the relationship and not even a consensus that it should be a high priority.

The Japan scholar George Packard has suggested that, by default, U.S. officials have forgotten that "the security treaty with Japan, as important as it is, is only part of a larger

partnership” and that “Washington stands to gain far more by working with Tokyo on the environment, health issues, human rights, nonproliferation, and counterterrorism.” He called for “the White House and the State Department to reassert civilian control over U.S. policy toward Japan.”⁷⁵ Others, however, keep the spotlight on security cooperation, recommending ever greater military integration to the point of resembling the U.S.-UK or U.S.-Australia alliances. Still others promote an expanded Japanese security role in exchange for reduction of the U.S. base presence in Japan, which could produce a less intimate but more politically sustainable alliance.⁷⁶ There are many options and recommendations for how to move forward, including simply staying the course. The past twenty-five years of alliance evolution provides some guidance for how to approach the near-term future, based on the following observations.

First, the allies can mobilize tremendous resources and technical expertise to help address almost any challenge. While this is not necessarily sufficient to solve a particular problem, these resources are nearly always an integral part of any solution, whether it is stopping an Ebola virus outbreak, helping a nation recover from a major natural disaster, or longer-term endeavors, such as multilateral institution building and coping with climate change. Since the early 1990s the allies have built up their alliance infrastructure for cooperation in these areas and have recently gained experience collaborating in an interagency manner involving both military and nonmilitary assets. Moreover, the allies do not need to prioritize one type of cooperation over the other (military versus nonmilitary). They can do both if specifically directed and effectively coordinated.

Second, the need for multinational responses to short-term and long-term global challenges with direct impact on American and Japanese national security is growing, contrary to hopes at the end of the Cold War. Although the fear of large-scale state-to-state warfare has receded, the number of civilian deaths and persons internally displaced by ethnic, religious, and other nonstate conflicts or environmental disasters is higher than it was in 1990.⁷⁷ These pressures, combined with broader failures of state governance across parts of the Middle East, Africa, Latin America, and elsewhere, are putting significant strain on global stability and threaten to spark wider conflicts. The situation is manageable if allies and partners stick together and act collectively, but they could lose control if they become isolated. There is reason to question if President Trump will be as effective a partner with Japan on this front as have past administrations, but efforts should be made to sustain this cooperation.

Third, the United States and Japan are today much better prepared to leverage their military tools in a complementary manner when necessary to protect national security and regional stability, but they are approaching the limits of usefulness for major new investments in this area. Military solutions to the types of problems described above are necessary but not sufficient by themselves to fix systemic breakdowns or prevent the recurrence of crises. In addition, strong cultural, political, legal, and budgetary limits remain in Japan that complicate the use of its SDF overseas for a wide range of missions. U.S. expectations

of Japanese military contributions have usually been too high, often leading to disappointment in Washington and causing political strain and some resentment in Japan. Beyond fully implementing the current defense guidelines with particular emphasis on a North Korea contingency and potential Japan-China conflict in the East China Sea, a singular focus on the military side of the relationship will pay limited dividends.

Fourth, nonmilitary alliance collaboration can be useful diplomatically and produce strategic benefit, but the allies have encountered a variety of institutional and logistical challenges that can make direct bilateral cooperation inefficient and unproductive. Some of these hurdles have diminished over time and are less pronounced than they were when the Global Partnership and the Common Agenda were being promoted, but many remain. The most successful alliance endeavors of this kind in the past involved a relatively high priority set of specific goals, with a senior-level commitment that promoted U.S.-Japan leadership in collaboration with other countries and institutions (for example, Cambodia and Myanmar).

Fifth, for all of the distance that the alliance has traveled to become closer and more capable in a wider range of disciplines, there are persistent gaps or chronic areas of misalignment that need to be kept in consideration. Differing strategic perceptions of China will be one such challenge. To the extent that China is willing to use its market power and military for intimidation and coercion to bend regional relations, norms, and institutions to its advantage over Japan, the strategic weight of China in Tokyo's calculations will always be greater than in Washington's. The United States certainly wants to support Japan, but on the margins it must also weigh the benefits of cooperation with China on other global priorities, which creates different thresholds between the allies for how severely to respond to certain Chinese behavior. Correspondingly, this physical and strategic distance between the allies vis-à-vis China can also work in the other direction, with Washington pushing China hard for some issue with less direct connection to Tokyo and implicating Japan in that confrontation. Consistent communication and high levels of mutual trust are required to manage this gap. Better still would be joint efforts of engagement with China to build as many avenues of multilateral cooperation involving China as possible.

Another important alliance gap exists less between Washington and Tokyo than between the two national governments, on the one hand, and the government of Okinawa, on the other. It is an exception to the broader development of a stronger alliance foundation since the early 1990s. The near-term issue is the relocation of the Futenma Marine Corps Air Station within Okinawa Prefecture, but there is a broader issue of fairness in the eyes of Okinawans, who believe they have contributed their land long enough for the defense of an alliance that gives them little respect in return. Many Okinawans feel that they have endured accidents, crimes, daily inconveniences, and lost economic opportunity because of the U.S. bases, which exist primarily for the benefit of the main Japanese islands that resist bearing the same burden. The allies, however, believe that they genuinely understand

Okinawa's frustration and have tried to reduce their impact, return land, and compensate the local citizens with economic assistance, but the strategic location of the island means that they cannot give the Okinawans everything they want without compromising the deterrence effect or response capability of the allies in the region. This is perhaps the biggest near-term challenge for the alliance as the Trump administration takes office.

There is a third persistent gap, the flip side of one of the most remarkable achievements in the relationship between the United States and Japan: their reconciliation after World War II. The allies have come a long way to become true friends and partners after that horrible experience, but unresolved issues related to responsibility for the war, how justice was served, and even what happened in some cases resurface regularly and in ways that actually complicate resolution. Efforts by the Abe administration to revise Japan's constitution and change other vestiges of the occupation do not necessarily mean that Japan as a country is rejecting the world's judgment about its actions in the first half of the twentieth century, although it can appear that way and create distance between the allies if not handled with sensitivity. The history issue is salient in relation to Japan–South Korea ties as well, given the need for close trilateral cooperation in response to North Korean security challenges. Americans are generally sympathetic to the Koreans for the hardships they endured at the hands of the Japanese during their colonial experience, which is remembered quite differently by Japan and Korea. The political arena is often an unproductive forum for these debates, and only a long-term commitment to and respect for independent historical scholarship and education on these issues can address these issues meaningfully for the future.

The U.S. and Japanese policymakers in 1960 who crafted and approved the revised security treaty did not understand how capable and globally concerned their alliance would become. Against long odds, this partnership of former enemies, vastly different cultures, and geopolitical circumstances has endured and expanded. At a critical point in the history of their relationship, when the original stimulus for the alliance faded, Washington and Tokyo discovered that the investments they had made in their partnership over three decades, for all of the accompanying tensions and frustrations, might provide value in a wide range of circumstances for another three decades in the post–Cold War era. The alliance has continued to adapt, but it faces a dramatic new test amid global upheaval and fast-paced technological change. The allies are well equipped to be leaders in a multilateral effort on behalf of the open stable system, but they must choose to play this role and be prepared to leverage various national resources toward that end.

ENDNOTES

1. According to World Bank data, the U.S. population grew by about 70 million from 1990 to 2015, while Japan's grew less than 4 million and is now shrinking.
2. Proposed FY 2017 U.S. defense spending includes \$49 billion for the Unified Medical Budget, covering 9.4 million eligible beneficiaries. *2017 Defense Budget Overview* (Washington, DC: Office of the Undersecretary of Defense [Comptroller] Chief Financial Officer, February 2016), http://comptroller.defense.gov/Portals/45/Documents/defbudget/fy2017/FY2017_Budget_Request_Overview_Book.pdf.
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15. Tomoko Hosaka, “U.S. Ambassador Urges Japan to Boost Military Spending Amid Splurge by Asian Neighbors,” *Daily Yomiuri Online*, May 20, 2008.
16. Tim Shipman, “U.S. Officials ‘Despair’ at NATO Allies’ Failings in Afghanistan,” *London Sunday Telegraph*, June 22, 2008.
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20. Admiral William J. Fallon, “Statement of Admiral William J. Fallon, U.S. Navy Commander U.S. Pacific Command Before the Senate Armed Services Committee on U.S. Pacific Command Posture,” Testimony before the U.S. Senate, Armed Services Committee on U.S. Pacific Command Posture, March 8, 2005, http://www.dod.mil/dodgc/olc/testimony_old/109_first.html. and <http://www.dod.mil/dodgc/olc/docs/test05-03-08Fallon.doc>.
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57. These achievements were all important milestones, of course, but in this globalized world the nationality aspect is increasingly unremarkable. Akebono became the first non-Japanese person to be elevated to *yokozuna* in 1993. Fiamalu Penitani (Musashi Maru) later gained that rank in 1999, followed by several wrestlers from Mongolia.
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59. American and Japanese veterans first marked the anniversary of the Battle of Iwo Jima together on the island in 1985. Reunions between the two groups of veterans have taken place on Iwo Jima on numerous occasions since then (including in 2015). Similar events have been held on Tinian and Saipan. See John Burgess, "U.S., Japanese Vets Join to Recall Iwo Jima Battle," *Washington Post*, February 20, 1985; and Associated Press, "U.S. Veterans Return to Iwo Jima for 70th Anniversary," *Los Angeles Times*, March 21, 2015, <http://www.latimes.com/world/asia/la-ftg-iwo-jima-70th-anniversary-20150321-story.html>.
60. Bush referenced the new world order in his State of the Union speeches in 1990 and 1991. See Joseph S. Nye Jr., "What New World Order?," *Foreign Affairs* 71, no. 2 (Spring 1992): 83–96.
61. This includes Russia's annexation of Crimea in March 2014, although some would go back further and highlight events such as the Russian military intervention in 2008 to support separatist movements in South Ossetia and Abkhazia from Georgia.
62. For a discussion of this return to great power rivalry, see Dmitri Trenin, "The Ukraine Crisis and the Resumption of Great-Power Rivalry," Carnegie Endowment for International Peace, July 9, 2014, <http://carnegie.ru/publications/?fa=56113>.
63. Benefits of globalization include reductions in global poverty and mortality. In the post–Cold War era, the percentage of people living under \$1.90 a day based on 2011 PPP fell from 35 percent in 1990 to 10.7 percent in 2013, while adult and infant mortality rates dropped by about 19 percent and 46 percent, respectively, between 1990 and 2015. See "Series: Poverty Headcount Ratio at \$1.90 a Day (2011 PPP) (% of population); Mortality Rate, Adult, Male (Per 1,000 Male Adults); Mortality Rate, Adult, Female (Per 1,000 Female Adults); Mortality Rate, Infant (Per 1,000 Live Births)," in World Development Indicators, World Bank, updated December 21, 2016, <http://data.worldbank.org/data-catalog/world-development-indicators>.
64. For the phrasing of "competition over the normative foundation of international relations," I am indebted to Dr. Tsutomu Kikuchi of Aoyama Gakuin University from a seminar at the Carnegie Endowment for International Peace, "Japan's 'Swing State' Diplomacy in Southeast Asia," March 18, 2014, <http://carnegieendowment.org/2014/03/17/japan-s-swing-state-diplomacy-in-southeast-asia-event-4355>.
65. For a discussion of the fairness dilemma as it applies to international relations, see Nicholas D. Wright and James L. Schoff, "China and Japan's Real Problem: Enter the Fairness Dilemma," *National Interest*, November 2, 2014, <http://nationalinterest.org/feature/china-japans-real-problem-enter-the-fairness-dilemma-11587>.

66. “International privilege” in this context means the special status that a few countries like the United States enjoy by being a nuclear weapon state, a permanent member of the UN Security Council, and the primary architect of the Bretton Woods post–World War II international system that gives the country added weight in (or isolation from) certain international decisions. Traditionalists in Japan are often the most frustrated by U.S. efforts to impose conditionality or flaunt privilege for its own benefit, as many believe Japan itself was a victim in this regard after World War II.
67. Jan Techau, “Sophisticated States Are Failing: Politicians Need to Take Risks,” *Financial Times*, April 19, 2016.
68. See “Japan’s Contributions Based on the International Peace Cooperation Act,” Ministry of Foreign Affairs of Japan, as of May 14, 2015, http://www.mofa.go.jp/fp/ipc/page22e_000684.html.
69. Kimberly Brown, “NAWCWD Hosts MDA, Japanese for Live-Fire Test of SM-3 Block IIA Missile,” Department of the Navy, December 9, 2015, http://www.navy.mil/submit/display.asp?story_id=92359.
70. After the Japan Defense Agency’s experience with drafting temporary special measures laws for Afghanistan and Iraq, many officials and politicians believed that it would be much more efficient and productive for the Diet to authorize a basic template for overseas SDF dispatch distinct from UN-authorized PKO. Under this scheme, the potential scope of activities could be better defined and legitimized in advance, with the Diet still voting on each particular proposed deployment plan. For several years the Defense Agency (later the MOD) and LDP allies (and some DPJ allies) tried to introduce the bills in the Diet, but the proposals were always deemed too politically sensitive for weak prime ministers. Based on author interviews with defense officials and LDP Diet members from 2004 to 2014.
71. Author interviews with U.S. and Japanese defense officials in 2012 and 2014. The Abe administration cleared this path with new principles for defense equipment exports and the establishment of ATLA at the MOD.
72. The Rim of the Pacific (RimPac) exercise began in 1971 but involved U.S. allies only as a way to foster interoperability vis-à-vis the Soviet Union. The latest RimPac in 2016 involved twenty-six nations. Cobra Gold began in 1982 as a bilateral exercise with Thailand and did not expand significantly until after the Cold War. It currently involves seven nations, including Japan.
73. Japan’s 2013 National Security Strategy contains a section on strengthening the U.S.-Japan alliance: “In order to ensure the security of Japan and to maintain and enhance peace, stability, and prosperity in the Asia-Pacific region and the international community, Japan must further elevate the effectiveness of the Japan-U.S. security arrangements and realize a more multifaceted Japan-U.S. Alliance.” Read the full strategy here: <http://www.cas.go.jp/jp/siryu/131217anzenhoshou/nss-e.pdf>.
74. Thomas Donilon, “President Obama’s Asia Policy and Upcoming Trip to the Region,” remarks at the Center for Strategic and International Studies Statesmen’s Forum, Washington, DC, November 15, 2012.

75. George R. Packard, "The United States–Japan Security Treaty at 50: Still a Grand Bargain?" *Foreign Affairs* 89, no. 2 (March–April 2010): 92–103.
76. The Armitage-Nye report of 2000, for example, was famous for making the U.S.-UK analogy, while the "new strategic bargain" proposal was offered in *Toward a True Alliance: Restructuring U.S.-Japan Security Relations*, ed. Mike M. Mochizuki (Washington, DC: Brookings Institution, 1997), 8.
77. *Human Security Report 2013*, Human Security Report Project, Simon Fraser University (Vancouver, Canada: Human Security Press, 2014), http://www.hsrgroup.org/docs/Publications/HSR2013/HSRP_Report_2013_140226_Web.pdf. See also "IDMC's Global Internal Displacement Database," Internal Displacement Monitoring Center, accessed December 22, 2016, <http://www.internal-displacement.org/database>.

PART TWO

**LEVERAGING AN UNCOMMON ALLIANCE
FOR THE COMMON GOOD**

CHAPTER SIX

A BROADER CONTEXT FOR SECURITY STRATEGY

THE PURPOSE OF reflecting on the post–Cold War U.S.-Japan alliance experience is to provide insight for crafting a new U.S. administration’s Japan and East Asia policy approach. Enhancing each country’s national security has been a central pillar in the alliance since the beginning, and the gains made over the past twenty-five years in traditional security cooperation have been substantive. A key reason for this, of course, has been the changing—and in many ways deteriorating—security environment in the region and around the world, which has made a variety of long-desired Japanese defense reforms more strategically necessary and politically feasible in Tokyo.

In Japan’s neighborhood, traditional security threats, such as North Korea’s nuclear weapon and missile development, Russia’s stepped-up military patrols, and China’s growing military budget and assertive behavior in the East and South China Seas, keep the alliance focused on practical military cooperation and security policy coordination. The 2015 U.S.-Japan defense guidelines are a good framework for this activity, and there is room to expand the scope and sophistication of their collaboration within those guidelines. They are analogous to a set of loose clothing that the alliance can “grow into.”

It is apparent, however, that nontraditional security threats, including state failure and fragility, terrorism, among others, are becoming more prevalent around the world, and through globalization they can impact the United States and Japan in more direct ways. Greater alliance attention in this area is necessary, and though the 2015 defense guidelines address

this issue to some degree in the cyber realm, the globalization challenge is more dispersed and manifests itself in ways that policymakers are still struggling to understand. A broader context of alliance security cooperation should be considered that combines the military capacity to handle problems downstream, after they have become acute, with a proactive effort upstream, to ameliorate problems earlier and help create a more benign political and economic environment from the start.

Scholars and foreign policy specialists of the 1990s analyzed the phenomenon of globalization, and many predicted a growing salience of diverse threats, including nonstate actors and terrorist groups, ethnic conflict and irregular warfare, organized crime, drug and weapons proliferation, climate change, and pandemic diseases. Areas of “nonphysical security” were deemed important as well, such as protecting information and technological assets from dangerous use by any group, as opposed to simply guarding against espionage by an enemy state.¹ Many of these fears have manifested two decades later, posing new challenges for global and regional stability with direct implications for Japan’s and America’s economic health and national security.

To some extent, the Global Partnership and the Common Agenda of the 1990s recognized the need and opportunity for greater alliance cooperation in overseas development and nontraditional security areas that contribute to the common good, but the allies had a hard time determining the strategic value and ultimate effect of those investments. Meanwhile, bilateral trade friction, North Korea, and other crises around the world consistently distracted policymakers, and the grand cooperation experiments devolved to the working level with several positive but generally small-scale projects.

The so-called global war on terror and wars in Afghanistan and Iraq begun early in this century sharpened the focus of nontraditional security cooperation and demonstrated some strategic value in an alliance context, but Washington and Tokyo did not yet understand how systemic an impact globalization was having on the open stable system they sought to sustain. Terrorist recruitment now penetrates borders virtually, refugee flows half a world away affect domestic politics, and health crises spread faster and with more severe economic impacts than ever before. Both openness and stability are under assault on a global scale.

Today, even as traditional nation-state threats persist in East Asia, it is not enough to focus just on dealing with the downstream effects of ethnic and religious conflict, weak governance, failing economies, and climate change or other natural disasters. The 2015 defense guidelines and Japan’s enabling security legislation are still critical on this front, especially if coordinated with other U.S. allies and willing partners in the region, but additional investment upstream on more comprehensive and preventive alliance cooperation is also required. The questions are about what to do and how much to invest. Earlier U.S.-Japan collaboration in this area provides a useful foundation, but it will need to adapt,

discriminate, and rise to a higher level of strategic consideration to be effective. This chapter describes the background behind the need for greater upstream security cooperation and explains why (and how) it should command greater attention within the alliance.

