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Cornerstone: A Future Agenda for the U.S.-Japan Alliance

POLICY BRIEF

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The United States and Japan have a historic opportunity to renew their 50-year-old alliance. With a new Japanese prime minister in place and an agreement on the contentious relocation of a U.S. military base on Okinawa reached, Washington and Tokyo are poised to put past disagreements behind them and to prepare the alliance for the challenges of the 21st century.

Since its founding in 1960, the U.S.-Japan alliance has stood as one of the greatest successes of American foreign policy. It has contributed to Japan's security and prosperity by extending the U.S. nuclear umbrella over Japan and by relieving Japan of the need to maintain large-scale power projection capabilities. Moreover, it has advanced U.S. interests by ensuring a stable balance of power in East Asia, providing a military platform for managing contingencies on the Korean Peninsula, and serving as a vehicle for enlisting Japan's cooperation on regional and global security issues.

Yet, the strategic environment has changed radically since the alliance's establishment. When the United States and Japan signed a Mutual Security Treaty in 1960, the alliance was intended primarily to counter the Soviet Union. China at that time was reeling from the aftereffects of the Great Leap Forward (a catastrophic attempt at rapid industrialization) and North Korea only posed a threat to its southern neighbor rather than the entire region. Fifty years later, a rising China has become a major military power and the economic hub of East Asia. North Korea, though desperately poor, has developed nuclear weapons and missiles capable of reaching Japan. The region has become ever more economically and politically integrated, while climate change and resource competition have emerged as new "natural security" challenges.

In response to this newly complex strategic environment, the alliance must evolve to ensure it remains useful for both sides. The alliance can help the United States and Japan to shape a rising China's future trajectory and to respond to an increasingly belligerent North Korea. It can also help them defend the global commons – the sea, air, space and cyber domains over which no country holds sovereignty – and augment preexisting U.S. efforts to address environmental security concerns.

This policy brief outlines an agenda for alliance renewal. We begin by surveying the initial nine months of political transition in Japan (from the Liberal Democratic Party to the Democratic Party of Japan) beginning last August, a tumultuous period that has culminated in an opportunity to move the alliance forward. We then discuss how to get the fundamentals of the alliance right. Lastly, we set forth an agenda for enhancing U.S.-Japan security cooperation.

The Transition Months

The election of the Democratic Party of Japan (DPJ) on August 30, 2009 inaugurated a new phase in the U.S.-Japan alliance. After coming to power, the DPJ embarked on a foreign policy emphasizing Japan's relations with East Asia and calling for a "more equal" alliance with the United States. Although this rhetoric unnerved some in Washington, what most troubled the alliance was the DPJ's attempt to fulfill a campaign pledge by renegotiating a 2006 agreement with the United States that called for closing Futenma, a U.S. Marine base in Okinawa, and building a new runway in the waters off Camp Schwab – another U.S. Marine base on the island. The U.S. government initially resisted the DPJ's bid to reopen negotiations over Futenma, arguing that an agreement was already in place and revisions would jeopardize the entire effort to transfer U.S. forces out of Japan to reduce the basing footprint there.[1] Frustration mounted in Washington and Tokyo, and some observers voiced concerns about an alliance adrift.[2]

The United States and Japan remained at odds over Futenma for nine months until a combination of intensive U.S. diplomacy and growing disenchantment in Japan with then Prime Minister Yukio Hatoyama's handling of the alliance finally broke the impasse. The new agreement, issued in May 2010 via a joint statement that reaffirmed the 2006 accord, clearly weakened Hatoyama. With his support in freefall, his governing coalition in revolt, and elections for Japan's Upper House scheduled in July 2010, Hatoyama resigned shortly thereafter. Although the new agreement will likely face considerable resistance from vocal opposition groups in Okinawa, it nonetheless removes a major roadblock to advancing the alliance on other fronts.

The agreement on Futenma coupled with Hatoyama's resignation heralded the end of a turbulent period. An alliance agenda once consumed by Futenma is now open to more productive pursuits. And in newly chosen Prime Minister Naoto Kan, Washington has a new partner in Tokyo who does not carry the baggage of Hatoyama's approach to Futenma, is more experienced, and, by many accounts, operates more pragmatically than his predecessor.[3] Thus, the 50th anniversary of the alliance's founding, until recently considered a squandered opportunity, can still serve as a springboard for adapting the alliance for the political and strategic challenges of the 21st century.

Getting Alliance Fundamentals Right

To advance U.S. and Japanese interests over the next fifty years, the alliance must stand on a firm foundation. That means getting the fundamentals of the alliance right: a clear rationale based on shared interests and values, effective institutions to manage the alliance, public support and long-term fiscal health.

The alliance's raison d'être is not military cooperation – a fact obscured by the Futenma dispute. Rather, the military dimension of the alliance is merely a means for achieving shared *political* ends: deterring North Korea, shaping the course of China's rise, providing the regional stability necessary for economic growth and promoting democratic values. Thus, at the next bilateral summit, the United States and Japan should begin by reemphasizing that the alliance transcends a transactional bargain in which the United States offers military protection in exchange for basing rights in Japan.

