

Conference Organized by the Institute for International Policy Studies, Tokyo, Japan
“U.S. Nat’l Defense Strategy & Security of Japan: U.S. Military Transformation & Beyond”
(Presentation by: James L. Schoff, Institute for Foreign Policy Analysis)
Given October 29, 2008, at the Nippon Foundation Building: Tokyo, Japan

During the Cold War, Japan clearly understood that it was the anchor in America’s East Asian security strategy to contain Communism and regional Soviet influence. U.S. Ambassador Mike Mansfield popularized the concept that the “U.S.-Japan relationship was the most important bilateral relationship, bar none,” and as Japan’s power and influence grew in the 1970s and 1980s in the context of a dynamic Asia-Pacific region that lacked effective multilateral mechanisms, there were few who would challenge the ambassador’s statement. Although the alliance was often described as “adrift” in the 1990s, the two countries dedicated themselves to refocus the alliance and update its ability to deal with regional contingencies, culminating in the U.S.-Japan Joint Declaration on Security in 1996 and revision of the Defense Guidelines in 1997.

Today, the U.S.-Japan alliance remains the cornerstone of America’s security strategy in the Asia-Pacific. Japan hosts a large contingent of U.S. forces, including the region’s only marine expeditionary force (MEF) and forward-deployed U.S. aircraft carrier. Japan has also been flexible in accommodating America’s use of its Japan-based military assets for operations around the region. In addition, Japan pays for a large percentage of the total cost for stationing U.S. forces here. The U.S.-Japan alliance is still bound together by a strong sense of common interests and shared values, and although this mantra is repeated often

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enough to risk reducing it to a cliché, it remains true and helps explain the continued relevance and strength of this relationship.¹

Within the sphere of common interests, however, there appears to be a small but growing split in terms of each country’s priorities when it comes to security. The U.S. is motivated primarily by concern about nuclear terrorism or other large-scale terrorist attacks on U.S. territory (or that could otherwise undermine global economic and energy stability). Nuclear terrorism is a powerful motivating force, and partly in response to this concern U.S. defense spending has risen steadily since 2000 (from about \$300 billion per year to an estimated \$686 billion for FY2009).

Of course, America’s basic strategy is also to dissuade (then deter and defeat, if necessary) the potential rise of a peer competitor, near peer, or regional peer (such as China, Russia, or Iran), as well as to protect Israel and other major allies (including Japan). Unfortunately for American taxpayers, even with this large increase in spending the U.S. military is still undercapitalized, so there will continue to be a need to replace old and worn-out equipment, aircraft, and ships, as well as to invest in the next generation of weapons systems.

¹ These shared (or “universal”) values (*fuhenteki kachi*) are often described as freedom, democracy, human rights, the rule of law, and market economics.

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On the one hand, Tokyo can take comfort in Washington’s high tolerance for defense spending (now at over 4 percent of GDP), as a strong sign of its ally’s commitment to do whatever it takes to maintain deterrence capabilities in the region and around the world. On the other hand, however, it is a potential source of frustration in Washington, especially during difficult economic times when many voters are struggling to keep their jobs and heat their homes, let alone pay higher taxes. Right now the U.S. military is wrestling with the perceived need to prepare for all types of warfare, from counter-insurgencies to large-scale state-to-state conflict against modernizing forces. Defense budgets are likely to tighten as the United States winds down its operations in Iraq and the corresponding use of supplemental funding mechanisms that allowed the military services to temporarily offset rising costs and equipment needs.

There is no clear answer yet to the question of whether and how to reorient U.S. forces, and so far the response by each political party has been to pursue both strategies (counterinsurgency and state-to-state conflict) and to increase the size of the military.² This will put further long-term pressure on U.S. defense spending, since people are one of the most expensive budget components. Just the annual healthcare bill alone for active and reserve members of the armed forces is nearly equivalent to

² The U.S. Army is already implementing a plan to increase its active duty force by thirty-five thousand soldiers, and both U.S. presidential candidates in 2008 have pledged further increases.

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Japan’s entire defense budget, and that doesn’t even factor in the long-term pension and health care commitments to these future veterans, current payouts to veterans, or the entire civilian defense and intelligence community.³

As a result, politicians in Washington will have to make some difficult decisions: either consistently funding relatively large defense budgets (at 4 percent to 5 percent of GDP, and perhaps higher), or cutting back significantly on major new weapons systems (such as the F-22 fighter jet, and possibly eliminating whole categories of the most expensive systems). The Bush administration’s most recent national defense strategy states that “improving the U.S. Armed Forces’ proficiency in irregular warfare is the Defense Department’s top priority,” but shortly after the strategy’s release, Russia’s intervention in South Ossetia against Georgia bolstered the arguments of those who support more traditional defense spending. Regardless of what the politicians decide, Washington will continue to look for ever more significant contributions to common defense and peace building missions from its friends and allies. Indeed, U.S. ambassador to Japan J. Thomas Schieffer this year publicly called on Japan to boost its defense spending, noting that Japan’s ratio of defense

³ The Defense Department’s FY2009 healthcare budget request for 2.2 million active and reserve members was \$41.6 billion.