COMPREHENSIVE SECURITY AND HUMAN SECURITY

One aspect of Japan's foreign policy that has remained consistent in the post–Cold War era is its effort to become a global civilian power, using a comprehensive or human security approach to development and conflict prevention. Many foreign policy strategists in Japan have described security as “a comprehensive concept encompassing economic, social, environmental, human-rights, and other elements,” stemming in part from Japan's traditional military limitations and cultural affinity for a holistic approach.² Consequently, Japanese policymakers have focused steadily on expanding overseas development assistance, boosting environmental protection programs, and strengthening multilateral trade and financial institutions.³ Not all Japanese strategists view this approach as a sufficient foreign policy or as always worth the cost and effort for the nation, but it does enjoy relatively broad public and bureaucratic support at home.

Japan's comprehensive security policy (*sōgō anzenhoshō seisaku*) got its start in the late 1970s, when a task force appointed by then prime minister Masayoshi Ohira recommended proactive efforts by Japan “to render the whole international system conducive to Japan's security” and “to build a favorable security environment in the region” based on Japan's own postwar experience of economic and political development.⁴ The premise was that a relative decline in American power in the 1970s increased the importance of Japan's role in cultivating developing nations as supporters of the existing economic system and that physical security and economic security were closely interconnected.⁵ Interestingly, in a recommendation decades ahead of its time for Japan, the task force urged the establishment of a cabinet-level Comprehensive National Security Council to carry out its recommendations through “integrated security policy,” but this was only partially implemented.⁶

Against a backdrop of U.S. pressure for greater Japanese security contributions in the late 1970s, in the form of supplemental sea-lane defense and the start of host-nation support payments, the Japanese government was eager to develop an “alternative security agenda” that could reinforce its alliance with the United States but also reflect Japanese characteristics and ideals.⁷ From a Japanese perspective, the comprehensive approach helped meet international expectations of Japan, bolstered Japan's self-respect, and elevated its global profile in a way that appealed politically to the public. It also helped create opportunities for Japanese business. The respected diplomat Yukio Satoh described it as “a reflection of the Japanese understanding that security requirements for Japan range broadly from the East-West military balance to regional stability in Asia and to international energy and food.”⁸

Japan's discussion about comprehensive security laid an intellectual foundation for the government's crafting of an International Cooperation Initiative (*kokusai kyōryoku kōsō*) in 1988, which tried to leverage its ODA and contributions to multilateral institutions, diplomatic activities, and cultural exchange as a way to respond to "increasing expectations" placed on Japan for "its activities in the political field, particularly for maintaining and securing international peace."⁹ Japanese leadership wanted to develop a better strategic focus for all of these various efforts, but consensus was hard to come by in its decentralized policymaking structure.

Then prime minister Zenko Suzuki pledged in 1981 to send aid, for example, to "those areas which are important to the maintenance of world peace and stability," but the result was diffuse and not linked to a coherent national strategy. The countries identified included ASEAN members and China, which made sense for Japan, but also Egypt, Kenya, Jamaica, and Sudan and later Tanzania, Somalia, and Nicaragua.¹⁰ There has been constant friction ever since between multiple stakeholders, including policymakers who want Japan to gain more "strategic value" from its ODA, aid professionals who prioritize global humanitarian needs over short-term national returns, the private sector in search of new business, and alliance managers looking to reinforce U.S.-Japan security priorities. As a result, Japan's ODA program and its official charter have undergone frequent revisions, starting in 1992 and again in 2003, 2006, and 2015, almost always aimed at enhancing ODA's strategic value.¹¹

The idea of comprehensive security evolved further in 1994, when the UN Development Program (UNDP) turned its attention to the individual as part of its human security concept for national development. Human security distinguished itself not only by adding economic, environmental, and resource dimensions to security calculations but also by taking the issue of security to a community level as the preferred forum for action. Then Japanese prime minister Tomiichi Murayama latched onto the concept quickly, as it resonated with his administration's emphasis on a "human-centered society."¹² The Cold War's preoccupation with territorial and political security was opening up to include more attention to "people's security . . . through sustainable human development" and good governance as the foundation for international peace. Countries such as Japan, Canada, and Norway were early adopters.¹³ The UN clarified a working definition for human security in 2003.¹⁴

The LDP's Keizo Obuchi was the first prime minister to promote human security as an important theme of the Japan's foreign policy, helping to establish the UN Trust Fund for Human Security in 1999. The trust fund has been almost exclusively funded by the Japanese government ever since, albeit modestly at about \$30 million, on average, per year.¹⁵ Obuchi warmed to the concept of human security when he was foreign minister and faced with a decision in 1997 about whether to sign an international ban on the use and transfer of antipersonnel mines.¹⁶ Washington urged Japan not to sign, given the role

that mines played in deterrence of North Korea along the demilitarized zone, but Obuchi was reportedly eager to join the convention and sought a compelling argument to deflect American criticism.¹⁷ Japan's embrace of the human security concept was useful in this regard and continued for over a decade, and through the trust fund Japan supported post-conflict reconstruction programs in places such as Kosovo and East Timor, among others.

Japanese incorporation of human security as a key component of its foreign and national security policy arguably peaked during the DPJ administrations from 2009 to 2012. Japan's MOD even listed creation of global human security as one of the country's three national security objectives in its 2011 NDPG, but the LDP dropped that reference when it revised the document three years later.¹⁸ Still, the human security concept remains an important part of Japan's current National Security Strategy as a guiding principle to "global development and global issues" and is a basic policy of Japan's 2015 revised development cooperation charter.¹⁹

At times the United States has tried to tap into Japan's civilian-power approach to create synergies for its own policies in Asia and elsewhere, but this has not been as steady a post-Cold War theme in bilateral relations as the effort to deepen and expand traditional security cooperation. This is not surprising, given Washington's enduring perception that a stronger Japanese military would always support U.S. interests, whereas economic or foreign policy cooperation has occasionally been marked by competition and differences of approach that led to diplomatic disagreements.²⁰ In addition, this kind of multifaceted foreign policy cooperation is inherently more complex and difficult to accomplish efficiently, so it is pursued less consistently.

As a result, U.S. policymakers have promoted comprehensive or human security cooperation opportunistically to reinforce current U.S. priorities such as combating drug trafficking, supporting postconflict reconstruction, and addressing a refugee crisis. Aid professionals from the two countries will often coordinate among embassies in aid-receiving countries or in the field when left to their own devices, but this is for the sake of on-the-ground efficacy rather than national strategic reasons. The allies' common strategic objectives approved by the 2+2 process in 2011 specifically emphasized support of fragile states and promotion of human security, but that was part of a long list of objectives and did not lead to any new initiative.²¹ U.S. officials understand the value of a more comprehensive approach to providing security and fostering local development, but the policy environment in Washington is less conducive to large-scale funding for multilateral and human-centered capacity-building efforts abroad compared with military and state-centered funding.

Still, the 2015 U.S. National Security Strategy placed a relatively high priority on upstream activities—or what it calls "build[ing] capacity to prevent conflict"—with a particular focus on "the nexus of weak governance and widespread grievance."²² It pledged to "work with partners and through multilateral organizations to address the root causes of

conflict before they erupt,” focused on inclusive politics, delivery of services, rule of law, combating corruption, and a host of other programs. Finding the resources to match these ambitions is always a challenge, however, as the U.S. government spends less than 1 percent of its budget on foreign assistance (\$34 billion for 2017) spread across 100 countries and 52 sectors.²³ The Donald Trump administration is unlikely to be more generous and could acquiesce to further reductions.

To this point, the U.S. Congress has long been skeptical of multilateral institutions and budget support for so-called soft-power initiatives, shown by Congress’s withholding some payments to the United Nations, starting in the 1980s, to spur reform or by the occasional need for the secretary of defense to beseech Congress on behalf of the State Department and USAID for more funding to support reconstruction in Iraq and elsewhere.²⁴ Some conservative policy specialists in Washington have called human security a “muddled notion” and a “faulty understanding of security,” arguing that “the purpose of such a broad-brush agenda is not the protection of human rights, but rather the promotion of social entitlements through an internationally protected welfare system.”²⁵ This policy environment makes it challenging enough for U.S. officials seeking financial and political support to feature comprehensive or human security initiatives prominently in their own programs, and it is even more difficult to accomplish in tandem with another country such as Japan.

Moreover, Japan’s promotion of comprehensive and human security over the years has fluctuated in focus and intensity, making it difficult to build a long-term alliance strategy around this approach even if Washington were able to develop a consensus behind it. This has been a recurring feature of Japanese diplomacy since the end of the Cold War, as the country was not able to leverage its hard-earned international stature at that key inflection point of history, to influence strongly the future character of the global system. The Japanese historian Makoto Iokibe has lamented this fact, reflecting on Japan’s post-Cold War diplomacy. Japan, he observes, “lacked the ideals and principles to produce a new international order, the strength to pursue it, the logic and expressiveness to move the world, and the people who have the personality and prestige to fight for it.”²⁶

Comprehensive and human security are not sufficient organizing principles for a country’s foreign policy, but they can help U.S. and Japanese policymakers address current challenges more effectively as a supplement to traditional approaches. These challenges are growing more complex and dangerous as technology evolves and globalization speeds up.

THE DARK SIDE OF GLOBALIZATION

Lacking a firm foreign policy ideology of its own, Japan joined most other developed nations reacting to post-Cold War regional and global developments while trying to

shape on the margins an international order that could harness the perceived benefits of globalization and minimize its negative effects. The phenomenon of globalization has been pervasive in this post–Cold War era, and it is important to understanding the future of the U.S.-Japan alliance in light of it.

Globalization emerged both coincidentally and causatively in relation to the Cold War’s end, partially contributing to Moscow’s loss of control over the Soviet Union and then accelerating after communist ideology was undermined. Globalization was just one factor in the decline of communism, which probably would have occurred to some degree regardless.²⁷ Globalization was not (and is not) a national choice (or a weapon or a tool), and it has been around for centuries, cross-fertilizing species, cultures, economies, and political thought. Countries and governments cannot isolate themselves from globalization, but neither are they powerless to affect it, in an effort to resist, promote, or shape.

Globalization goes by many definitions, but Victor Cha captured it well after combing through various interpretations and described it as “a gradual and ongoing expansion of interaction processes, forms of organization, and forms of cooperation outside the traditional spaces defined by sovereignty.”²⁸ Others have highlighted the “shift in the spatial form and extent of human organization and interaction to a transcontinental or inter-regional level.”²⁹ This is distinct from simple interdependence in that it is not just about linkages and the movement of goods and capital “but about interpenetration” of ideas, practices, networks, and other aspects of society, Cha noted.³⁰

The politics and perceptions of identity are also important components of globalization. Notions of identity seemingly narrow and expand simultaneously, with wider regional trading blocs emerging in Europe, NAFTA, and the ASEAN Economic Community at the same time that ethnic conflicts escalate and the number of UN member countries grows, from 159 in 1990 to 193 a quarter century later. A good example of this dichotomy is the current drive for Scotland to become an independent country while striving to remain in the European Union (EU). People who reside in megacities around the world often have more in common with one another than with rural inhabitants of their own nations. Many countries in Southeast Asia, including Myanmar and Thailand, also experience political tension and even violence based on ethnic and religious rivalry, even as the region strives to establish a broader sense of ASEAN identity.

Many of these definitions of globalization were developed in the 1990s, and the expansion of supply chain networks, the Internet, and social media have only intensified these dynamics. In its simplest form, globalization is the evolution toward a globalized society. This is a theoretical and impossible-to-reach end state, but the process, however uneven and incremental it may be, is real. Globalization by its nature, is also unpredictable, competitive, hard to manage, and oftentimes frightening or threatening to people. What this means for national security is that “managing external sovereignty as the sole

paradigm for international relations” is no longer sufficient, and adding an “internal-individual, or human, dimension” is necessary, according to foreign policy scholar Wolfgang H. Reinicke.³¹

Globalization posed abstract threats in the 1990s—or at most relatively distant distractions with deterioration in Somalia, the Balkans, and Afghanistan—but since the 2001 terror attacks in the United States, it has had an increasingly direct effect on American and Japanese physical security. Globalization combined with governance failures in the Middle East, for example, to help terrorist networks like al-Qaeda and Daesh expand and sustain themselves, resulting in tens of thousands of deaths, including Americans and Japanese, as well as prompting billions of dollars of spending and the creation of new industries to move and protect people. Daesh, in particular, harnesses the Internet and social media to attract fighters from all over the world like Twitter followers, and in some cases online radicalization has led to violent acts not directed by any central organization.³²

Related governance breakdowns have also caused massive numbers of refugees and internally displaced persons, up to 60 million by some estimates, with 12 million from Syria alone.³³ In addition to the humanitarian tragedy, refugee crises have stimulated xenophobic political responses in Europe and the United States, contributing to the United Kingdom’s vote in 2016 to leave the European Union, the resignation of the UK’s prime minister, and the U.S. Republican presidential platform’s proposal in 2016 to restrict immigration from terrorist “breeding grounds.”³⁴ Trump’s anti-immigrant message and focus on border security was a significant part of what made him popular among U.S. voters.

The effects go beyond security concerns and political impact, however, and have crept into the economic realm with political and strategic implications. The politics of free trade has always been contentious, but the immediate post–Cold War era saw a general embrace of international finance and trade liberalization owing in part to the need to harmonize (as computers globalized markets and transport costs dropped) but also because of business opportunity, as investors pursued new markets and created more complex but cost-efficient production value chains in multiple countries. The European Union formed in 1993, NAFTA and APEC’s Bogor Goals were approved in 1994, the WTO launched in 1995, and a common European currency followed this trend in 1999.³⁵ Six years after the WTO was formed, hopes were high for another global round of trade talks (the Doha Round), but momentum stalled, and after fifteen years of negotiations the parties remain stalemated.

What is worse, these past global economic advances are now frequently associated with globalization and used around the world as scapegoats, blamed for domestic political failures, tax increases, price hikes, job losses, austerity measures, bailout packages, money laundering, corruption, environmental damage, and income or social inequalities (as if these problems never happened before). Further economic liberalization in this political

environment will be difficult, and even rollback seems possible, especially in Europe but also in America. The turn against free trade in the United States on both sides of the political spectrum prevented Obama from getting congressional approval for the strategically important TPP in 2016, demonstrating that negative impacts of globalization—both real and imagined—can have a tangible impact on national security strategy.³⁶ Without U.S. participation, TPP is not implementable in its current form, even though Japan and others have approved it.

After the fall of the Soviet Union, Americans generally expected globalization to move in a one-way direction, toward a global society that resembled the United States, or at least a world that was much more peaceful and interoperable without demanding change or sacrifice from them. Meanwhile, in many other countries technological change and pressure from the G7 and international organizations were imposing dramatic changes that were greeted in different ways and applied unevenly, and in several cases they stimulated a backlash. Washington's advocacy for rising labor, environmental, and safety standards overseas was only partially realized, and it was accompanied by pressure on U.S. domestic policies in the process.³⁷

In hindsight, it was naïve of Americans to believe that they would be exempt from this globalization challenge, either by unintentional outcomes, such as financial contagion, job displacement, and dealing with humanitarian crises overseas, or by intentional results, via terrorism, weapons proliferation, international legal actions against the United States, and cutthroat economic competition. More recently the United States has experienced politically motivated cyber crime such as the foreign hacking of the Democratic National Committee during the 2016 election (prompting the resignation of the committee chair) and the 2015 attacks on Sony Pictures, based in California, over an American-made movie about North Korean leader Kim Jong-un.³⁸

Penetration from globalization—be it digital, legal, ideological, or intellectual—happens faster and is more pervasive than ever before, often triggering an instinctive desire to try to shut it out. The U.S. presidential election of 2016 revealed this reaction by many Americans, and it has been evident around the world in the form of the United Kingdom's vote to exit the EU (so-called Brexit), the closing of borders to refugees, and the proliferation of fundamentalist movements. It would be better, however, if the United States could lead by example and respond to globalization challenges in ways that it would like to see emulated by others. This should, of course, allow for self-preservation and feature self-help, but it should also be open to adaptation through a democratic process that allows some international input through dialogue and collaboration. If each country insists on “winning” all the time and requiring others to conform to its rules, then international conflict is inevitable.

Japan has had its own experiences with politicized hacking and similar challenges from the undesired consequences of globalization described above. In addition, as one of the world's largest foreign investors, Tokyo has a broad interest in political and economic stability all around the world. This can be undermined by developments such as Brexit, a military coup in Thailand, a drug and crime epidemic in the Philippines that politically favors a domestic-focused "strongman" for president, sputtering economic reforms in China, or energy market instability in the Middle East.

In many cases around the world, though certainly not all, a core problem for the open stable system is poor governance that hampers a country's ability to adapt to change or a government's active undermining of parts of society to enrich a favored group. Imbalance and inequality persist as well, although this outcome is not necessarily unique to the system. A detailed survey of thought leaders in the Arab world by the Carnegie Endowment for International Peace in 2015 highlighted the importance of governance, with a vast majority prioritizing domestic concerns such as corruption, authoritarianism, and education over regional worries, including violence by groups like Daesh or interference by outside international powers.³⁹

Providing services to citizens effectively is an important part of good governance, but both Carnegie's Arab Voices project and a separate study by the U.S. Institute for Peace noted the critical link to accountability and the ability of local government to mitigate disputes and conflict at the community level.⁴⁰ The legitimacy and fairness of local government in the eyes of its citizens is an essential building block for stability and security, not only in a nation but also in a regional and global context. In other words, the UNDP's concern in 1994 with the connection between human and community-level security, on one hand, and broader national security and resiliency, on the other, is even more salient today. It has become a fault line in both the developing and developed world on which globalization is placing tremendous pressure, and all the military hardware and exercises are not going to address these problems at their source.

Some will say that mingling issues of governance, fairness, and human security together with more traditional emphasis on military readiness and national security is unnecessary at best and potentially a dangerous distraction from the most serious national security concerns, which include nuclear weapons and territorial disputes. Globalization, however, has made these more interconnected than ever before.

Realists in particular often dismiss community-oriented aid or capacity-building programs overseas as nice to have but hardly a security priority. Yet it has become increasingly obvious over time that perceptions of fairness and justice are critical for peace and stability because of how they impact human behavior.⁴¹ From observation but also through neuroscience experiments, there is evidence demonstrating that humans and nonhuman primates will regularly reject perceived unfairness, even at significant cost to themselves.⁴²

What does this mean for realists? One key tenet of realism is that politics is governed by objective laws with their roots in human nature “as it actually is, and with the historical processes as they actually take place.”⁴³ Thus if policymakers want to be realistic and respond to the world as it is, then addressing issues of fairness and inequality (or honor) is simply part of the process of successful foreign policy making, by accounting for certain underlying causes of today’s transnational threats. These factors are consistent with past wars and conflict over human history: the Greek historian Thucydides famously highlighted fear, self-interest, and honor as the fundamental drivers behind the Peloponnesian War in the fifth century BC. Realists might be skeptical of nations’ ability to establish structures that can effectively mitigate these timeless drivers, but multilateral efforts since World War II and in the post–Cold War era have made important contributions toward peace and prosperity.⁴⁴ Leveraging the U.S.–Japan alliance for the common good, therefore, is not an exercise in altruism but is rather a prudent investment in American and Japanese self-interest.