To strengthen the alliance, mechanisms for managing the alliance must be updated to reflect political and strategic realities. A handful of bureaucrats in Tokyo, plus a few politicians from the long-dominant Liberal Democratic Party, once served as the primary Japanese interlocutors for this vital alliance. The advent of a DPJ administration has shattered this cozy arrangement. Furthermore, the so-called "two-plus-two," a conclave where the U.S. Secretaries of Defense and State along with their Japanese counterparts meet to chart the future of the alliance, reflects a bygone era. Many of the security challenges the alliance now confronts require cooperation across a broader spectrum of government agencies such as the United States Agency for International Development and Japan's International Cooperation Agency, the U.S. Treasury Department and Japan's Ministry of Finance, and the White House Office of Science and Technology Policy and Japan's Council for Science and Technology Policy

Future institutions for alliance management should therefore be inclusive, encompassing members of all the major political parties in Japan and representatives from more than just the Defense and State Departments and their Japanese equivalents. In practice, this will mean creating alliance task forces on specific issues rather than simply expanding the "two-plus-two" into an unwieldy whole of government dialogue. To buttress these updated institutions, the United States and Japan should create supporting networks among the next generation of leaders across government, the private sector, academe, science and technology, and civil society.

Washington and Tokyo also must do more to reinforce Japanese domestic support for the alliance. For most Americans the alliance is a rather abstract concept, one they occasionally see in the news. But for the Japanese people, it is a daily fact of life. Many Japanese communities host U.S. military bases and are subject to the noise, inconvenience and potential danger of living in such close proximity to active military training. Even Japanese communities located far from U.S. military bases encounter the alliance nearly every day in the news and political discourse. As such, the Japanese public's support for the alliance is essential for its long-term viability. Polling in Japan shows general support for the alliance running at close to 80 percent, but bubbling under the surface is a good deal of pent-up frustration, especially (and critically) in Okinawa.[4]

The U.S. and Japanese governments must address the frustration of the Japanese public. The Japanese government and its citizens need a strategic dialogue, especially in Okinawa, which hosts a disproportionate number of U.S. bases and is also the poorest of Japan's 47 prefectures. The United States must also come up with more creative – and effective – ways to convey the value of the alliance to the Japanese public. Outreach to Okinawa is critical. A major public diplomacy effort in Okinawa – one that explains the purpose of American bases, listens to local concerns, and effectively addresses them – is in order. It is also time for the United States to revive long-dormant efforts to revitalize Okinawa's economy with foreign investment, educational aid and exchanges, and infrastructure improvements, gestures more than warranted by the basing burden Okinawa has long shouldered.

Putting the alliance on a firmer foundation will also require a focus on fiscal health. Japan's declining and aging population, coupled with a large national debt, will likely reduce its potential to cooperate with the United States on a host of regional and global challenges. Japan's defense spending and foreign aid are already decreasing, and Japanese politicians are preoccupied with issues that affect an elderly population, such as

health care and social security. Fiscal constraints could also limit America's capacity to contribute to the alliance. As the baby-boomer generation retires, social spending will compete with funding allocated to defense and foreign affairs. Add to that payments on a mushrooming national debt, and the United States may have little choice but to diminish its foreign commitments, including the military capabilities it brings to the alliance.

Getting the alliance fundamentals right will provide a robust foundation for enhanced U.S.-Japan security cooperation. Together, the two countries can renew the alliance to meet traditional challenges and new threats.

Consequently, implementing policies to brighten the respective fiscal outlooks of both Japan and the United States is essential to the long-term health of the alliance. The United States and Japan can cooperate in ways that will boost economic growth, the ultimate solution to the looming budget squeeze. The two can expand collaborative research in technological fields with high commercial potential and promote demand-led growth in emerging markets to generate new export opportunities. Japan, an "infrastructure superpower," can help bring the United States into the 21st century by partnering with it on high-speed rail and starting other initiatives to modernize America's aging infrastructure. This would create jobs in both countries, enhance the overall competitiveness of the American economy and renew the bonds of affection that undergird the alliance. Likewise, the United States, a "start-up superpower," can support Japan's transition to an economy that is more hospitable to new, innovative corporations as well as large decades-old conglomerates.

Enhancing U.S.-Japan Security Cooperation

Getting alliance fundamentals right will provide a robust foundation for enhanced U.S.-Japan security cooperation. Together, the two countries can renew the alliance to meet traditional challenges and new threats.

The alliance must become a more effective tool for sustaining peace and stability in Northeast Asia. Compared to the early 1990s, when the first nuclear crisis on the Korean Peninsula revealed a lack of preparation for actual military operations, the alliance has come a long way. However, much more should be done. The sinking of the South Korean corvette *Cheonan* underscores that a military conflict in the region, a circumstance in which the alliance would play a pivotal role, is far from a hypothetical contingency. Accordingly, the United States and Japan need to upgrade the operational effectiveness of the alliance. U.S. coordination arrangements with South Korea may provide inspiration, though steps to enhance real-time coordination between the U.S. military and the Japanese Self-Defense Forces will have to take Japan's domestic constraints (a constitutional clause and legal interpretation proscribing the use of force in all but self-defense) into account.