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spending to GDP has been declining despite its growing concerns over potential military threats.

Part of the reason the U.S. feels comfortable making such suggestions is because America generally views much of its own defense spending as serving the global public good by promoting geopolitical stability and protecting free and open trade. To be sure, the United States is spending and fighting to protect itself from specific and unique threats, such as Al Qaeda and related terrorist networks, but most Americans believe that they are a target of terrorism precisely *because* they have been the standard bearer for freedom, democracy, and free-market capitalism in the world, and that they will continue to fight for this greater good, from which other nations benefit. 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 have a hard time understanding why others do not rush more enthusiastically to the “common defense,” be it in Iraq, Afghanistan, or other global hot spots.

This sense of disappointment is not just for Japan, but it applies to other allies as well, such as South Korea and certain NATO countries that have even contributed troops to Afghanistan (though in low numbers and with

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tight restrictions). A press report quoted one U.S. defense advisor about NATO involvement in Afghanistan saying, “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.”

Part of the problem has been the way that Washington talks about and pursues the global fight against terrorist networks and rogue states. As Professor Watanabe Akio has pointed out, “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.” 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 properly America wields its military might around the world, and for whose benefit. U.S. efforts to share the defense burden with allies, therefore, must remember that *capabilities* cannot be divorced from *circumstances* or the political decisions to deploy certain capabilities.

Indicative of this was a comment earlier this year by former LDP secretary general Kato Koichi when the subject came up of possibly

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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.” Kato-Sensei apparently did not realize (or choose to ignore) the fact that more than half of the fuel provided by Japan in the last three years has gone to ten different countries other than the United States, and in 2008 U.S. vessels will receive only about 15 percent of all delivered fuel.

Still, Japan has tried to be supportive of America’s military engagements around the world, both through financial assistance to distressed countries and through non-combat SDF missions. Japan has also been an active partner in the Proliferation Security Initiative (PSI) to hinder the international transportation of weapons of mass destruction. Some Japanese policy makers embrace this expansion of geographic and situational applicability of the alliance because they agree that global stability has a direct, positive impact on Japan’s national security, and they recognize Japan’s responsibility in this area. After all, Japan relies on imports for 94 percent of its primary energy supply and 61 percent of its calorie intake. For such reasons, Japan decided in 2006 to elevate international peace cooperation operations to the status of “primary SDF mission.”

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For all this rhetoric, however, Japan’s level of international involvement in such missions is highly restricted, and its operational tempo has actually decreased in recent years. Japan’s Ground SDF mission in Iraq wrapped up in 2007, and its Air SDF cargo deployment there will end this year. Although Japan continues to be involved in UN peacekeeping operations (PKO) around the world, most missions involve only a handful of SDF personnel.⁴ Moreover, the list of potential missions that Japan has declined to join highlights the legal and practical limits of Japan’s stated desire to expand international activities, such as a suggestion in the summer of 2006 that Japan could provide airlift support to Indonesian troops committed to help stabilize southern Lebanon. Also, Japan in 2008 backed off earlier ideas of sending the SDF to Afghanistan and declined a 2007 request from Burundi to help airlift its soldiers to take part in the UN PKO in Darfur, Sudan.

Equally telling are the budget and procurement decisions Japan has made in recent years. Japanese defense spending has not risen since 2000 (and during that time both China’s and America’s defense budgets have doubled). When Japan considered a replacement for its aging C-1 transport aircraft, it made sure that the new C-X cargo plane could carry

⁴ The most recent UN PKO deployments, for example, involve three SDF personnel to Sudan (2008), six to Nepal (2007), three to East Timor (2007), and eight to the Congo (2006).

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around Patriot missile defense batteries for national defense, but it is not large enough to carry Japan’s valuable CH-47J transport helicopters that are often the most critical equipment needed for disaster relief or PKO missions. Japan’s major new airlift investment, therefore, is sub-optimal when it comes to supporting this new priority mission. It is hard to say, then, that Japan has put sufficient resources behind its new overseas missions.

To some extent, 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 proactive partner in multilateral coalitions to maintain global stability and promote democracy, but it must also reassure Japan that it remains committed to regional deterrence. Washington does take these “defense of Japan” commitments very seriously, but with so many other pressing needs, policy makers don’t want to spend too much money or get too specific regarding exactly which units would respond to different defense-of-Japan scenarios. Conversely, although Japan contributes to global stability and prosperity in many different ways, on the security front Tokyo has been doing as little as possible to keep up Japan’s credentials as an international partner of the United States, while being primarily concerned with providing national defense at a relatively low financial

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and political cost. These costs are not insignificant, of course, but they are kept as low as possible.

Thus, in a way, each country is providing minimal satisfaction to the other on issues of paramount importance in order to receive what it wants in return. While this is largely understandable, not uncommon, and has not yet undermined the alliance in any serious way, it is an inherently weak foundation for the alliance going forward and it should be addressed honestly.