The security environment could become more fragile in the future as technology and globalization progress. For example, combating the proliferation of weapons of mass destruction has been challenging enough, but in most cases the complexity of their development and deployment makes them relatively difficult for nonstate actors to use or aspiring nations to conceal. In addition, attribution of attacks is usually feasible, and deterrence by punishment can effectively supplement efforts at deterrence by denial. The cyber realm, however, is more difficult on both fronts (that is, technology is easier to acquire or conceal and harder to attribute), and as computing moves further into the realm of artificial intelligence (AI), a whole new approach to regulation and nonproliferation will most likely be needed.

For example, AI components used in stock market trading were blamed in part for the flash crash at the New York stock exchange in 2010, among other instances.⁴⁵ Related problems, including the Lehman shock, pushed the industry—with prompting from the G20 (Group of 20 major economies) in 2011—to introduce special identifiers in computer transactions to enhance transparency and risk assessment.⁴⁶ This was an important multilateral public-good initiative to help prevent widespread damage from negligent or criminal behavior. Yet, potential terrorist use of AI tools in this arena—possibly by installing malicious AI software in global exchange servers or those of large investment banks—could be a whole new type of challenge. As leaders in the AI field, the United States and Japan should collaborate on regulatory issues and nonphysical security measures for this technology in the future, in partnership with others. This could be another arena for non-traditional security cooperation.

Of course, it is much easier to say that fairness and good governance are important and relevant, even if indirectly, to a nation’s security than it is to do something specific about the problem. Just as military hardware and exercises are not solutions by themselves to

human security challenges exacerbated by globalization, neither are efforts to strengthen governance overseas guaranteed to promote stability and prosperity. The United States invested over \$1 trillion in Iraq on both sides of the ledger for over a decade, for example, while conditions in Iraq and America's security situation only worsened in many respects.⁴⁷ Simply spending more money on foreign aid might not make a qualitative difference, so recommending that the United States build one fewer aircraft carrier or one fewer nuclear-capable bomber and shift that money to community-based education or agriculture programs in the Middle East and Southeast Asia, for example, will not necessarily make America or its allies safer and more prosperous.

Traditional and nontraditional security challenges exist simultaneously, and they should be addressed through a combination of upstream and downstream initiatives that are evaluated for effectiveness based on different timelines. It should not be a matter of choosing to prioritize one over the other. Granted, the near-term payoff from upstream investments focused on human security needs is usually limited and hard to measure, but it seems clear that efforts to engage with other nations and stakeholders to promote the common good can pay long-term dividends, so it should be pursued proactively. Key questions are how to define the common good, how it can be improved, and how much to invest in this arena. Finding workable answers to these questions will require collective effort, but the U.S.-Japan alliance can be a valuable tool for stimulating and even leading multilateral action in this regard.

THE ALLIANCE WE NEED

Before making recommendations about the alliance we need, it is important to note at the outset that the alliance we have is still uniquely valuable to the United States and Japan. The security-bargain framework and alliance-value proposition have evolved over time, but the relationship still delivers greater security and diplomatic benefits to the partners at a lower political and economic cost than either country could obtain on its own. The security treaty and the alliance level of partnership make a qualitative difference, in that the benefits of deterrence, global influence, and even mutual economic benefit would be less strong if it were simply a close but more standard bilateral relationship, such as that between Japan and Australia or the United States and Switzerland or even Ireland. Being an ally makes a difference.

Moreover, the U.S.-Japan alliance has already grown over time and expanded the range of activities it conducts in the traditional and nontraditional security arenas at the working level, both bilaterally and as part of multilateral initiatives. Military cooperation between the United States and Japan has become more substantive and applicable to a wider range of missions, but the allies have also improved their ability to collaborate in areas of overseas development aid, environmental protection, trade facilitation

and economic liberalization, scientific discovery, counterterrorism, and institution building, among others.

Washington and Tokyo have managed to build out their intra-alliance network without much added bureaucracy by relying on personal and institutional relationships built up over time. For example, those working the Asia-Pacific portfolios for the U.S. Department of Health and Human Services have, through the Common Agenda and other programs and forums over the years, established strong working-level connections with counterparts in the Japan Ministry of Health, Labor, and Welfare, sharing information and contributing to public health projects or crisis responses overseas, bilaterally and through ASEAN initiatives and the World Health Organization. Similar relationships and activities exist among counterparts in energy, finance, space, and other issue areas.

All of this work that now takes place almost organically within the alliance should continue, as it has generally found an equilibrium between time invested and benefit derived. Office directors and assistant secretaries carry on these relationships because it helps them get their work done, which is the most sustainable model for bilateral cooperation and strategic alliance.

There are times, however, when alliance collaboration should be directed from the top down, especially when it is in response to strategic priorities agreed on at the highest levels of the alliance and involves a combination of interagency players who are less experienced in working together. Working-level alliance cooperation often serves the specific needs of a particular department or ministry, but it is difficult to reach across government jurisdictions and mobilize resources for broader alliance goals without leadership in both countries having identified and promoted those objectives specifically as priorities.

At times, the United States and Japan have been able to provide some high-level strategic coherence to their bilateral cooperation and blend contributions from different parts of the government, but this has mostly been in response to crisis situations such as the Gulf War and the global financial crisis or to slower moving events such as during post-2001 reconstruction in Afghanistan. The allies have not tried to coordinate multiple government initiatives proactively in support of national strategies since the Common Agenda project, and even then the link to national strategy was subsidiary. As of 2016, however, there are at least three important reasons why Washington and Tokyo should consider asking more from the alliance in this regard: North Korea's development of nuclear weapons, China's maritime expansion, and growing fragility in the open stable system.

A reliable nuclear deterrent in North Korea increases the chances that it might initiate low-threshold conflict and significantly raises the stakes in escalation for both Japan and the United States (not to mention South Korea) of any kind of confrontation on the Korean Peninsula. The nuclear shadow is less dark in China's case because of interdependence and the higher degree of common interest, but the potential for conventional clashes at sea and

around disputed territory is growing along with China's strength and nationalist sentiment. Meanwhile, degradation of the open stable system could harm the allies' economies, undermine their political stability and quality of life, and limit the effectiveness of multilateral cooperation to protect common interests and address global challenges.

A common and important factor in all three of these pressing security challenges is China. None of them can be addressed effectively without cooperation with China, and all can be made dramatically worse if relations with China are fundamentally hostile. The alliance that the United States and Japan need, therefore, is one that can more effectively and specifically deal with these three security priorities—both downstream and upstream—with a well-coordinated policy approach toward China that fosters cooperation without sacrificing vital principles.

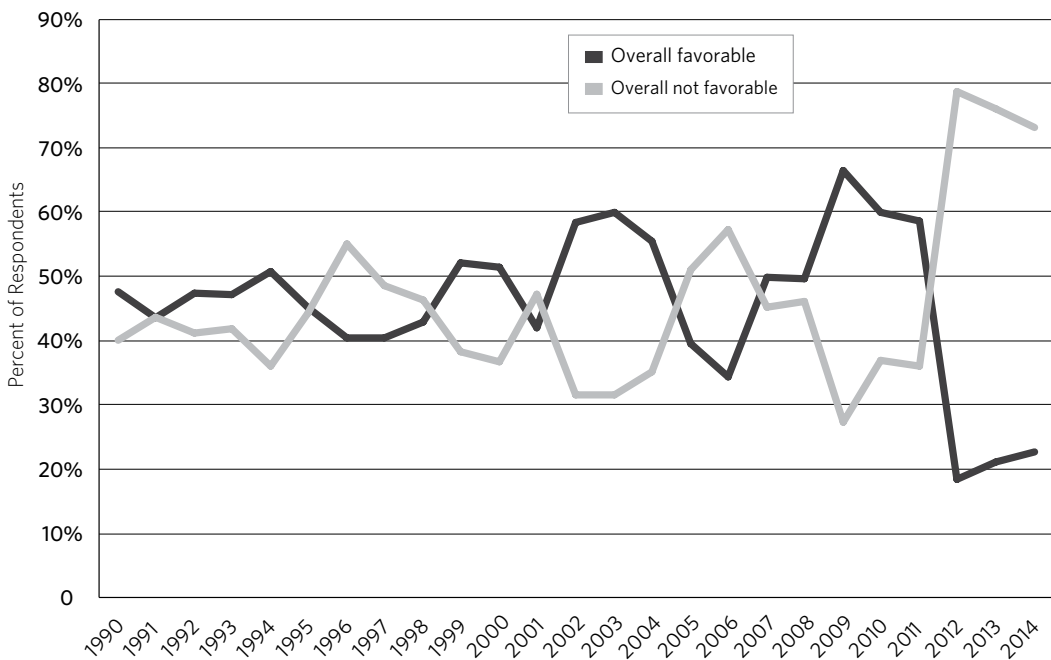
The allies can approach these challenges in various ways, but some fundamental building blocks or preconditions are required of Washington and Tokyo to make progress. These are issues to which the alliance must pay attention, and without some degree of success they will struggle to benefit from their cooperation. The first building block is stable and competent management of the government and domestic economy in both countries. Japan has often suffered through political inconsistency and sluggish economic reform in the post-Cold War era, but though it still faces reform and fiscal challenges, it might now be the United States that is in more acute danger of self-inflicted damage in the near term from politics that puts ideology and partisanship above problem solving and the broader national interest.

Second, the allies need coherent and compatible policies vis-à-vis China. This means they must be able to articulate high-level strategy to each other and find common purpose amid the inevitable gaps in strategic priorities that exist between them on China. The allies have made efforts on this front during the Bush and Obama administrations, but the process generally took root slowly, and it should be established as quickly as possible in the new U.S. administration.

Tokyo and Washington do not need to adopt identical policy approaches toward China, but they should understand and have confidence in each other on this front, pursuing areas of convergence aggressively and in partnership with as many other nations as possible. Gaps should be bridged or at least recognized in a way that inspires trust and mutual respect for each other's views and interests. Accomplishing this requires relatively close high-level relationships between the U.S. and Japanese governments, and it means that the overweighted defense bias that exists within the 2+2 framework should be balanced out to some extent by including trade and financial components to the process. This aspect of policy coordination has sometimes worked less effectively than in the security arena, for example, as gaps emerged in their response to China's launching of the Asian Infrastructure Investment Bank (AIIB) initiative in 2014 or during the process of detailing a debt relief and sanctions-easing program for Myanmar from 2011.⁴⁸

The final building block or precondition for a more productive alliance is strong relations with other G7 countries and key nations in the Asia-Pacific region, particularly other U.S. allies such as South Korea and Australia, as well as leading ASEAN states and India. This is because the United States and Japan cannot tackle the North Korean, Chinese, and global-order challenges on their own and must collaborate closely with as many influential partners and institutions as possible. Maintaining such productive diplomatic relations is usually not a problem for Washington and Tokyo, except for occasionally cool ties between the United States and some ASEAN states—often over governance or human rights issues—or volatile Japan–South Korea relations. Tokyo–Seoul ties oscillate between lukewarm and downright chilly, depending on the profile of historical grievances in domestic politics and the behavior of North Korea and China, and when tension is high it often dampens collaboration among Seoul, Tokyo, and Washington (see figure 6.1). Political turmoil in South Korea in 2017 is a wild card in this regard.

FIGURE 6.1: Japanese Public Views on Relations With South Korea, 1990–2015



SOURCE: Polls from the Japanese Cabinet Office. See: <http://survey.gov-online.go.jp/h27/h27-gaiko/2-1.html>.

Trilateral cooperation that includes South Korea is vital for successfully managing the diplomatic and security aspects of North Korea, and so alliance effort is needed on at least two fronts. The first includes work by all sides to try to insulate trilateral cooperation so that the allies can respond effectively to North Korea even when sour Japan–South Korea relations threaten to reduce their bilateral interaction. The second front is a long-term

effort by Tokyo and Seoul to narrow the gaps in their perceptions of history and build a closer and more stable relationship.

If the United States and Japan can keep the three building blocks more or less in place, they will be in an excellent position to take their cooperation to a higher level of performance. Downstream capacity for the alliance, including military cooperation for regional security and defense of Japan, responding to humanitarian crises and large-scale national disasters, and dealing with other types of financial or man-made crises, are still a high priority for Washington and Tokyo. Unquestionable capability and alliance commitment in these areas is critical for deterring the use of violence by others, and they are the guarantor of national security and regional order if diplomacy fails.

A roadmap for alliance improvement in this area already exists in the form of the 2015 defense guidelines. Bilateral discussion about implementing the new guidelines got off to a slow start in 2015 as Japan debated its implementing legislation until September, and then MOD worked to prepare the associated regulations for the law to take effect in March 2016. With an upper house election in Japan just a few months later, however, the ruling coalition wanted to avoid any high-profile bilateral work on guideline implementation until later in the summer, and that left only a few months in the Obama administration in which to move forward.

This means that the Trump team has an opportunity to further define and exercise the new alliance coordination mechanism and to carry out bilateral planning that incorporates more integrated U.S.-Japan operations. This will be especially important in the areas of ISR, missile defense, maritime security (including antisubmarine warfare and asset protection), logistics support (in bilateral and multilateral circumstances), and counterproliferation. There are also opportunities to do more in space and cyberspace as well as disaster response. This could include dealing with the aftermath of a nuclear attack of some kind, given the growing and unpredictable threat posed by North Korea. On this last point, unmentioned in the defense guidelines but also important, is continued investment in the Extended Deterrence Dialogue that strengthens the allies' ability to coordinate early warning, preparedness, signaling, strategic communications, and response options related to possible nuclear use by North Korea.

This entire defense guidelines effort should be focused on two main scenarios: a North Korean attack of some kind or violent collapse (with Japan mostly supporting the United States), and a military clash between Japan and China in the East China Sea (with the United States supporting Japan). The allies have occasionally talked about involving Japan in the Middle East to protect open sea-lanes for oil shipments in case of conflict, and PKO remains a potential area of alliance cooperation, but the former is almost impossible politically in Japan and the latter is not as strategically relevant as the first two priorities. The alliance's ability to handle potential threats from North Korea and China is a must, while the rest would be a useful bonus.

What is more fundamental, the alliance needs to link explicitly its investments and activities with each country's national security strategy, and it should be able to explain those connections both internally (within their governments) and externally to the general public and other nations. For a strategic alliance to function effectively, it must be able to articulate as specifically as possible the close interplay between the overall strategy of each country and the role of the alliance in that strategy. This will no doubt feature the downstream role prominently, but Tokyo and Washington should also explore opportunities to collaborate more intensely in a few select areas upstream to support the regional and global open stable system. A well-coordinated top-down and bottom-up alliance effort to clarify a focused set of common strategic objectives early in the Trump administration can help policymakers identify and describe priorities.

The U.S.-Japan alliance also needs to improve its ability to coordinate in a whole-of-government manner—that is, coordinated collaboration among multiple agencies and disciplines—if it wants to accomplish upstream objectives. The “whole-of-government” buzzword grew in popularity as globalization progressed, and it has always been easier to prescribe than to realize in practice, but it is still one of the most important areas for government improvement alongside the perpetual challenges of efficiency and accountability. Governments cannot stop trying to get better at interagency coordination, and they must now do so in a multilateral context.

National and global problems are too complex and interconnected to be solved one-dimensionally, and the addition of new policy tools and arenas—including international organizations and multilateral forums—means that policymakers have to draw effectively from a wide range of resources and avoid working at cross-purposes to maximize impact. Domestic and foreign policy must align in areas of economics, development, technology, and security—a major challenge for any government to coordinate. It is even harder to accommodate different policy environments between the allies and their multiple stakeholders.

Finally, the United States and Japan need a less fragile alliance that capitalizes on the recent growth and diversification of bilateral interaction at the government, business, civil society, academic, and individual levels. Further increases in bilateral trade and investment will help, and concluding the TPP would be particularly useful in this regard, if an adjustment to the deal can be agreed upon by all parties. There are also some policy and personnel issues that should be considered. These include an increase in the number of U.S. government appointees with substantive experience with Japan, especially in key offices at the NSC and the Departments of State, Defense, Commerce, Energy, and Health and Human Services. On policy, a more politically sustainable alliance will find a way to alleviate more of the complaints and concerns that Okinawans and other Japanese express when they are adversely impacted by U.S. bases in Japan, even as they continually advertise their value. Complete satisfaction is impossible in this regard, but a larger percentage

of Japanese need to view not only the alliance but also U.S. bases in Japan as valuable assets for the country if a more durable alliance is to emerge.

Overall, Washington and Tokyo need to make modest but meaningful adjustments to tailor their alliance for the next quarter century. As East Asian security challenges for the United States and Japan grew in the early years of this century amid the allies' DPRI negotiations, some American pundits urged more drastic action, suggesting that Japan be unleashed in the military arena so that it could become a more effective U.S. partner to balance China and counter North Korea.⁴⁹ The lingering perception in the early post-Cold War years that Japan might become an American rival was gone, and the idea that the U.S. alliance with Japan was a "cork in the bottle" to restrain Japanese militarism was no longer relevant, many argued.

Rather than have Japan be just an "unsinkable aircraft carrier" for U.S. forces in the region, some U.S. officials wanted "to make it a jumping-off point for both U.S. and Japanese forces."⁵⁰ Sentiments and efforts of this sort have been pursued intermittently since the mid-1990s, and while it has transformed the U.S.-Japan military relationship in useful ways, it has hardly unleashed Japan as a military force in the way that its proponents imagined. Japan's continued near-universal prohibition on the use of force demonstrates that such dramatic changes were impractical and unnecessary.

At today's moment in alliance history, having reached a productive (if restrained) level of military cooperation and amid a rise in the relevance of more comprehensive security concerns for the United States and Japan, the time is right to unleash Japan in a new way. Japan and the alliance should be encouraged to invest more in diplomacy, development, business, and capacity building in strategically important parts of the world as a way to complement their downstream military investments. Security is still a vital part of the alliance, because without it Japan will not feel confident enough to direct additional resources upstream. But enduring security cannot be realized without a more comprehensive effort by both countries. The next chapter highlights three areas of potential focus for the allies that can potentially deliver important benefits for them and the Asia-Pacific region over the long term.

ENDNOTES

1. Victor D. Cha, "Globalization and the Study of International Security," *Journal of Peace Research* 37, no. 3 (2000): 391–403; Joseph S. Nye Jr. and William A. Owens, "America's Information Edge," *Foreign Affairs* 75, no. 2 (March–April 1996).
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approach is also highlighted as part of Japan's National Security Strategy of 2013. A U.S. endorsement of this approach can be found in Edward J. Lincoln, *Japan's New Global Role* (Washington, DC: Brookings Institution, 1993), 258–67.