The alliance must address the inherent contradictions of America's push for a world without nuclear weapons on the one hand and a continued commitment to provide Japan with extended deterrence on the other. For five decades, the United States has extended its nuclear umbrella over Japan, thereby giving confidence against external attack. With the Obama administration set to reduce the American nuclear stockpile, Tokyo has begun anew to question the long-term credibility of the U.S. security guarantee. Given China's modernization of its nuclear forces, and North Korea's nuclear weapons tests, such concern is inevitable. To directly address Japanese doubts about the future of extended

deterrence, the United States should launch a bilateral dialogue discussing what configuration of nuclear weapons and conventional capabilities is sufficient to deter would-be aggressors and then take appropriate actions once decision-makers reach accord. Otherwise, Japan may be inclined to hedge against what it perceives as a diminished security guarantee by fielding long-range strike capabilities, a development that would not only destabilize the region, but also divert scarce Japanese resources to a military capability the United States can more cheaply provide.

The alliance must become more than a hedge against China's rise; it should become a means of shaping China's future trajectory. For the alliance to effectively influence the strategic choices China makes, the United States and Japan will have to act in concert. Prime Minister Hatoyama's dismissive approach to the possibility of a serious clash with China, and his assumption that retaining leverage over a rising China was not as essential as the United States contended, posed a problem for bilateral coordination. Despite Hatoyama's resignation, the potential for the United States and Japan to differ over their respective China policies remains. To avoid the kind of miscoordination epitomized by Hatoyama's East Asian Community concept – an ill-defined proposal for a regional bloc that initially excluded the United States – political leaders and bureaucrats on both sides should map out a shared vision of China's desired role that transcends the generality of a "responsible stakeholder," i.e., a state that abides by the norms and practices of the current international order and contributes to its upkeep. They should also hold a dialogue exploring the potential consequences of failing to confront the challenge that China poses, as this would serve to educate some members of the DPJ who, like Hatoyama, retain unwarranted optimism about China's future course.

In the years ahead, the alliance should contribute to the defense of the global commons – the maritime, air, space and cyber domains that no country exclusively governs.[5] The United States and Japan are highly dependent on the global commons for security and prosperity. Their commerce and energy supplies traverse the world's oceans, their militaries are dependent on space-based sensors, and their societies are highly networked. Consequently, the United States and Japan have a strong interest in countering threats to the global commons, preferably in tandem and working through the alliance. As two of the world's foremost maritime powers, the United States and Japan can play a pivotal role in combating piracy not only by dispatching ships, which they already do, but also by bolstering the navies and coast guards of key littoral states. As global spacefaring nations, they can credibly champion a treaty banning the first-use of anti-satellite weapons and advance other measures to prevent the ultimate high ground from becoming a combat zone. And as two of the world's leading providers of information technologies, the United States and Japan can pool resources to counter cyber espionage and foil debilitating cyber attacks.

Lastly, the alliance can complement existing initiatives to address "natural security" threats – environmental challenges like global warming and resource competition.[6] To date, the alliance agenda has yet to take up natural security concerns in any serious way. This is unfortunate. Although removed from the more traditional threats the alliance has traditionally countered, natural security threats pose a considerable challenge to the United States and Japan given their reliance on energy imports and the centrality of critical minerals to their high-technology sectors. Moreover, with two of the world's leading science establishments, the United States and Japan have an unparalleled capacity to address natural security threats. Putting natural security squarely on

the alliance agenda will ensure it receives adequate attention from high-level policymakers rather than languishes as one of many areas comprising the bilateral relationship. Under the auspices of the alliance, the United States and Japan should launch bilateral collaboration to develop clean energy technology, establish a common U.S.-Japan standard for mitigating greenhouse gases and work to devise substitutes for critical minerals. To be sure, natural security will never displace the many traditional security challenges the alliance confronts, but it constitutes an important future area for alliance cooperation.

Conclusion

The U.S.-Japan Mutual Security Treaty is celebrating its fiftieth anniversary. Although the alliance's original Cold War backdrop has long faded into history, the importance of the alliance remains undimmed. Indeed, China's rise and growing assertiveness, not to mention North Korea's belligerence amidst a precarious leadership transition, have only elevated the utility of the alliance. With its prospective contributions to the defense of the global commons and the mitigation of natural security threats, the alliance is clearly essential to the future security of the United States and Japan. Yet these two longstanding allies can only achieve that security if they renew their alliance. With a new prime minister in Tokyo and an agreement on Futenma in place, this is a propitious time to pursue an ambitious, future-looking agenda, one that gets the alliance fundamentals right and expands U.S.-Japan security cooperation to meet the many challenges of the 21st century.

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Endnotes

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