3. Japan's overseas development assistance, for example, grew by double-digit percentages in the 1980s and 1990s, peaking in the mid-1990s as the world's leading provider. Japan is still a top-five world ODA provider and the largest in and to Asia.
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5. "Report on Comprehensive National Security," July 2, 1980, *Survival: Global Politics and Strategy* 23, no. 2 (1981): 86–88, <http://www.tandfonline.com/doi/abs/10.1080/00396338108441957?journalCode=tsur20>.
6. Akihiko Tanaka, "Security: Human, National, and International," in *Japan's Diplomacy Series*, trans. Japan Institute for International Affairs (Tokyo: Japan Digital Library, 2013), http://www2.jiia.or.jp/en/pdf/digital_library/japan_s_diplomacy/160325_Akihiko_Tanaka.pdf. Then prime minister Zenko Suzuki did establish the Ministerial Council on Comprehensive Security in December 1980, but this was organized separately from the cabinet and focused only on economic and diplomatic aspects of national security. It stopped meeting after September 1990.
7. Hook et al., *Japan's International Relations: Politics, Economics, and Security*, 154–5 and 251–2.
8. Yukio Satoh, "The Evolution of Japanese Security Policy," *Adelphi Papers* 22, no. 178 (London: International Institute of Strategic Studies, 1982), 7.
9. "Section 5," in *Diplomatic Bluebook 1989: Japan's Diplomatic Activities* (Tokyo: Ministry of Foreign Affairs of Japan, 1989), <http://www.mofa.go.jp/policy/other/bluebook/1989/1989-2-5.htm>.
10. Tsuneo Akaha, "Japan's Comprehensive Security Policy: A New East Asian Environment," *Asian Survey* 31, no. 4 (1991): 333.
11. Japan's ODA charter was first drafted in 1992 and formally revised in 2003 and 2015. Major reforms in 2006 included creating the International Cooperation Bureau within MOFA and making JICA the sole implementing organization. See *Japan's Official Development Assistance White Paper* (Tokyo: Ministry of Foreign Affairs of Japan, 2006), <http://www.mofa.go.jp/policy/oda/white/2006/ODA2006/html/honpen/hp100000000.htm>.
12. The human security concept has roots that go back at least as far as U.S. president Woodrow Wilson's Fourteen Points statement, following World War I, and saw renewed interest in the aftermath of World War II. The concept coalesced at the end of the Cold War, championed by the Stockholm Initiative on Global Security and Governance in April 1991 as an alternative security discourse to "political rivalry and armament" and became "a wider concept of security, which deals also with threats that stem from failure in development, environmental degradation, excessive population growth and movement, and a lack of progress towards democracy."

- See Sangmin Bae, “The State and Human Security,” in *Human Security, Changing States, and Global Responses: Institutions and Practices*, eds. Sangmin Bae and Makoto Maruyama (New York: Routledge, 2015), 1–12.
13. *Ibid.*, 2.
 14. *Human Security Now* (New York: UN Commission on Human Security, 2003), http://www.un.org/humansecurity/sites/www.un.org.humansecurity/files/chs_final_report_-_english.pdf.
 15. *The Trust Fund for Human Security: For the “Human-Centered” Twenty-First Century* (Tokyo: Ministry of Foreign Affairs of Japan, Global Issues Cooperation Division, August 2009), http://www.mofa.go.jp/policy/human_secu/t_fund21.pdf. See also David Bosold, “Development of the Human Security Field,” in *Critical Perspectives on Human Security: Rethinking Emancipation and Power in International Relations*, eds. David Chandler and Nik Hynes (New York: Routledge, 2011), 35, 28–42.
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 21. “Toward a Deeper and Broader U.S.-Japan Alliance: Building on 50 Years of Partnership,” Joint Statement of the Security Consultative Committee, Tokyo, June 21, 2011, http://www.mofa.go.jp/region/n-america/us/security/pdfs/joint1106_01.pdf.
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 23. Poncie Rutsch, “Guess How Much of Uncle Sam’s Money Goes to Foreign Aid. Guess Again!,” *All Things Considered*, February 10, 2015, http://www.npr.org/sections/goatsand_soda/2015/02/10/383875581/guess-how-much-of-uncle-sams-money-goes-to-foreign-aid-guess-again; and see the ForeignAssistance.gov home page for more information, <http://beta.foreignassistance.gov>.

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27. Richard Matthew and George Shambaugh noted in 1998 that it is not that the luxury of the Soviet collapse enables us to elevate the importance of transnational security but that advances in human mobility, communication, and technology force us to. Matthew and Shambaugh, "Sex, Drugs, and Heavy Metal: Transnational Threats and National Vulnerabilities," *Security Dialogue* 29, no. 2 (1998): 163–75, cited in Cha, "Globalization and the Study of International Security."
28. Cha, "Globalization and the Study of International Security."
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35. The Bogor Goals are a set of free trade and open investment targets agreed to by APEC leaders in 1994 for reducing barriers in industrialized economies by 2010 and for developing economies in the group by 2020.
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CHAPTER SEVEN

THREE CANDIDATES FOR ALLIANCE EMPHASIS

IT IS DIFFICULT to identify specific areas of added economic and nontraditional security cooperation that can deliver greater strategic value for the United States and Japan beyond the gains their collaboration currently generates. This is because the allies are already highly active in this area, with a combined \$41 billion in spending annually on foreign assistance and billions more in contributions to international organizations, multilateral institutions, and promotion of technological innovation.¹ Although direct bilateral action makes up only a small part of their efforts to support the open stable system, the allies regularly coordinate their policies and programs.

Another reason why it is difficult is that the global challenges are so extensive and intractable that any new investment is likely to have only marginal impact. For example, an underlying security problem in the world is the existence of failed or fragile states where rampant corruption, poverty, and lawlessness lead to violence and suffering within and beyond their borders. Washington and Tokyo have focused added attention and money on fragile states since at least 2004, owing to those states' potentially destabilizing influence, but as a MOFA-commissioned study in Japan later noted, "assistance to fragile states does not normally yield positive results" and consequently gets poor reviews by funding appropriators within government.² Thus the efficacy and sustainability of these assistance efforts are constantly challenged. Afghanistan is one example, for as much productive work has been accomplished in that country after investing at least \$200 billion from multiple donors over fifteen years, it remains among the ten most fragile states in the world.³

A problem in the past for nontraditional security cooperation in a U.S.-Japan context has been a slight misalignment in the allies' priorities. Japan dutifully contributed to reconstruction in Afghanistan, Iraq, and elsewhere to be both a responsible member of the international community and a reliable U.S. partner, but Tokyo's perception of stake or national interest in that part of the world is not as strong as Washington's. To be successful, any new alliance initiative in the nontraditional security arena needs to represent truly shared and highly valued interests in both capitals, which narrows the list. The research project behind this report considered Central Asia early on as a candidate region for intensified U.S. and Japanese cooperation, for example, but after scrutiny it became clear that a large-scale program of engagement there would be difficult for the allies to sustain politically and economically, owing to limited prospects for return in a region of less substantial strategic impact for both partners. The refugee crisis in the Middle East and North Africa is another important security challenge, but here too the overlap of priorities is narrow, even if broader interests align.

In addition, some foreign policy and development professionals are becoming convinced that the foreign assistance field in general has been poorly served by "unrealistic objectives and a maximalist approach" that tries to do too much in too many places with inconsistent effort.⁴ They advocate instead for a focused and rationalized style that still does not shrink from the enormity of the challenge. A 2016 report by the U.S. Institute of Peace's Fragility Study Group emphasized a more "strategic, selective, and sustained" approach to tackling priorities in progression.⁵

Flowing from this line of thinking, the three candidates for additional alliance emphasis highlighted below focus on strong common U.S.-Japan interests with initiatives that serve their national strategies and can be sustained for years and possibly decades. These are not necessarily new initiatives but are rather suggestions for a higher level of leadership attention and resource allocation in pursuit of greater payoff in the long term. The areas of cooperation must be worthy of senior leader attention on their own merits, beyond simply supporting a stronger alliance.

SOUTHEAST ASIA AND "ASIA'S MEDITERRANEAN"

The United States and Japan share a wide range of strategic interests, but those interests overlap most consistently and significantly in the Indo-Pacific region. East Asia—including China, the ASEAN states, Korea, Japan, and Taiwan—is particularly dynamic, and the post-Cold War era has been heavily influenced by this region's economic and geopolitical development. Moreover, although East Asia has already grown remarkably in terms of its economies, technology, and intraregional organizations since the 1980s, the region is still in its formative years of political development.⁶ This means that the political systems and political culture in East Asia are still evolving and are likely to change in the coming

decades. If this is true, the United States and Japan have an opportunity now to help shape the future course of regional governance and its balance of power so that openness and stability are strengthened. Failure to do so could produce an opposite outcome: a Balkanized region with restrained investment, recurring political crises, festering ethnic conflict, and steady environmental deterioration.

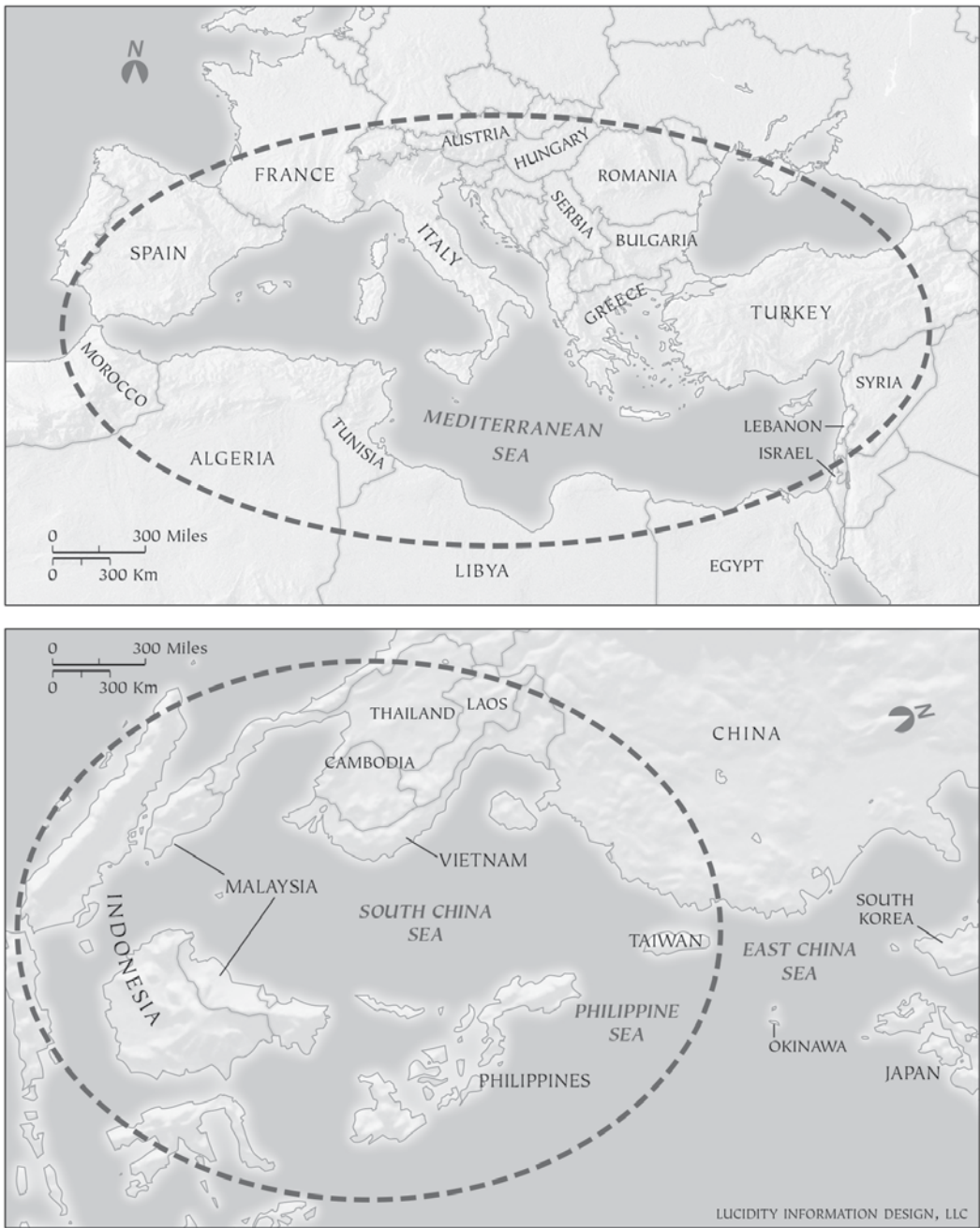
Engaged effectively, the allies should be able to continue their influential role along China's periphery by actively supporting regional development in Southeast Asia. In addition to direct economic gains, intensifying this engagement can help balance China's rise and possibly increase chances for direct cooperation with China by raising the costs of potential conflict and demonstrating more concretely the benefits of broad regional cooperation. A focal point of this great geostrategic contest lies in the South China Sea, what could be viewed as Asia's Mediterranean (see figure 7.1).

Political scientist and classical realist Nicholas Spykman emphasized the important role that geography plays in international relations in his 1942 book *America's Strategy in World Politics*. Spykman argued that it was in the United States' interest to preserve a balance of power in both Europe and Asia and that "the same considerations of political strategy" that led America to support its allies before and during World War II would persist and "demand [U.S.] participation in the political life of the transoceanic zones in peace time."⁷ Power and control in the European and Asian landmasses (the heartlands) were critical, Spykman wrote, but also important were the "Mediterranean" regions—maritime areas of transit that linked multiple nations, facilitated trade and resource distribution, and fostered cultural interaction.

The geography of Southeast Asia resembles that of the Mediterranean, which bridges Europe, Africa, and the Middle East, as it hosts a large semi-enclosed body of water (the South China Sea) surrounded by diverse, vibrant cultures and economies. For neighboring nations the sea is simultaneously a forum of interaction and trade, a vital resource for food and energy, and a focus of cutthroat competition and competing claims. Although the South China Sea is not quite as enclosed as the true Mediterranean, the many islands of Indonesia and the Philippines together with Taiwan and the Thai-Malay Peninsula leave only narrow choke points for access to the neighboring seas and wider oceans, through the Luzon Strait, the Taiwan Strait, and the Strait of Malacca.

Issues of access, therefore, combine with rivalry for resources in the South China Sea that can fuel regional struggles reminiscent of Mediterranean eras that involved Phoenicians, Greeks, and Turks. Mediterranean history also featured a hegemonic period dominated by Rome throughout much of the first through fifth centuries, as well as a more commercially focused libertarian model of the Italian maritime republics in the twelfth and thirteenth centuries. Looking toward the future, Southeast Asia, China, Japan, and the United States would benefit most from an enlightened South China Sea arrangement that

FIGURE 7.1: Asia's Mediterranean



preserves the regional commons in a peaceful, cooperative, and sustainable manner. The question, however, is how to manage competition equitably and build trust so that all of these stakeholders can arrive at this one destination together.

The South China Sea to date has not featured prominently in the region's historical evolution compared with Europe's and Africa's Mediterranean. Rather than serving as a primary conduit for change, as the Mediterranean was for Eurasia, the South China Sea tended to reflect the fluctuating strength over centuries of various Chinese dynasties or other regional powers, including the Srivijaya from Sumatra and the Champa from modern-day Vietnam. From the sixteenth century, the influence of imperialist powers from Europe—and later the United States and Japan—changed the region dramatically, eventually yielding to today's period of renewed Chinese strength accompanied by the vibrant economic development of many Southeast Asian states simultaneously. Now, the South China Sea is poised to become a much more important and contested factor in East Asia's geopolitics, as it lies in China's most natural path for expansion in a political, commercial, and even physical sense. The next section explains why Southeast Asia and the South China Sea could become the most strategically important arena for sustained economic and nontraditional security cooperation by the United States and Japan in the future.

The Strategic Importance of Southeast Asia Today

Southeast Asia is an increasingly critical part of the global economy and includes dynamic economic partners for the United States and Japan. The ten ASEAN member states collectively form the sixth-largest economy in the world and could soon surpass the United Kingdom.⁸ The association boasts the third-largest labor force in the world, behind China and India, and if it can continue on current growth projections, the region will see its consuming class nearly double to 123 million households by 2015.⁹

Trade in goods between the United States and ASEAN more than doubled between 1990 and 2015, exceeding \$212 billion per year to make ASEAN the fourth-largest trading partner of the United States.¹⁰ Firms in the United States are also the top aggregate investors in this region, with a stock of FDI in Southeast Asia at nearly \$230 billion in 2014.¹¹ Japan's trade with ASEAN tripled from 1990 to 2015 to about \$240 billion, and it is poised to rise further on the back of recent FDI growth. Data from 2014 show that U.S. and Japanese FDI outflows to ASEAN each continue to outpace those by any other nation outside of ASEAN, even China.¹² Part of what is attracting this investment is the fact that the ASEAN region is demographically younger and more economically dynamic than Europe, North America, or Northeast Asia.

Of course, the growth in U.S. activity in Southeast Asia pales in comparison overall with what China has accomplished during its phenomenal economic rise since the 1990s. Just before the 1997 Asian financial crisis, the United States and Japan were ASEAN's largest trading partners, together accounting for over 30 percent of the region's imports and exports, while China's share was less than 5 percent. By 2015, however, China's presence had grown and represented about 15 percent of ASEAN's total trade, with a value of trade

more than 20 times what it was in 1996.¹³ China's leadership in the newly created AIIB and related Southeast Asian initiatives may boost its role further. China's positive role in ASEAN's growth story has been significant and should be appreciated, but the region's economic development is taking a heavy toll on the environment and adding to political pressures as well. This has important consequences for the South China Sea and the allies.

The South China Sea is historically one of the most productive fishing zones in the world, accounting for as much as 11 percent of the global annual catch.¹⁴ These sea resources are a vital source of protein and are important for the economic health of many countries in the region.¹⁵ Tens of millions of people from neighboring nations depend on the sea for their livelihood. In 1990, fish product exports from the South China Sea made up roughly 11 percent of the world's annual total trade, but that figure increased to 27 percent by 2011, thanks in part to the growth of aquaculture.¹⁶ The South China Sea is also notable as a global center of biodiversity, estimated to host about 12 percent of the world's mangrove forests and 7 percent of the world's coral reefs, both encompassing nearly three-quarters of the known range of plant and animal species in those environments.¹⁷ In addition, the South China Sea has other valuable marine resources such as oil and natural gas, and it is a primary trade route for the region, with over \$5 trillion of trade traversing annually.¹⁸

Like many marine ecosystems around the world, the South China Sea is threatened by unsustainable exploitation of the living resources, excessive pollution in its waters, and expanding coastal habitat modification. This is putting tremendous pressure on the aquatic environment and stoking tension, owing to the interconnected nature of migrating fish stocks and the widespread impact of transboundary pollution. As of 2015, about 400 million people live within 100 kilometers (about 60 miles) of the South China Sea coastline, and this concentration of people and industry is accelerating the negative effects of poor waste management, fertilizer use, and factory pollution.¹⁹

For example, over half of the waste plastic that finds its way into the world's oceans comes from just five growing economies along the South China Sea: China, Indonesia, the Philippines, Thailand, and Vietnam.²⁰ In addition, the conversion of coastal land to aquaculture has contributed to an estimated 70 percent loss of the region's mangroves. About 80 percent of the South China Sea's coral reefs have been degraded or are under threat from sediment, destructive fishing practices, and pollution.²¹ There is no regional fisheries management organization in the South China Sea, and even though most of the migratory species are managed by the West Pacific Fisheries Organization when the fish are in the Pacific, they fall out of its jurisdiction when they return to the South China Sea.²²

The depletion and damage to fish stocks in the South China Sea is an alarming problem with potentially wide strategic implications. Comprehensive stock assessments in 2010 and 2012 revealed that the majority of species in the South China Sea are either "overfished" or "fully fished," leading to the recommendation by the UN Food and Agriculture

Organization (FAO) of a 50 to 60 percent cutback on fish landings to allow stocks to recover.²³ A leading marine biologist from the University of Miami has called it “potentially one of the world’s worst fisheries collapses ever . . . [involving] hundreds and hundreds of species that will collapse . . . relatively quickly.”²⁴ Overfishing has resulted in “fishing down the food web” for so-called trash fish, as higher-value large demersal and pelagic species are becoming harder and more expensive to catch. The catch per unit of effort has declined by 40 to 68 percent off the coasts of China, Vietnam, and the Philippines in the South China Sea, compared with a few decades earlier.²⁵

Overexploitation near these shores is pushing fishermen farther out and into conflict with other nations’ fleets, fueling competing historical and territorial claims that are becoming increasingly dangerous. Major clashes involving foreign fishing vessels and local maritime authorities appear to be on the rise, with one think tank study noting that two-thirds of major clashes and standoffs since 2010 involved China’s coast guard.²⁶ The same study detailed various escalations of violence between vessels not involved with China, such as a 2015 incident when Thai marine police fired on and killed a Vietnamese fisherman, and a 2016 incident in which Taiwanese coast guard ships rammed and fired water cannons at Vietnamese fishing vessels around the Spratly Islands.

Similar tensions have emerged occasionally over the extraction of oil and natural gas, with a particularly high profile case involving the repeated placement by China of an oil platform about 130 miles off the coast of Vietnam in 2014, and subsequently pulled back closer to China’s Hainan Island in 2015 and 2016.²⁷ China escorted the oil rig to its temporary location in 2014 with navy vessels and coast guard ships; and ensuing physical clashes with Vietnamese boats left at least one sunk and a dozen Vietnamese fisheries officials injured.²⁸ In response, an estimated 20,000 angry Vietnamese workers attacked hundreds of Chinese and Taiwanese factories in Vietnam. As many as 21 people were killed and up to 100 injured during these riots.²⁹

The extent to which violence and military investments are increasing in the Southeast Asia region is a symptom of this wider competition among countries over South China Sea access and resources. The competition is also connected with nation-states that invoke their own identity politics in part to rally the public to defend national security interests and to protect current political regimes in some cases. As these countries grow economically, their governments have more money to invest in the military in defense of their physical, economic, and political security. Total military expenditure in the region ballooned from around \$80 billion in 1990 to over \$400 billion by 2015.³⁰ The risk of a dangerous escalation of direct conflict is rising, especially when long-held perceptions of unfairness or exploitation in regional relations can serve to justify aggressive action.

Overall, the growing influence and strength of Asia in economic, political, technology, and military terms since 1990 is having a profound global impact, and China’s central

role in this phenomenon means that its economic and political development is one of the most consequential variables for world peace and prosperity today.³¹ If the United States and Japan had bilateral relationships with China as strong as their own, there would be few regional challenges that the three countries' cooperation could not address successfully, be it marine resource management, environmental improvement, or peaceful dispute settlement. Unfortunately, even though the American and Japanese relationships with China feature strong economic interdependence and growing areas of common interest, there are still frequent instances of zero-sum competition, limited mutual trust, and conflicting worldviews that hinder collaboration and provide dry tinder for a violent clash. Avoiding such conflict and steering toward more productive ties with China are paramount for the allies.

The United States and Japan, however, have limited ability to directly influence China's political development and foreign policy behavior, so an indirect approach is necessary. A potentially viable way to balance China positively is to help build a strong, stable, and prosperous Southeast Asia along China's periphery that is relatively open and able to cooperate effectively to protect shared interests and facilitate collaboration for mutual benefit (including China). The purpose would not be to contain China or minimize Chinese influence in Southeast Asia but rather would be to foster the growth of a region where outside nations have equal access and where vital resources are protected sustainably. Metaphorically speaking, instead of shooting directly at the goal of balancing China or modifying its behavior with a muscular response, this approach is something of an indirect "bank shot" that supplements strong deterrence with a stepped-up effort to protect the regional commons and contribute to regional order and prosperity. For the United States, Japan is a perfect partner to help execute this kind of approach, which also fits well with both nations' national strategies.

China, Japan, the United States, and the ASEAN states will all be better off if the region becomes a place of cooperation rather than one of exploitation and geopolitical competition. After all, the struggle to contain and the struggle to expand are both expenditures of effort more productively directed toward other purposes in the South China Sea. As an example, Vietnam is spending \$2.6 billion for six Kilo-class submarines from Russia (five have already been delivered), and Thailand agreed in 2016 to pay China \$1 billion for three Yuan-class submarines over ten years. China has its own multibillion-dollar submarine fleet, and Indonesia and the Philippines under its previous president expressed intentions to buy submarines in the future.³²

All of this prompts an image of multiple submarine fleets patrolling once-thriving seas increasingly devoid of life. Such spending on submarines seems like a massive waste of money and time that could be better spent protecting the resources that helped enrich these countries in the first place. Southeast Asian nations have come far but still face many daunting challenges individually and collectively; so even as their capacity has grown,

their economic, political, and environmental needs remain great. Japan and the United States can make a difference in this process, and with at least some Chinese involvement they can ultimately contribute to better relations among all three. Washington and Tokyo must approach this undertaking in Southeast Asia as active partners deeply engaged and physically present in the region rather than simply outside providers of money and advice.

Ways to Elevate and Sustain U.S.-Japan Collaboration

There are some examples in other parts of the world that suggest potentially useful ways to approach protection of the South China Sea environment. The Chesapeake Bay in the eastern United States suffered from intense overfishing, pollution, and environmental degradation for several decades until valuable species of sea life were nearly wiped out by the 1980s and 1990s. Similar to the South China Sea, reviving the Chesapeake Bay was not simply a matter of cleaning up the water, reseeded oyster beds, and imposing catch limits. Instead, the process required addressing a myriad of land-based factors affecting the local ecosystem, economies, and regional governance down to the county and even town levels. This was no simple task, given that the Chesapeake Bay is fed by the largest estuary in North America encompassing some 64,000 square miles and over 150 rivers and streams across six states and the District of Columbia.³³

The federal government, state governments, civil society organizations, and the private sector came together to improve the health of the Chesapeake by reducing nitrogen, phosphorus, and sediment pollution, restricting and managing the fisheries, planting forest buffers, and many other steps.³⁴ The restoration effort is ongoing and continues to face many political, economic, and environmental challenges, but the ecosystem has improved in several respects, and the region is now better prepared to handle future challenges from climate change or other systemic shocks. Japan has faced similar challenges related to its Seto Inland Sea and responded with like measures. The marginal gains that have been made in both instances are thanks largely to many compromises made along the way by various stakeholders, together with a coordination and oversight role played by federal agencies. This has been hard enough to accomplish in the diplomatically uncomplicated situation within one country, and with national and state resources available for support and enforcement at the local level. It is far more difficult to act collectively and effectively when multiple nations are involved, especially when they have limited experience of cooperative action.

A closer parallel to the South China Sea's multinational situation is the fishing and marine pollutant negotiations around the Mediterranean Sea. While the Common Fisheries Policy (CFP)—dating back to the pre-EU 1960s era—attempted to regulate fish stock in the EU's share of the Mediterranean by setting quotas for its member states, various environmental groups and marine scientists have since lambasted the CFP as a failure of multinational resource management.³⁵ The failure is most evident in the persistence of overfishing, with the European Commission citing in 2016 that 93 percent of fish

stocks were being overexploited.³⁶ Despite agreement by EU member states on the 2013 CFP reforms that include maximum stock yield policies and discard bans, European Commission ministers continue to set fishing limits higher than scientifically advisable for controlling overfishing, owing to the inherent political sensitivities related to the fishing industry.³⁷ In one example of these sensitivities, British polls showed that 92 percent of British fishermen supported the country's withdrawal from the European Union during the 2016 Brexit debate, highlighting their dissatisfaction with a centralized bureaucracy in Brussels governing their livelihoods.³⁸

Regional tensions over EU fish quotas raise serious questions about the effectiveness of common resource cooperation in a multilateral setting, but there is at least some hope in structured efforts to address environmental issues affecting the Mediterranean Sea. The Barcelona Convention and its Mediterranean Action Plan were adopted in 1975 to tackle regional marine pollution issues such as waste dumping and establishing marine-protected areas.³⁹ Involving twenty-one state signatories and the EU, the Barcelona Convention is the only international legal document governing formal cooperation of all Mediterranean states.⁴⁰ While critics note that conflicts of interest result in lack of enforcement and low protocol standards for tackling major issues such as land-based pollution sources, others note that the Mediterranean Action Plan has brought together countries in the region that have traditionally been in conflict (including Arabs and Israelis or Greeks and Turks).⁴¹

Although such political benefits often come at the cost of suboptimal environmental regulation, there is at least some environmental improvement, and it provides a platform for interaction with other conservation efforts, such as the network of 350 marine institutes in twenty member countries of the International Council for the Exploration of the Sea.⁴² The Barcelona Convention also shows how participation in an international environmental regime can facilitate cooperation despite regional tensions—a lesson that can be applied to the South China Sea or to deal with other regional challenges such as pervasive air pollution in the region or recurring toxic haze from large forest fires.

In an ideal world, all the twelve nations and administrative bodies that touch the South China Sea would come together to strengthen the group action necessary for protecting the maritime environment and reducing unregulated fishing. Some countries have taken incremental steps in the past, notably a 2007 Regional Plan of Action to Promote Responsible Fishing Practices signed by eleven Asia-Pacific nations including Indonesia, the Philippines, Thailand, Vietnam, and Australia but notably not involving China.⁴³ Efforts to date have been ineffective, however, owing to limited participation, lack of leadership, and a weak surveillance and enforcement capacity.

Helping to stabilize the South China Sea as an open and productive regional commons could be strategically valuable for the United States and Japan, justifying a higher-level and sustained bilateral initiative, in collaboration with other countries and institutions.

Progress on this front would have a noticeable impact on allied security and regional prosperity over the long term. Of course, promoting regional moves to address the South China Sea's resource management and environmental problems is not something that Washington and Tokyo can impose on the region or accomplish without a sincere commitment by the surrounding countries, but senior-level allied agreement backed by consistent diplomacy and some financial investments could be a catalyst for more effective collective action.

The allies are already taking modest steps in this direction—both alone and in coordination—on a country-by-country basis with maritime capacity-building programs that provide countries such as the Philippines, Vietnam, and Indonesia with ships, equipment, and training to improve their ability to patrol and protect their EEZs. These efforts are a marginally useful form of hard balancing against China's large maritime advantage, but these new capabilities are not being knitted together as part of a broader fabric. A different approach is needed to elicit more multilateral cooperation in this area.

Taking the idea of maritime capacity building a step further, former Japanese prime minister Yasuhiro Nakasone proposed in 2015 the establishment of a regional organization dedicated to maritime security and maritime domain awareness, based loosely on the model of the Organization for Security and Cooperation in Europe.⁴⁴ Although there are many political challenges to creating a security-focused regional organization, it might be possible to adapt the proposal to an environmental and resource management purpose. The proposal's basic framework is a potentially viable model for protecting the regional commons, as it envisions institutionalized ASEAN and regional stakeholder collaboration aimed at strengthening maritime domain awareness. This institution would facilitate regional dialogue and policy action to address shared concerns, and it could help build capacity to collect data and monitor compliance with group agreements.

Fortunately, the region already has a variety of forums and mechanisms that can help address some of these challenges, even if they are insufficiently integrated and are not tackling the resource depletion issues that lie at the heart of tension in the South China Sea. The East Asia Summit is the most legitimate organization to guide policy and make important political decisions for the region (with a strong ASEAN component), and in 2015 it provided a list of aspirations related to "sustainable marine economic development" around which a more concrete program for implementation could be developed.⁴⁵ There is little current activity in this area, however, beyond a nongovernmental study group that is examining food security promotion through sustainable fisheries management.⁴⁶

The Southeast Asian Fisheries Development Center based in Thailand has been around for decades and works "to develop and manage the fisheries potential of the region" by conducting research and providing relevant information and training.⁴⁷ Japan is a member

along with the ten ASEAN countries, but China is not affiliated. The organization overall operates with a small budget—\$11 million—and little political clout. It collaborates, as a policy and technical organization, with ASEAN through a “fisheries consultative group mechanism” with the goal of steering policymakers toward more integrated and sustainable policy initiatives, but this also does not involve China and has had a marginal impact to date.⁴⁸

The Expanded ASEAN Maritime Forum is a relatively new and potentially valuable opportunity to address specific maritime legal, environmental, and economic issues, and it involves all EAS members including Japan, China, and the United States.⁴⁹ Another useful tool could be further promotion of the Port State Measures Agreement, an international arrangement aimed at curtailing illegal and unregulated fishing, but it has so far received only scant support in Asia.⁵⁰

All the above-mentioned forums and working groups are potential building blocks for a more intense regionwide conservation effort, but the obstacles to realizing such an outcome are formidable. Chief among them are the domestic political interests that have stymied substantive progress to date and a lack of policy and governance infrastructure suitable for interagency and intergovernmental coordination. It is also unlikely that China would welcome a new regional maritime cooperation organization in Asia, when it has already laid claim to vast portions of the South and East China Seas and rejected attempts to involve third-party judgments of disputes even when initiated under a framework originally agreed to by Beijing.⁵¹ Why would Beijing want to further multilateralize the maritime domain in the South China Sea when it has tried so hard to address issues in a bilateral context, where it believes it has an advantage?

A potential answer to this question rests on the simple fact that China is currently the single largest beneficiary of a healthy South China Sea ecosystem, which it cannot preserve without cooperation from others. Whatever short-term benefit China might gain from aggressively increasing its share of the annual catch through bullying and subsidized fishing activity will be far outweighed in the long term by intensified battles with neighbors over remaining stocks, as well as the eventual economic loss and political challenges that will stem from regionwide species collapse.⁵² The same goes for other countries pursuing short-term marginal gains. China most of all needs a viable long-range mechanism for South China Sea conservation, including land-based factors, and the United States and Japan are well placed to contribute significantly on this front, both in terms of building capacity and acting as honest brokers in the area of environmental protection. Collective action by the three largest economies in the world could be a game changer for the South China Sea, if they can find a productive balance between their short-term and long-term interests.

If a new multilateral organization or initiative can contribute in practical ways to regional stability and prosperity while sharing costs and political pain equitably, then it might be

possible to partner with Beijing and other key players in this area. Such an initiative might not be successful, given the many political obstacles and conflicting perceptions of national interest, but it is worth pursuing. The potential benefit is strategically important enough to justify high-level and sustained U.S.-Japan collaboration to help make it a reality.

There are other ways besides supporting regional commons protection that the United States and Japan can cooperate to strengthen Southeast Asia and enhance their influence, with a goal of balancing China's rise and encouraging collaborative approaches to regional challenges. An important consideration in this regard is contributing to political development in the region, which some argue "has been put on the back burner" in favor of "economic growth."⁵³ Professor and analyst Muthiah Alagappa calls this "unbalanced development" that has stunted "the development of institutions and processes [in Southeast Asia] for the peaceful construction of strong coherent nations and transparent accountable states, as well as for effective participatory governance."⁵⁴ This "contributes to the securitization of certain issues that can otherwise be managed peacefully," so there is a real cost to society and associated danger that leaders in Thailand, Myanmar, the Philippines, and elsewhere are struggling to manage.

Participatory governance in this case does not necessarily mean pushing for democracy in a strictly American or Japanese image. Instead, it suggests that increasingly prominent issues of wealth and status inequality, ethnic and religious friction, or other types of economic and political competition based on geographic region, race, or social class require a more democratic society to manage tensions peacefully. Placing greater emphasis on balanced development will benefit Southeast Asia going forward, and the United States and Japan can play a limited but constructive role in this area as well.

Although the allies' contributions to Southeast Asian economic development are well documented and include sizable private sector involvement, the alliance has paid less attention to the political dimension. Japanese development programs in this area tend to focus on bureaucratic capacity building, support for elections, and investment incentives for "good" government behavior, while U.S. programs often target civil society development and use sanctions or other "sticks" to discourage bad behavior.⁵⁵ There are significant differences between the policy environments in Tokyo and Washington with respect to political development support in Southeast Asia, but since around 2010 U.S.-Japan collaboration in support of Myanmar's transition to a more democratic form of government is an example of positive contributions to that country's balanced development, despite some gaps in the allies' approaches.

Japanese and U.S. policymakers with expertise in Myanmar had limited experience working together, and they operated under different budget cycles and evaluation criteria. In addition, the two governments' priorities and approaches to such issues as debt relief, sanctions relief, and infrastructure investment were often out of sync.⁵⁶ Still, Washington

and Tokyo shared many overall policy goals and recognized the importance of their cooperation for successful engagement with Myanmar, so they were able to use their alliance management framework to navigate the interagency process for positive cooperation. This included a two-year process of allied and multilateral interaction to help Myanmar restructure its \$15 billion of foreign debt by 2013. The allies carried out their own programs but exchanged information regularly, so JICA's support for reform measures from 2011 in areas of macroeconomic management, education, and health policy benefited as much as possible from USAID's work with civil society (and vice versa).

Programs to support peace and reconciliation with ethnic minorities, personnel exchanges to foster institutional capacity building, and large-scale infrastructure investment have all been part of this multilateral and multibillion-dollar effort to aid Myanmar's transition, which would not have been possible without close U.S.-Japan collaboration. New alliance relationships between the two governments were built in the process, and Myanmar has become an important focus of bilateral coordination in the U.S.-Japan Development Dialogue. This is an alliance approach that should be continued and could be elevated for more comprehensive engagement with Myanmar as well as with other critical players in the region, including Thailand, Malaysia, the Philippines, or Indonesia.

The U.S.-Japan Development Dialogue is a useful tool for the allies to coordinate foreign assistance and development policies, but it is too narrowly focused for effective support of balanced development in Southeast Asia, which should involve specialists in the areas of finance, trade and investment, foreign policy, foreign assistance, security, and others. Coordination with international and regional institutions is also important, all the more so because the AIIB is adding financial resources for regional development and working in collaboration with the World Bank and the Asian Development Bank (ADB).⁵⁷ Both private and public resources for Southeast Asian development are growing, and the alliance should organize itself to take advantage of this potential synergy.

Underlying competition for influence in Southeast Asia between Japan and China is feeding a sense of regional rivalry that can actually be productive as the two compete by adding more resources for development. Although the United States and Japan stayed out of the China-led AIIB, Tokyo launched its own "high-quality infrastructure" development fund in 2015 with plans to invest \$110 billion in Asia over five years, through its own agencies and via the ADB.⁵⁸ At least \$7 billion of those funds will go toward development in the Mekong region, which includes Vietnam, Laos, and Thailand.⁵⁹ The AIIB's initial projects are being co-financed with other international financial institutions, and although national competition will always be present and there is bound to be some shortfall of cooperation leading to gaps or duplication, all concerned have enough common interests in Southeast Asia that this phenomenon of "coopertition" might deliver long-term dividends.

From the U.S. perspective, investment in Southeast Asia's balanced development does not have to come at the expense of other parts of the world or be viewed as a distraction from

other priorities, as long as it can coordinate effectively with the sustained effort that Japan is already making. Americans often underestimate how well respected Japan is in most parts of Asia, notwithstanding some lingering territorial and historical disputes. Many Southeast Asian nations in the 1970s, 1980s, and 1990s looked up to Japan as the “lead goose” in a flock of aspiring economies, and they often emulated Japanese industrial policies. As the rest of Asia modernizes and grows wealthier, Japan might now be simply one goose in a larger flock, but it will maintain an influential voice because of its wealth and technical expertise, its democratic and free market traditions, and its nonconfrontational diplomatic approach. An alliance acting in coordination as leaders of a trade promotion and harmonization regime could have a significant positive impact in this regard.

A series of workshops involving scholars and policymakers from the United States, Japan, and many ASEAN members over the course of 2014 and 2015 considered what kind of alliance role in Southeast Asia might be most constructive and acceptable in the region, and the overall message was encouraging. The ASEAN participants tended to see the alliance as reliable and a source of public goods, as long as it did not push for collective action to confront China on regional issues.⁶⁰ They welcomed U.S. and Japanese acceptance of ASEAN centrality in Southeast Asia, and they expressed a strong desire for the allies to engage in the region’s social and economic development. Competition will always be fierce in Asia, but if the region is able to build institutions and cooperative frameworks to tackle common economic, environmental, and even political and security challenges, it will happen because Japan and the United States are active players in that process.

TRILATERALISM

Another valuable area of alliance cooperation is development of stronger relationships with other regional allies and partners in the form of trilateral initiatives, one of which Washington and Tokyo began forming in the early 1990s. North Korea’s announcement in 1993 of its intention to withdraw from the Treaty on the Non-Proliferation of Nuclear Weapons prompted the United States, Japan, and South Korea to coalesce more regularly as a group to tighten policy coordination and strengthen their collective diplomatic voice in the region and at the United Nations.⁶¹ It was also a way to strengthen deterrence vis-à-vis North Korea, an effort that has become increasingly important as the North improves the performance of its nuclear and missile programs.

The United States and Japan later adapted the trilateral model to facilitate cooperation with Australia for a variety of different purposes. U.S.-Japan and U.S.-Australia cooperation in East Timor, Afghanistan, and then Iraq created opportunities to increase policy and operational coordination among the three countries. They launched a formal Trilateral Strategic Dialogue early in this century “to protect [their] shared strategic interests in promoting peace and stability in the Asia-Pacific region.”⁶²

Critics suspicious of these trilateral initiatives sometimes argue that they are a form of anti-Chinese containment or a means to work around other multilateral forums in Asia, but the trilateral track record demonstrates otherwise. Their origins lie primarily in response to challenges other than China's rise (for example, North Korea, terrorism, support to fragile states), and they have sought consistently to reinforce existing multilateralism rather than act independently.⁶³ There are several reasons why the United States and Japan have pursued trilateral diplomacy in the post-Cold War era, including the desire to avoid policy conflicts on certain shared interests (by confirming key issues as a group and limiting misunderstandings), efficiency (on the understanding that one trilateral can be simpler than three bilateral meetings), and maximizing influence by functioning as a caucus within broader multilateral institutions.

For example, these trilateral forums have been instrumental in operationalizing regional efforts on counterproliferation (through the Proliferation Security Initiative) and large-scale disaster relief activities. When major multilateral exercises are conducted in Asia for these purposes, most of the ships, planes, and helicopters come from the United States, Japan, South Korea, and Australia. In addition, trilateral influence tends to be greater when two of the countries are U.S. allies, because the level of their military capability and interoperability is high, they have existing intergovernmental coordination frameworks, and they are predisposed to agree on many policy positions.

People who organize official trilateral meetings will underscore their potential value, but they will add that "trilats" are exponentially harder to manage effectively than "bilats," in terms of aligning schedules, forming agendas, working interagency coordination domestically, and agreeing collectively to take meaningful steps that can be implemented to address a common problem.⁶⁴ As a result, the answer to the question, Why trilateral and not four or five countries, or just two? is that three has proved to be a sweet spot for trying to gain some greater economies of scale and influence beyond what bilateral coordination can offer, without diluting agreements or action to the lowest common denominator, which is often the case in larger multilateral forums.

Trilateralism, therefore, can be a useful tool for the allies in promoting their objectives in Southeast Asia in collaboration with ASEAN and ASEAN+3 forums, but it can also extend beyond Southeast Asia to include India and possibly others. Thus because trilateralism already garners high-level attention, the recommendation in this case is not so much to raise trilateralism to a higher strategic level within the alliance but to maintain these initiatives on foreign policy and defense issues and expand slightly to more comprehensive security topics. These could include foreign assistance, the environment, trade, and finance. Trilateralism can be applicable for both downstream and upstream initiatives in the region and beyond.

Downstream Trilateralism

Advocates of trilateralism often emphasize that for such groupings to be sustainable and productive, they need to stand for something and not simply against a specific country or issue. This statement is only partly true, in particular when it comes to managing North Korean nuclear and missile threats. Deterrence on the Korean Peninsula relies on the combination of U.S.-ROK military power in South Korea and the U.S. and UN-flagged bases in Japan for additional strike capability, logistics support, and a staging area for U.S. reinforcements. One without the other is insufficient. Japan's SDF can also play an important support role in protecting its own security interests to free up U.S. forces.

By preparing earnestly for a worst-possible scenario involving North Korea, the United States, South Korea, and Japan aim to deter North Korean aggressive military behavior and prevent a war in the first place. The stakes are rising on this front owing to the nuclear threat. North Korea's frequent missile launches (averaging up to twenty per year since 2014) and five total nuclear tests through 2016 lend credibility to its claims of successfully miniaturizing nuclear weapons for delivery by ballistic missile.⁶⁵

Preventing the escalation of regional conflict to a nuclear level—and preparing for the consequences of a possible nuclear exchange in case it fails—is now a critical role for U.S.-Japan-ROK trilateral cooperation. On one hand, this task is becoming more complicated as North Korea diversifies its potential means of nuclear delivery to include submarine-launched missiles, but on the other hand trilateral coordination should benefit from a more robust Japanese support role, made possible by the 2015 defense guidelines and enabling legislation.

A government forum called the Defense Trilateral Talks (DTT) is the main way that Seoul, Tokyo, and Washington coordinate defense policy and military cooperation vis-à-vis North Korea. The three countries started meeting annually in 1998 to share assessments about North Korea, explore opportunities for joint exercises or information exchanges to boost deterrence, and enhance mutual trust and effective communication overall in the event of a North Korean contingency.⁶⁶ The backdrop for this bureaucratic innovation was revision of the defense guidelines in 1997 and debate over the SIASJ legislation in Japan, prompting an effort to explain these developments to Seoul and consider new opportunities for cooperation.

A downturn in Japan–South Korea ties from 2003 led to a suspension of the DTT, but they resumed in 2008. Since then, trilateral cooperation has expanded and improved incrementally—commensurate with North Korea's military modernization—to include service-to-service trilateral meetings and exercises, Joint Staff trilats, and agreement in late 2014 on a special military information-sharing arrangement.⁶⁷ The quality and substance

of trilateral defense cooperation often depends on two main factors: the level of threat the allies perceive North Korea to be and the current state of Japan–South Korea relations.

Bilateral tensions between Japan and South Korea over gaps in their historical understanding of Japan’s imperialist era have often inhibited deeper trilateral cooperation. Another factor is Seoul’s sensitivity at times to Beijing’s concerns that trilateral military cooperation could pose a long-term threat to China. Japan–ROK bilateral tensions eased to some degree in 2015 when Tokyo and Seoul agreed to “resolve” their argument over Japan’s responsibility for its military-managed prostitution system that exploited Korean women from the 1930s through World War II, but persistent gaps in their historical understanding will most likely continue to frustrate U.S. efforts to better integrate these two alliance relationships.⁶⁸ Still, incremental improvements in trilateral cooperation are possible and can make a difference with respect to North Korean advances, and over time the Japanese and Koreans will have opportunities to deepen mutual understanding on history, if they are willing to seize them.

In the meantime, Washington and Tokyo’s ongoing implementation of the 2015 defense guidelines is a chance to reinvigorate trilateral defense collaboration, because it is now possible for Japan’s SDF to support U.S. forces directly during a conflict with North Korea. Japan could potentially help defend U.S. naval vessels or provide surveillance and reconnaissance information to U.S. units in real time, possibly even help U.S. forces target missile sites or military bases in the North. Timely information sharing and decisionmaking will be crucial, given the growing nuclear threat, and a higher level of detail with regard to military planning and joint exercises among the three might be required. New areas of cooperation—including antisubmarine warfare, missile defense, and in the cyber domain—should be considered in a trilateral context, despite some of the political sensitivities involved.

A similar defense-focused trilateral initiative involving Australia is the Security and Defense Cooperation Forum (SDCF), begun in 2007 to enhance interoperability, build cooperative capacity among the allies, and buttress multilateral cooperation in regional forums.⁶⁹ The SDCF differs from the DTT in that it is not designed to address a common potential adversary, and it has adopted a broader agenda that goes beyond traditional security cooperation. The current downstream focus of the SDCF is generally in the areas of counterproliferation, counterpiracy, some missile defense dialogue, and building civil-military capacity to respond to large-scale natural disasters in the Asia-Pacific region. The three countries have also engaged in trilateral dialogue on space and cybersecurity issues outside the SDCF framework since 2012.⁷⁰ A key enabler for this wider range of U.S.-Japan-Australia security cooperation has been the strengthened bilateral security arrangements between Japan and Australia. These include a Joint Declaration on Security Cooperation in 2007, an Australia-Japan Acquisition and Cross-Servicing Agreement signed in 2010, and an Australia-Japan Information Security Agreement in 2012.

Some security policy analysts have suggested building on recent trilateral gains with Australia by using them as a foundation for creating federated capabilities in Asia in the maritime area.⁷¹ This approach would seek to more deeply integrate allied naval capabilities and “knit together a geopolitically significant defense capability that is demonstrably greater than the United States or its allies” can manage on their own.⁷² Other countries such as Indonesia, the Philippines, and Vietnam are suggested as additional participants, and proposed areas for joint collaboration include surveillance and reconnaissance, undersea warfare, and military logistics. But developing federated defense capabilities in Asia is not something that the allies are currently pursuing, and under present conditions it could actually be counterproductive by stimulating a backlash in China. These kinds of proposals will multiply, however, if regional maritime tensions in the South and East China Seas continue unabated.

Such doubling down on traditional security cooperation, however, is arguably not worth the diplomatic and political cost to implement at this time, in part because of how difficult it would be to operationalize and because it would quite likely push relations with China into an even steeper zero-sum spiral, thereby exacerbating the regional security dilemma prematurely. U.S.-Japan security cooperation is still vital, but the allies currently possess adequate defense resources to discourage China from using its military for territorial gain in Asia. What they could use more of is a combination of diplomatic, organizational, and commercial strength in the region to help mobilize more effective multilateral collaboration that can reinforce the open stable system and resist hegemonic actions. Expanding the use of trilateralism in these nonmilitary areas—while still maintaining the security-focused initiatives mentioned above—could be a way to support multilateralism and regional security in a broader and ultimately impactful way.

Upstream Trilateralism

Trilateralism is no panacea for the United States and Japan as they seek to manage threats, promote community building, and build governance capacity in the region. Trilateral meetings are difficult and time consuming to organize, and often they do not yield near-term tangible results because of some misalignment of priorities (or a least common denominator effect). Usually, government officials responsible for managing alliance relations are the most enthusiastic supporters, as they try to diversify alliance linkages and network these security ties for future benefit. However, functional specialists responsible for space, cyber issues, foreign assistance, or other specialty issue areas recruited for trilateral leverage tend to view the initiatives as a distraction unless there is some obvious relevance of the three countries to their policy portfolios. These offices already have bilateral and multilateral means to accomplish their missions. A lot depends, therefore, on how particular issues and potential partners are lined up for trilateral consideration.

The easiest way to begin moving trilateralism upstream into nontraditional security areas is to build on some current trilateral activities such as disaster relief and maritime security, even if they have so far been focused primarily on downstream aspects. For example, in what are the most tangible forms of U.S.-Japan-Australia cooperation for disaster relief to date, the three militaries improved military airlift interoperability and collaborated on—or conducted “lessons learned” seminars about—military support for the relief response in 2004 to the Indian Ocean tsunami, the 2010 Pakistan floods, and the 2011 Great East Japan Earthquake and tsunami disaster.⁷³ The focus has generally been on how to respond more effectively to a crisis after it happens. The same is true for PKO or peacebuilding activities, for example in East Timor, where most trilateral initiatives have dwelled on crisis response rather than human security protection or crisis prevention.⁷⁴

The SDCF has also been a means by which these three partners coordinate their participation in ASEAN Defense Ministers Meeting-Plus working groups, as well as their own national programs aimed at maritime security capacity building in Southeast Asia. All three countries are in the process of providing ships, planes, or training to the coast guard authorities and navies (in some cases) of Vietnam, the Philippines, Indonesia, and Malaysia to help them better monitor their EEZs. Future coordinated steps could build in a higher degree of regional interoperability and facilitate information sharing among these countries that could actively limit illicit activity, such as illegal fishing, coral poaching, and human or drug trafficking.

Building this capacity and over time expanding incrementally how it is applied can provide ASEAN governments with a more detailed and shared picture of potentially damaging things happening in their region and to their people, empowering authorities to cooperate more effectively. Local political leadership might not take advantage of these opportunities to strengthen regional governance, but these kinds of initiatives can generate momentum if a few early adopters show that it can help weaken criminal elements, protect the environment, and improve their citizens’ lives. In other words, this kind of initiative can be much more than a geopolitical power play.

Trilateral cooperation could also expand beyond the security arena to build practical and flexible alliances in the fields of global health, refugee resettlement, environmental protection, and foreign assistance. This kind of collaboration is not likely to be efficient if it tries to create formal consultation structures or even jointly designed projects. Instead, the coordinating or sharing of information about development programs in Myanmar and the Mekong Delta region, for example, can add value beyond bilateral coordination and operationalize multilateral cooperation. The same could be true with regard to fisheries protection in Oceania and the Central Pacific or building functional caucuses of like-minded allies to influence future norms for governance in cyberspace.

Some of this coordination already takes place, and trilateral forums are not the exclusive venues in which to pursue these goals, but they can often be a useful tool to supplement or

reinforce other diplomatic action. For example, the United States and Japan have collaborated with partners within APEC to promote high ethical business standards for small and medium-sized businesses across all member states in certain sectors like medical devices and biopharmaceuticals.⁷⁵ Reducing corruption, raising quality standards, and improving local firm competitiveness are net wins for all sides and politically uncontroversial.

Regardless of how Washington and Tokyo decide to use trilateralism to supplement their alliance cooperation in Asia, policymakers should keep in mind some lessons learned that can contribute to more effective trilateral cooperation in the future. The first is the importance of holding on to institutional knowledge in the bureaucracy so that three-way collaboration can mature over time. Unlike long-held bilateral relationships and especially alliances, trilateral groupings have almost no institutional home within the government bureaucracy and are pulled together by the people currently working those national and functional desks. Special consideration has to be given in each country to how trilateral institutional memory will be retained in the face of frequent personnel turnover, changing guidance from supervisors, and occasional political setbacks among the partners.

Other important considerations include finding the right balance between the frequency and breadth of trilateral activities versus sophistication and depth. Is it better to undertake one or two activities with a high level of commitment and expertise or to cover a wider range of issues in a more shallow way, since it is hard to know in advance which activities will take root and thrive in multilateral venues? Such questions can only be answered by the three countries in consultation with one another, and it might prove to be something of a progression from wide and shallow to narrow and deep over time, as certain cooperative ventures demonstrate more value than others.

Ultimately, the sustainability of trilateral initiatives will be determined by the perceptions of usefulness and appropriateness among both the policy specialists and the public, and what is considered appropriate is not always the most useful. For example, government officials might want to expand missile defense cooperation or cooperate to prevent a refugee crisis overseas, but more visible cooperation addressing a nearby natural disaster or oil spill might elicit more vocal public interest and approval. Because public support is necessary for trilateral sustainability, policymakers in the United States and Japan should consider both audiences as they constantly evaluate the best ways to leverage these forums for long-term strategic benefit.

SCIENCE AND TECHNOLOGY

Another candidate for stepped-up alliance collaboration is also an area that has been attracting U.S. and Japanese attention for decades, albeit in a diverse manner and with relatively low levels of investment. This is the area of science and technology cooperation, which began in the 1960s and fostered joint study and intellectual exchange in a variety

of fields including environmental sciences and medicine, and later in energy, outer space, transportation, and others.⁷⁶ The two countries have also sponsored a wide range of joint demonstration projects involving clean energy, nuclear waste disposal, defense technologies—especially missile defense—and many others. This kind of cooperation should continue, but the allies should also consider one or two high-tech areas relevant to their national strategies for more substantial investment of time and research support.

The United States has long seen Japan as a valuable science and technology partner, even during their most competitive period of the 1980s and 1990s. Japan is among the world's most innovative countries in fields of manufacturing, renewable energy, robotics and autonomous systems, and healthcare. In addition, Japanese firms and individuals receive more U.S. patents than any country outside of the United States, accounting for about one-fifth of the total and three times the number of its closest rival, Germany.⁷⁷ Japan also boasts fifteen Nobel Prize laureates since 2000, spanning chemistry, physics, physiology, and medicine, which is part of the reason why the U.S. government actively courted the involvement of Japan (among other nations) in its two biggest health and physiology initiatives since mapping the human genome around the turn of the century: the BRAIN Initiative and the Cancer Moonshot.⁷⁸

One new area of technology collaboration that will quite likely have a major strategic impact on the allies' future is artificial intelligence, a field that, in the process of preparing this report, stood out as the most compelling candidate for closer alliance cooperation in the high-tech area. The private sector is already advanced in this field, and recent gains in AI technology are fueling a boom of private capital investment, a lot of which involves U.S. and Japanese firms in both collaboration and competition. This investment will accelerate innovation, and various forms of AI could become pervasive in society with hard-to-predict effects. Although government generally lags behind in the AI field, it still has important roles to play in domestic and international regulation, as well as how the technology is applied to defense applications.

Despite the potential benefits of AI, its economic disruption could be significant: some studies forecast that up to 47 percent of U.S. jobs might be at risk of being “substituted by computer capital” during a “transformation of society ‘happening ten times faster and at 300 times the scale’ of the Industrial Revolution.”⁷⁹ Policymakers will need to adopt new policies to help their economies and societies adapt to this kind of change, similar to the way that they tried to manage disruption from previous technological revolutions. Governments could also see challenges from unethical or malicious use of AI by its citizens and those from other countries. As noted earlier, AI technology has already been implicated in attempts at financial market manipulation, and other challenges will no doubt emerge over time. The United States and Japan should prepare more specifically for these possible outcomes—as allies and in multilateral formats—involving both the public and private sectors.

As the field of AI rapidly progresses globally in relatively new areas such as deep learning, the Japanese public and private sectors have taken steps to bolster their nation's position. With hopes of revitalizing its aging labor force and concerns of falling behind other nations' AI research, Japan's METI undertook several measures: the adoption of a New Robot Strategy in 2015 to push for automation of all aspects of daily life and use intelligent machines to help reach Abe's GDP goals by 2020; the establishment of the Artificial Intelligence Research Center in 2015; and the investment of 5.4 billion yen (about \$48 million) in the Advanced Integrated Intelligence Platform Project in 2016 to foster a public-private research partnership in building AI systems.⁸⁰ These efforts build on existing private sector initiatives that include U.S. firms as partners. For example, major technology-focused companies such as Toyota and Recruit Holding have invested in research centers in Silicon Valley and formed partnerships with American research universities and companies to research autonomous driving and robotic systems.⁸¹ Domestically, companies such as Hitachi and NEC have increased investment in AI as well, focusing on Japan's strengths in robotic manufacturing and hardware development.

The U.S. private sector continues to lead in the field of AI, with giants such as IBM, Facebook, and Google focusing on software and information or big-data processing through deep-learning systems—rather than on robotic hardware. Instead of focusing on robotic substitution of human labor, AI research's greatest innovations and growing markets in the United States are fueled by speech recognition, image understanding, and data processing. For example, IBM's Watson and Google's DeepMind have been used to process patient information for diagnostic assistance, while Facebook, Google, and Elon Musk's OpenAI have released open-source code for various deep-learning systems involved in visual and language processing.⁸² Although the U.S. public sector has lagged behind progress led by private firms, the Department of Defense's Third Offset Strategy announced in 2015 and Obama's push for an interagency working group on AI in 2016 both demonstrated how U.S. government institutions are trying to tap into—and consider regulating—these intelligent systems.⁸³ His administration also urged the government to strengthen its collaboration with key international stakeholders and develop a government-wide strategy on international engagement related to AI.⁸⁴

Defense applications for AI are high on the policy and research agenda in Washington, as the United States will be among the first to feel the negative impact if an adversary is able to weaponize AI effectively, owing to the United States' high profile as a security provider. The role of AI in autonomous systems and robotics is of particular interest to the U.S. military, which is considering ways that these systems could enhance battle space awareness, provide force protection, supplement logistics safely and efficiently, and other applications. A 2016 Defense Science Board study concluded that "autonomy—fueled by advances in artificial intelligence—has attained a 'tipping point' in value" and that actions within the U.S. defense community to build trust in autonomous capabilities and speed their delivery and adoption "is of far greater importance—and urgency—than

the implementation of any single program of record.”⁸⁵ Already, some tests of AI-enabled unmanned aerial vehicles with the Air Force Research Laboratory have repeatedly defeated human-piloted drones, and these kinds of results are steering military doctrine toward having “humans learn to ‘quarterback’ teams of autonomous war machines rather than each human operating one machine directly.”⁸⁶

On the economic front, the United States and Japan would also be among the biggest losers in the world if unregulated AI development were to wreak havoc and destroy confidence in global markets. The “flash crash” of 2010 and similar incidents are warning signs of potentially more damaging uses of AI-related technology, which is why transparency initiatives are so important. The emergence of AI hedge funds are now going beyond traditional algorithms for trading and adding deep-learning components, which could make them harder to manage in the future.⁸⁷ The combination of the allies’ leadership in the AI field and in relevant multilateral forums puts them in a good position to influence the future direction of this technology in the global marketplace. This includes the AI-related fields of finance, driverless vehicles, and cybersecurity, among others. Close coordination between Washington and Tokyo will help them maximize this influence, and although the allies have recently added data science and AI to its agenda, bilateral dialogue would benefit from more senior-level and interagency attention.⁸⁸

There might be other strategically important areas beyond AI for Washington to explore that would foster science and technology cooperation with Japan, but it will take more than this author’s opinion to determine the most productive technology areas on which to focus allied attention. The purpose of this recommendation for alliance collaboration in the AI field is primarily to stimulate discussion about how to make better strategic use of the two countries’ scientific strengths. The U.S.-Japan Joint High-Level Committee Meeting on Science and Technology Cooperation is a useful forum for setting a broad agenda for bilateral science collaboration, but a more focused alliance dialogue on emerging science and technology developments and their potential impact on national security and the open stable system should be considered. Business and technology consultant Douglas Rake has outlined just such an initiative that would involve multiple communities in the public and private sectors, which is a useful starting point for making actionable policy recommendations.⁸⁹ Identifying priorities, allocating meaningful resources, and sustaining alliance attention on a small number of strategically important technology areas can pay dividends to both countries over the long term.

All of these candidates for strengthened U.S.-Japan cooperation—mobilizing to protect the regional commons and supporting balanced development in Southeast Asia, diversifying the use of trilateralism, and incorporating technology more directly into alliance strategy—represent incremental adjustments to current bilateral efforts, but they can help reorient alliance cooperation in productive ways that have room to grow. There are other

options for the allies to consider, depending on their priorities, but the important point is to stay focused and work to improve how the two countries collaborate in less traditional security areas, even as they tend to long-established defense interests. The future of the U.S.-Japan relationship and the value they derive will be shaped by the investments Tokyo and Washington make today in alliance strategy development and implementation.

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CHAPTER EIGHT

RECOMMENDED ALLIANCE INVESTMENTS FOR THE NEXT QUARTER CENTURY

THIS REPORT TRACES the twenty-five-year evolution of the U.S.-Japan alliance from an uncertain transition in the early post-Cold War period to a time of unquestioned mutual commitment and relevance for a wide range of global economic and security challenges. The two countries have grown closer economically and strategically, even as some persistent gaps in priorities and political culture remain. Both countries rely heavily on an open stable system that has fostered well-functioning global markets and contributed to their prosperity, as well as an overall decline in global poverty and wars between nations.¹

However, the open stable system that gained momentum in the 1990s is under stress, in part from geopolitical change and intrastate conflict fueled by rising inequality, unresolved historical grievances, and accelerating global interconnectedness. Adverse environmental impacts from modernization add to this pressure, as does the larger role for nonstate actors in international relations. There is less consensus about how this system should be constructed and a wider range of influential players tugging in different directions. Washington and Tokyo have compatible strategies for responding to these challenges, but the specific alliance role in their strategies is only loosely defined and generally underused. Moreover, a new and untraditional Trump administration began 2017 by questioning many long-held U.S. policy positions in Asia, including the role of allies and partners. This is an important time to reassess some underlying assumptions for the U.S.-Japan alliance and its role in each country's national strategy.

Assumptions are a foundation of national security policy making. Every formal strategy or conceptual and operational plan begins with a set of assumptions that shapes policy objectives and fixes key variables, strongly influencing the government's evaluation of its options. Policy assumptions help determine which strategy or policy course is most desirable, because they bound the policy environment and set parameters for action and reaction among the various stakeholders. Assumptions are a necessary part of strategy development and policymaking, but they need to be reassessed regularly.

Policymakers usually spend too little time debating, questioning, and reconsidering their own assumptions in the policy arena, primarily owing to a lack of time and the government's hierarchical structure. Assumptions are often developed quickly based on conventional wisdom or a straight-lining of current trends, and at times they are tailored to fit with the convictions of top leadership, regardless of evolving circumstances. Assumptions are rarely coordinated within the interagency process, and this can lead to ineffective government policies.

The policy recommendations presented here are based on a variety of assumptions that have been explained throughout the manuscript. Although the U.S.-Japan alliance has made substantial security cooperation gains since 1990, those gains should be kept in perspective, as they are still modest in the context of China's enormous military growth and North Korea's nuclear and missile development. Moreover, while it is possible that aggressive Chinese or North Korean actions could push Japan to adopt more significant defense policy reforms in the future, it is more likely that Japan will plateau in this area before long. Japan's self-defense capabilities will continue to improve, but in regional military situations it will be a niche—if still important—support player to the United States.

This study assumes that China and North Korea will continue making military investments and advancements that require allied countermoves, even if the rate of growth in China declines slightly owing to its slowing economy and maturing military. Neither China or North Korea is likely to initiate conflict unless it perceives a comfortable military and political advantage, so bolstering allied deterrence credibility is necessary to prevent conflict and will become an even more critical responsibility for Tokyo and Washington (and Seoul) in light of North Korea's nuclear advances. The 2015 defense guidelines provide room for meaningful improvements in alliance security cooperation, which can also be linked to trilateral and multilateral venues.

This study has also noted the increasing relevance of human security dynamics to realist thinking about foreign policy and strategic planning for national security. This is because personal vulnerability and perceptions of inequality or unfairness naturally drive people and political regimes to react in opposition, with a willingness to endure pain and adopt extreme measures in pursuit of justice as they define it. Fragile state governance exacerbates the danger from groups that use violence as their means to solve disputes. This suggests that

a comprehensive security approach to alliance cooperation is better suited to address the combination of traditional threats (that is, North Korea and possibly China) and nontraditional threats (state fragility and dysfunction in the open stable system) that the alliance faces. Fortunately, Japan is uniquely strong in many fields particularly relevant to human security challenges and in areas of growing strategic importance to Washington and Tokyo, specifically in Northeast Asia and Southeast Asia, where China is a central player.

For all of the reasons highlighted above and discussed throughout the report, any effective strategy to strengthen alliance comprehensive security must begin with consideration of China's pervasive regional impact. Despite China's various economic, demographic, political, and environmental challenges, this study assumes that President Xi Jinping and the Chinese Communist Party will remain sufficiently strong to control the country, sustain its economy, and maintain regional influence. This influence consists not only of financial and commercial leverage. China also serves as a sort of ideological counterweight to the liberal internationalist sympathies of the G7 and much of the UN system. In other words, China has a different vision for how the open stable system ought to function and how much interference from countries like the United States and Japan should be tolerated.

China's success has raised the credibility of a more state-centric, authoritarian, and development-oriented approach to national governance and economic management, or what some have referred to as the "Beijing Consensus."² This affects not only the management of domestic affairs but also debates about international regimes and norm making in areas relating to human rights, cyber governance, climate change, and other issues. Domestic political paralysis in the United States and other Western nations, flirtation with revisionist history by some in Japan, and lingering memories of the 1997 and 2008 financial crises all work against American and Japanese influence in the competition over the normative foundation of international relations that is playing out noticeably in East Asia. The allies do need to prioritize domestic rehabilitation in the face of such challenges, but both countries still have core strengths (including a strong private sector) that can enable them to mobilize multilateral coalitions in support of the open stable system and to protect regional commons.

Japan and the United States have compatible national strategies and do not need to make major adjustments to the way they manage and leverage their alliance for the next twenty-five years. However, this study's assessment of the past and present reveals some potentially useful modifications to enhance alliance value and sustainability. In many ways the vision for future alliance cooperation has been articulated already in two joint statements by then president Barack Obama and Prime Minister Shinzo Abe in 2014 and 2015, which balance "strengthening and modernizing our security alliance" with "promoting peace, stability, and economic growth throughout the world."³ The challenge now is to work actively to create that balance by identifying a few priorities for concerted efforts toward the second part of that equation.

Post–Cold War alliance investments in freer trade and traditional security cooperation have been a major focus and served both countries well to date, and the allies are more capable and actively collaborating in foreign assistance, capacity building, environmental protection, science diplomacy, and related fields than they were in 1990. Still, these latter areas of human security cooperation deserve new attention going forward because they are more directly connected to overall national security than ever before. The purpose and role of the alliance in each country’s national strategy is slowly changing, from being predominately about downstream security cooperation to adopting a more balanced mix that adds direct engagement further upstream in strategically vital parts of the world. The rest of this section outlines some basic recommendations for the alliance to consider as near- and mid-term priorities toward this end.

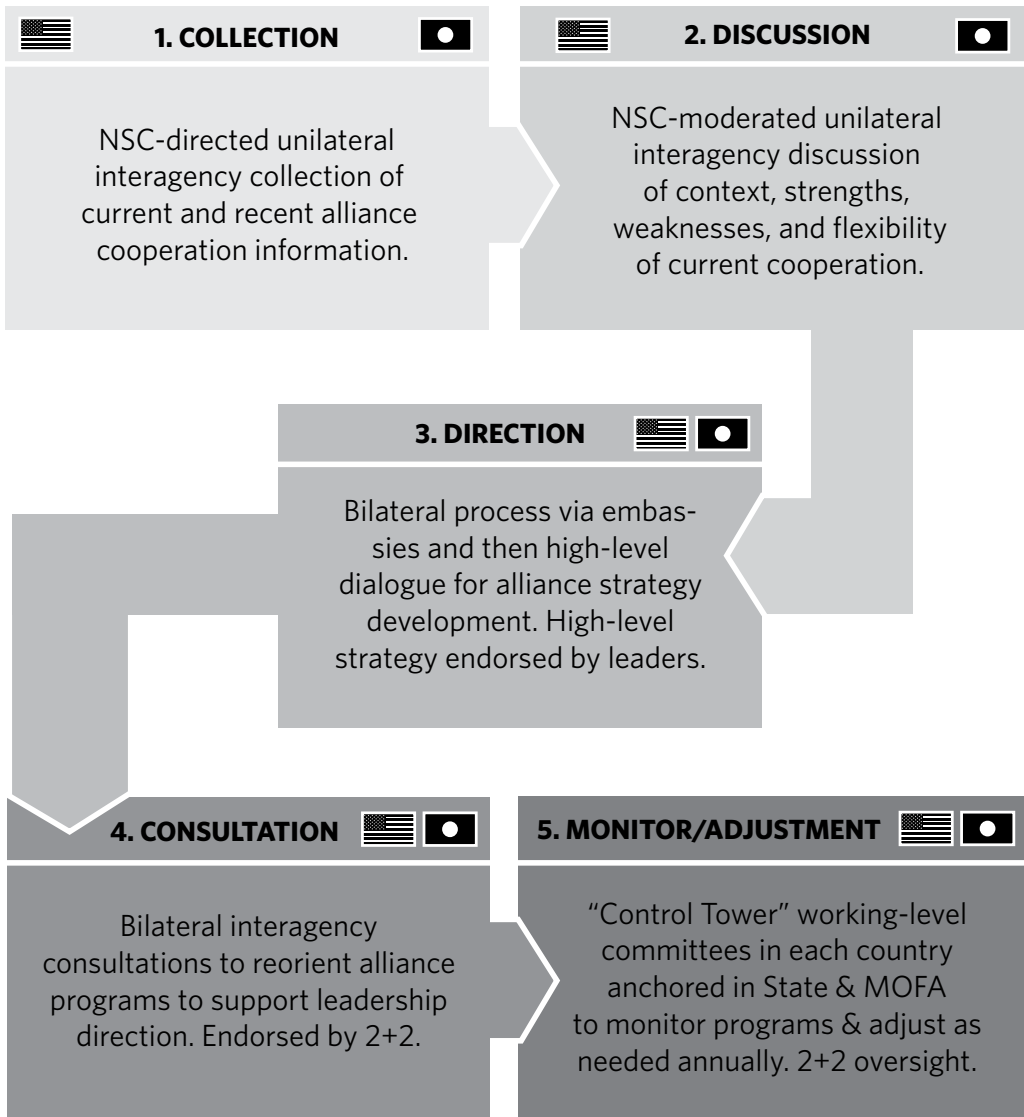
ALLIANCE STRATEGY CONSULTATIONS

Although the United States and Japan have a variety of means to consult on shared strategic priorities and coordinate their governments’ policies, there is almost always a gap between their development of a vision for cooperation (for example, the 2014 and 2015 joint statements referenced above) and the wide assortment of alliance activities in the field. The vision is coordinated at the top levels of each government, and the actions determined by each ministry or department are generally consistent with that vision and useful, but they are not organized or prioritized in a way that strategically serves that vision. Bridging this gap between vision and action with a more specific shared strategy is a necessary first step for the allies.

Of course, a major reason why such strategy consultations are rarely undertaken in earnest is that they are inherently difficult to do well. Washington and Tokyo will need to arrange a process that combines top-down strategic direction on common priorities with bottom-up interagency discussions to provide a complete picture of the means available for coordinated action. Such a process would include roughly five steps, beginning with collection by the National Security Council of detailed updates from government offices about their current alliance cooperation agenda and existing tools and budgets (see figure 8.1). More than just a list of current programs and funding, the initial collection should be followed up by working-level interagency discussions (in each country unilaterally) to explore the context, strengths, and weaknesses of current U.S.-Japan collaboration. It is quite possible that these two steps alone will identify new opportunities within each country for synergy and efficiency in program implementation, but the allies should press farther and use this information to build a bilateral strategy.

Following the first two steps of collection and discussion by each government individually, a bilateral high-level dialogue can help provide strategic direction for near-term alliance cooperation. This third step would be enriched by the collection and discussion phases,

FIGURE 8.1: 5-Step Alliance Strategy Consultation Process



and it would give the leadership detailed options for using existing programs and alliance infrastructure to pursue current priorities. Each country’s embassy and ambassador would be important players in this initial process of dialogue, which could help shape the bilateral agenda through embassy-led consultations and information exchanges. This could culminate with a bilateral interagency meeting at the undersecretary–vice minister level to help finalize an alliance strategy and a set of cooperation priorities, which would then be passed back to the implementing agencies for follow-up work. A timely leadership summit could endorse this shared strategy and explain its connection to the leaders’ vision for the alliance. All of this could be completed within a few months, if mutually desired.

A bilateral interagency meeting at the working level would probably be required to determine the best way to act on the leaders' strategic direction, primarily by using existing bilateral and multilateral tools, forums, and programs. This consultation becomes step four, followed by an ongoing process of monitoring and adjustment that constitute step five. The sequence of the approach, therefore, is collection (unilateral), discussion (unilateral), direction (bilateral), consultation (bilateral), and monitoring and adjustment (unilateral and bilateral). The five-step strategy consultations would be overseen initially by the national security councils in each country, until the point of consultation, when the normal 2+2 process could take over that role. The 2+2 would need to make an extra effort to incorporate other departments and ministries at key moments, but this is done occasionally already.

The working-level "control tower" for monitoring and adjustment could be a small committee involving the U.S. State Department (reporting to the assistant secretary for East Asian and Pacific affairs), and including representatives from its Japan desk along with colleagues from USAID and the office of the undersecretary for civilian security, democracy, and human rights. The State Department would have a counterpart committee at MOFA under the director general for North American affairs, also involving the Japan-U.S. Security Treaty Division, Foreign Policy Bureau, Economic Affairs Bureau, and the Asian and Oceanian Affairs Bureau. The control towers would keep in close touch with their national security councils for accountability to the leadership and would facilitate interagency coordination as necessary, most notably with the U.S. Departments of Commerce and Defense and with METI and MOD in Japan.

One objective is to use the existing alliance management infrastructure as much as possible and avoid creating new programs. After this initial five-step process, multiagency alliance interaction would function in much the same way that it has in recent years, except that now these agencies would have a shared document of direction—nationally and bilaterally—from top leadership to guide their investments, bilateral consultations, and evaluations.

China should top the agenda for alliance strategy consultations in the direction phase, because so much of the allies' strategies for security cooperation and engagement in the region depends on how effectively they coordinate China policy. Washington and Tokyo would not have identical policies or priorities with regard to China, which is to be expected and is altogether manageable. However, they should understand the motivations and intentions behind their policies and identify ways to complement each other in pursuit of common goals. If the two countries have completely incompatible China strategies, then they have a fundamental problem in the relationship that could preclude alliance strengthening; but this sort of extreme split has not been evident in the post-Cold War era. Also high on the agenda for the direction phase would be identifying goals and potential strategies for supporting balanced development in Southeast Asia, addressing the North

Korea nuclear problem, and supporting the open stable system overall, including through technology cooperation. On this range of issues, the allies can adopt a mix of directly collaborative strategies and a burden sharing or division of labor approach. Keeping in mind that economic, diplomatic, and military cooperation should be discussed simultaneously, the plan outlined below illustrates how the allies might shape shared priorities.

DEFENSE GUIDELINE IMPLEMENTATION PRIORITIES

As much as this study has touted the relevance and potential virtues of upstream, non-traditional security cooperation by the United States and Japan, it is important to begin this set of poststrategy recommendations with effectively implementing the 2015 bilateral defense guidelines. While specific details about how to implement the guidelines could be affected by the strategy consultations, there is no doubt that this process is a crucial next step for the alliance. Downstream security cooperation is still the primary means of deterring conflict and for restoring peace in case conflict erupts. Alliance managers should be ambitious but patient when it comes to implementation, because stretching the limits of joint defense activity too quickly could undermine Japanese public support. U.S. officials need realistic expectations for what and when Japan can contribute, but that does not mean that they should have low expectations or that the range of alliance cooperation activity cannot expand over time to reach its full potential as described in the guidelines.

A small but critical innovation of the 2015 defense guidelines is the establishment of a standing alliance coordination mechanism to help integrate political and operational decisionmaking for the alliance in a crisis situation. This is particularly important as the alliance prepares to do more together for a defense-of-Japan or regional security cooperation scenario. The ACM got off to a good start, but alliance managers should carefully cultivate its development, test its capacity, and make necessary adjustments to keep the ACM effective and sustain institutional memory. Incorporating the ACM as part of the defense guidelines implementation process can help accomplish these goals.

A suggested order of priority for fully implementing the 2015 defense guidelines would start with scenario-based planning for potential conflicts involving North Korea, including missile attacks, clashes at sea, and integrating Japanese support for allied action in case of war on the Korean Peninsula. The allies should also plan for potential aggressive Chinese action against the Senkaku Islands. In this latter case, Japan would have primary responsibility for national defense, but U.S. forces should be prepared to support Japan's SDF in ways that are operationally useful, politically visible, and nonescalatory. The purpose in both cases is to deter confrontation, strengthen mutual reassurance and communication within the alliance, and steer these standoffs toward negotiation by closing off the potential for gains by use of force.

Functional collaboration in the following areas should be expanded and interoperability enhanced: intelligence, surveillance, and reconnaissance; antisubmarine warfare; missile defense (land- and sea-based); consequence management for major disasters, including nuclear use; mutual logistical support (near and abroad); cyber and space issues; maritime security (including interdiction and counterproliferation); and defense technology and industrial cooperation. If North Korea's nuclear missile development eventually prompts Japan to develop its own strike capability—perhaps in the form of air- or sea-launched cruise missiles—then this becomes another priority discussion for the allies. Such a Japanese capability should probably be separable but not separate, which means that it can be fully integrated within the alliance coordination infrastructure but could also be used independently by Japan if necessary or deemed advantageous.⁴

Related to all of these security priorities—though only briefly referenced in the 2015 defense guidelines—is the issue of maintaining robust U.S. extended nuclear deterrence through the allies' Extended Deterrence Dialogue. Developed initially as a means of consultation during the U.S. nuclear posture review process in 2009 and then carried on to help bolster U.S. reassurance, this dialogue will play an increasingly important role in coordinating allied nuclear and missile deterrence policies vis-à-vis North Korea. It might not be possible for the international community to prevent or dissuade North Korea from developing a sophisticated nuclear missile capability, in which case the pressure shifts to convincing Pyongyang that any nuclear use or proliferation to terrorist groups will unquestionably trigger the swift end of North Korea. This will quite likely require a variety of adjustments in allied military capabilities and posture, signaling and diplomacy, and consequence management preparedness. All of these adjustments need to be carefully discussed and fully coordinated with South Korea and shared appropriately with other nations in the region and in international forums. Perhaps when Pyongyang realizes that nuclear development will not help the country accomplish its goals, there might then be an opportunity to negotiate away all nuclear threats in the region.

PREPARING TO REDUCE THE U.S. FOOTPRINT IN OKINAWA OVER THE LONG TERM

While U.S.-Japan security cooperation overall is moving in a positive direction in terms of operational capability and relevance, there is a shadow hanging over the alliance in the form of the large, enduring, and controversial U.S. military footprint in Okinawa. Although opponents to U.S. bases in Okinawa regularly exaggerate the extent of—and potential danger from—the U.S. concentration of forces on the islands, there is no escaping the fact that the U.S. presence is substantial, which is consequently aggravating and occasionally dangerous for the local population.⁵ At the same time, Okinawa is a strategically vital location from which to project Japanese and American military power for

defense, deterrence, and crisis management purposes. Given the economic and military growth of China and Southeast Asia, combined with intensified regional competition and Okinawa's relatively small amount of landmass, some degree of tension between the need for an allied military presence there and the need to protect the local citizens quality of life is inevitable. The alliance continues to struggle with managing this tension.

The two governments agreed in 1996 that streamlining the U.S. presence in Okinawa was necessary for the long-term political sustainability of U.S. facilities on the island; in particular, the Futenma Marine Corps Air Station located near the crowded capital needed to be moved to a less densely populated location for safety reasons. In the process, thousands of marines would transfer out of Japan, and land would be returned. The political difficulties associated with realizing the Futenma relocation, which have delayed its movement for at least twenty years past its target date, do not alter the consistent assessment in Washington and Tokyo that the alliance remains one major accident or incident away from a political disaster that could shake the foundations of the security treaty.⁶ This keeps them focused on closing Futenma as soon as possible.

The existing plan to relocate much of Futenma's operations farther north to Camp Schwab with an added offshore runway is the subject of a long-running legal and political battle between Japan's central government and the Okinawan prefectural government, but it is still the fastest known way to reduce the number of U.S. marines in Okinawa, return valuable land, and shift the remaining Marine activities to a less populated portion of the island. All other options that have been evaluated are either less suitable to operational requirements or face the same—if not more—local political opposition, which would further delay the already extended timetable for closing Futenma. Implementing this plan, however, will be accomplished quickly only if the current confrontation between Tokyo and Okinawa shifts to a more collaborative approach, which appears unlikely given Okinawa Governor Takeshi Onaga's maximalist demand for relocation outside of the prefecture. This has been a persistent dilemma for the alliance, and it could deepen in light of global trends.

This study has already suggested that one effect of globalization can be to intensify stress on sensitive issues of national, ethnic, and religious identity and their relationship with the nation-state and political decisionmaking. Developed and developing countries alike face these kinds of pressures, and in an alliance context the challenge is particularly acute in Okinawa. Many Okinawan people are losing faith in the capacity of political and judicial institutions to address what they perceive is an unfair burden.

Thus even as the allies press forward with the current Futenma relocation plan, Tokyo and Washington together should reinvigorate their engagement with the Okinawan people and leadership to seek ways to balance the short-term versus long-term needs and desires of all three stakeholders. Near-term priorities include speeding the construction of certain

relocation facilities in Hawaii and Guam to help with early land returns, along with other measures to demonstrate tangible progress for impact reduction on the Okinawan people.⁷ Long-term strategies for base consolidation and joint or allied shared use of certain facilities should also be considered with a new sense of urgency.⁸ The introduction of new technologies, more capable military assets, and continually evolving concepts of operation might present opportunities for U.S. force reductions or realignment in Japan that could shift some burden away from Okinawa. The U.S. and Japanese governments have convened a Joint/Shared Use Working Group in 2010 to explore opportunities and consider criteria, but it has not received high-level attention and has met rarely in recent years. A long-range, conditions-based plan for further U.S. troop reductions in Okinawa could also be considered, especially as Japan's ground SDF are developing marine-like capabilities, and the SDF overall can fill readiness gaps by improving jointness and gaining wider legal latitude for operations.

ALLIANCE MANAGEMENT ADJUSTMENTS TO SUPPORT THE OPEN STABLE SYSTEM

As explained in the previous chapter, alliance support for balanced development in Southeast Asia can help further both countries' strategies aimed at balancing China's rise, discouraging conflict, and promoting areas of cooperation in pursuit of common interest. The common interest in this case is an economically vibrant and politically stable region that can equitably and sustainably manage its environment and resources. Expanding the use of trilateralism and elevating science and technology cooperation to a higher strategic relevance are other ways for the allies to support the common good and serve their national interests. It is also possible that the alliance strategy consultations might identify other preferred initiatives to support the open stable system. Regardless of which specific approach the allies choose, however, some adjustments to the alliance management infrastructure are recommended to address more effectively the complexity inherent in these diverse challenges that the allies face.

As has been alluded to throughout this report and particularly in the section on alliance strategy consultations, tighter coordination and more unity of effort is necessary between various regional and functional government offices. This is a recurring limitation in government that goes beyond alliance management and defies an easy solution. When interagency coordination works well, it is usually organized around a specific problem or objective, has recognized leadership that is endorsed by the bosses of those working together, and takes into account the views of all stakeholders. Although not perfectly executed, alliance policy coordination on Myanmar generally followed this formula. This is another reason why the direction phase of the alliance strategy consultations is so important, and it is why all relevant stakeholders need to be involved and develop a sufficient sense of ownership during the discussion and consultation phases, too.

The danger in tinkering with the alliance management infrastructure is that one tends to either implicitly elevate some players in the process over others (cutting out important voices) or create a bureaucratic monster that is unproductive and wasteful. For example, in the State Department alone, a collection of all stakeholders relevant to alliance action to support balanced development in Southeast Asia could easily involve twelve to thirteen offices (including East Asia; international organizations; oceans, economics, and business; USAID; and many more). If one adds representatives from Defense, Pacific Command, Commerce, Energy, Health and Human Services, and a few other relevant departments and agencies, any formal coordination process would involve hundreds of people and be completely unmanageable.

A small but meaningful adjustment for U.S.-Japan alliance management would be to strengthen and regularize connections between a couple of key regional offices and counterparts on the functional side focused on environmental protection, civilian security, and economic development. If the allies can do this effectively within the State Department and Foreign Ministry and with strong support from the NSC, then these offices' natural networks to other parts of the government and military establishment should help to enhance communication and coordination on a wider scale. Experience has shown that when these linkages prove mutually beneficial, they become regularized as officials pass these habits along to their successors.

Within the U.S. government, Southeast Asia policy coordination with Japan is relatively simple owing to the fact that both regional desks are located under the same assistant secretary, and institutionalized regional forums such as the East Asia Summit and the ASEAN Defense Ministers Meeting-Plus increasingly bring these offices together on common issues. The Japanese government has a slightly tougher task promoting close cooperation between its U.S.-oriented and Asia-oriented offices, but it has managed this challenge for several years, and the addition of its NSC helps in these coordination efforts. Involvement of the two countries' private sectors on Southeast Asia via links to the Commerce Department and METI would also be valuable.⁹

THE BIG PICTURE

The United States has only a handful of relationships with other nations that are as deep, comprehensive, and sustained as that with Japan, and for Japan the alliance is even more exclusive. The economic, technological, cultural, and strategic mutual benefit of this partnership is substantial and can be measured in multiple ways, including investment, trade, employment, mergers, patents, regional stability and prosperity over the course of decades, and many other indicators. These benefits, however, do not accrue without significant effort by both sides.

The two governments already invest significant time in alliance management meetings at all levels and daily communication across the Pacific, sponsoring dozens of people-to-people exchange programs and educational opportunities at the grassroots level, supplemented by countless other programs supported by Japan-America societies, universities, sister-city relationships, and other nonprofit, education, research, cultural, artistic, and private sector entities. Their embassies coordinate together in third countries, and they are almost always on the same side of a policy issue at multilateral forums and in international organizations. The two countries' militaries exercise together regularly, exchange liaison officers, and conduct outreach to local communities in Japan near U.S. or jointly used bases.

It is this kind of effort and investment that keep close two nations whose people are separated by distance, culture, and language. The long-term presence of the U.S. military in Japan intensifies the relationship with both positive and negative results. The presence of U.S. forces in Japan strengthens the mutual commitment and helps to forge close bonds between the two countries, which was on clear display in 2011 when the United States mobilized to support Japan's response to its earthquake, tsunami, and nuclear disaster (known as Operation Tomodachi). Still, the presence of U.S. forces also alienates parts of Japanese society and inevitably leads to incidents that put great strain on the relationship.

The generation of alliance managers who grew up in the early post-World War II period—who developed sincere respect for one another and found mutual opportunities and advantages in cooperation—passed the torch to a more diverse group of successors (including nonprofits and the private sector) around the 1980s, reflecting the growth of alliance collaboration and investment. This torch is being passed once again to an even wider range of people and professions, but it requires constant attention and nurturing to keep the alliance relationship vibrant and productive in the modern era. A strong U.S.-Japan alliance is not an end in itself; it is rather a means by which to enhance mutual security and improve the global condition.

In the world today it is important to think comprehensively about what it means for a country to succeed in the future. Economic and military strength are still helpful, but being number one in these areas is less important than it used to be. More critical is how well the states of a region or in the world manage their own affairs and how they interact to further common interests and protect public goods. What they add up to together is more relevant than how each country compares with the other.

In the Asia-Pacific in particular, at this moment in history, the region is beginning to coalesce as a productive complement of economies, centers for innovation and finance, and competing military capabilities. This is a fragile process of evolution, however, and the outcome is far from clear. For their own national security, the United States and Japan should be more actively engaged in the region as comprehensively as possible, building

capacity in their relationship to contribute positively in Asia across the interconnected fields of business, the environment, governance, health, and security. The allies' next challenge is to be effective catalysts and leaders for cooperative strategies across a range of sectors that contribute to a peaceful and sustainable maturation of the region.

The U.S.-Japan Security Treaty continues to be the central pillar of this bilateral relationship, but it is increasingly surrounded by other columns of economic, scientific, and cultural connections that provide added durability and opportunity. The post-Cold War era has seen the emergence of a more multifaceted and outward-looking alliance, but this evolved alliance has not yet fully realized all it has to offer. The 1992 vision of a U.S.-Japan Global Partnership was ambitious and perhaps a little premature, but the two governments are now better placed to make this a strategically consequential aspect of their alliance. A century ago, the world was embroiled in one of history's bloodiest conflicts that killed millions, but the twentieth century ended at a level of general peace, prosperity, and technological achievement that was unprecedented. With so far left to travel in the twenty-first century, it would be folly for the allies to abandon or weaken that which has helped them accomplish so much. Now is a time to build upon their post-Cold War foundation in a carefully and mutually considered manner.

ENDNOTES

1. The World Bank reports that the percentage of people living in extreme poverty (at U.S. \$1.90 a day based on 2011 PPP) fell from 37 percent in 1990 to 13 percent in 2012. The World Bank has projected this number to fall below 10 percent of the global population in 2015. "World Bank Forecasts Global Poverty to Fall Below 10% for First Time; Major Hurdles Remain in Goal to End Poverty by 2030," World Bank, October 4, 2015, <http://www.worldbank.org/en/news/press-release/2015/10/04/world-bank-forecasts-global-poverty-to-fall-below-10-for-first-time-major-hurdles-remain-in-goal-to-end-poverty-by-2030>.
2. Michael D. Swaine, *America's Challenge: Engaging a Rising China in the Twenty-First Century* (Washington, DC: Carnegie Endowment for International Peace, 2011), 136.
3. "U.S.-Japan Joint Statement: The United States and Japan: Shaping the Future of the Asia-Pacific and Beyond," White House, Office of the Press Secretary, April 25, 2014, <https://www.whitehouse.gov/the-press-office/2014/04/25/us-japan-joint-statement-united-states-and-japan-shaping-future-asia-pac>. The leaders' "U.S.-Japan Joint Vision Statement" of April 28, 2015, echoes this strategic vision. It's available at <https://www.whitehouse.gov/the-press-office/2015/04/28/us-japan-joint-vision-statement>.
4. The "separable but not separate" terminology is the same as that adopted by NATO in the 1990s with development of the Western European combined joint task forces. See Nora Bensahel, "Separable but Not Separate Forces: NATO's Development of the Combined Joint Task Force," *European Security* 8, no. 2 (June 1999): 52–72.

5. U.S. base opponents in Okinawa regularly claim that the islands host about 74 percent of U.S. facilities' land area in Japan and 68 percent of U.S. military personnel, but these figures can be misleading. The first figure does not factor in bases on Japan's main islands that share use among U.S. and Japanese forces (that is, U.S. "limited use" at 187,000 acres versus "exclusive use" at 81,400 acres), and the second figure ignores the roughly 14,000 U.S. personnel who are "afloat" as part of their military duties, even though their homes and families are based in Japan. Thus, it is also accurate to say that 21 percent of U.S.-used facilities' land area is located in Okinawa (down to 18 percent after the return of a large portion of the Northern Training Area in Okinawa in late 2016) and about 49 percent of total U.S. military personnel stationed in Japan are in Okinawa. Data provided by U.S. Forces Japan. When the U.S. first deployed MV-22 Osprey tilt-rotor aircraft to Okinawa in 2012, base opponents claimed they were extremely unreliable and dangerous aircraft, and then mayor of Naha (later Okinawa governor) Takeshi Onaga vowed, "If they force the Osprey onto us, this could lead to a collapse of the U.S.-Japan alliance." Martin Fackler, "U.S. Sends Aircraft to Okinawa," *New York Times*, October 1, 2012.
6. The original SACO agreement in 1996 called for the return of the Futenma site to Japan by 2003, after replacement facilities were completed, but the current schedule is for the new facility at Henoko to be finished by 2023 at the earliest.
7. A variety of concrete suggestions along these lines were made by a retired PACOM commander and a retired U.S. Marine, respectively, Dennis C. Blair and James R. Kendall, *U.S. Bases in Okinawa: What Must Be Done, and Quickly* (Washington, DC: Sasakawa Peace Foundation USA, 2015).
8. Some scholars and former officials suggest that joint or shared use of bases could be a practical way to reduce the U.S. footprint, enhance interoperability, and improve relations with local citizens, although others highlight potential complications from current legal arrangements, SOFA status issues, and different rules of engagement for U.S. and Japanese forces. See Blair and Kendall, *U.S. Bases in Okinawa*, and Chanlett-Avery and Rinehart, *The U.S.-Japan Alliance*, 24.
9. The U.S.-ASEAN Business Council already engages regularly with Japanese corporate groups on various Southeast Asia issues, but these activities could be stepped up with any enhanced government initiative.

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