One way to view the situation we face is to think in terms of a regional security equation, and to see either security surpluses, deficits, or a balance. For decades, Japan has enjoyed a favorable security balance or “surplus” in the region, thanks in part to America’s nuclear umbrella, U.S. forward-deployed forces, and the absence of a near peer on the seas or in the skies that could possibly threaten Japan, apart from perhaps the Soviet Union, and the U.S. was clearly motivated to meet that challenge.

Japan’s security surplus, however, is slowly shifting towards a deficit because of military build-ups in North Korea, China, and Russia. For now, the U.S.-Japan alliance is fairly comfortable with its conventional and nuclear military superiority vis-à-vis potential rivals in the region,

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and although many in Japan sense a creeping Washington disinterest in East Asia leading to a possible military pullback by the United States, evidence points to the contrary. 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 one hundred thousand military personnel in East Asia was seen as a symbol of U.S. security commitment to its allies in the region. The one hundred thousand threshold was also judged by the Pentagon to be roughly the minimum required to win two overlapping major theater wars (MTWs).

But when the Bush administration began to deemphasize the one hundred thousand threshold and the two-MTW construct in 2001, followed by personnel moves out of Korea and planned redeployments out of Japan as part of the Pentagon’s global posture review (GPR), 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 policy makers and defense planners noted that subheadings in the 2001 review such as “maintaining favorable regional balances” and “detering forward” were replaced by an intense focus on “fighting the Long War” against terrorist networks and “defending the homeland in depth.” The simple explanation was that Washington was distracted by conflict in the Middle East, and it was preoccupied with

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homeland defense. The reality was quite different, and an interesting dichotomy developed whereby an American visitor to Tokyo would hear worry about a U.S. pullback, and the same week in Beijing he would listen to concern about an U.S. build up in the region!

Objectively speaking, overall the U.S. *is* increasing its military capabilities in the Asia-Pacific region, not pulling back. This mild buildup is actually one of the many objectives of the GPR, as a way of responding to a perceived shifting of “the global community’s ‘center of gravity’ [toward] the Asia-Pacific region.” This buildup is hard to quantify, however, as it relies mostly 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. Taking a closer look at some of these moves, however, we can clarify the situation.

First, on the issue of troop deployments, modest increases in Alaska, Guam, and Hawaii somewhat offset the draw-downs in Japan and Korea, and if this broader concept of the Asia-Pacific is taken into consideration, the number of U.S. military personnel in the region continues to exceed one hundred thousand. Moreover, U.S. command relationships are generally strengthening with key allies, such as by co-locating Japan’s air

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defense command with the United States at Yokota Air Force Base (AFB), and bringing up to Yokota (from Hawaii) personnel from the 13th Air Force, which will help to tie Japan more closely to decision makers at U.S. Pacific Command (PACOM). In addition, cooperation between U.S. and Japanese ground forces was strengthened by the establishment of a forward command element of I Corps (headquartered in Washington State) at Camp Zama in Japan in 2007. I Corps (forward) should be fully operational by 2009.

Troop levels only tell a small part of the story, however, and more significant changes are taking place in the areas of capabilities upgrades and rotational deployments. The U.S. territory of Guam, most noticeably, is undergoing dramatic change as the military improves its facilities so that the island can host advanced air and sea assets including more frequent, and up to four times longer, rotations of the most modern aircraft (compared to the 1990s). Also, the deployment of KC-135 refueling tanker aircraft enhances Guam’s capabilities by allowing for extended range. As facilities improve on Guam, some of these deployments could become permanent. The Pentagon also plans to enhance Guam’s intelligence gathering capabilities with the Global Hawk unmanned aerial vehicle (UAV) and other technologies that will permanently operate out of Guam by 2009.

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On the maritime front, Guam is emerging as a new home for forward-deployed submarines. Guam’s Apra Harbor now ports three *Los Angeles*-class nuclear attack submarines. In addition, a modified version of the ballistic missile submarines (now known as a conventional guided missile submarine, or SSGN) is currently operating in the Pacific. The SSGNs are some of the most modern in the U.S. submarine fleet, with a conversion cost of about \$1 billion per boat. The USS *Ohio*, the first ship to undergo such a conversion, can swap crews three times per year in Guam, and it recently visited Japan. Overall, PACOM is likely to host 60 percent of America’s submarine fleet by 2011, including three of the four brand new *Virginia*-class attack submarines. The number of U.S. aircraft carriers in the Pacific region will also rise to six in 2010, when the *Carl Vinson* ports in San Diego.

Taking all of these improvements, additions, and more frequent and lengthier rotational deployments into consideration, it demonstrates that the United States is increasing its deterrence power in Asia, with the goal of supporting allies to maintain stability and openness in the region, which is so critical to our prosperity. These measures are not so obvious, but they are there. This helps explain why Tokyo can be somewhat

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underwhelmed with U.S. defense commitments while Beijing is simultaneously wary.

A similar dynamic was at work in South Korea early in the Bush administration when it began pulling about ten thousand troops off the peninsula, consolidating bases, and moving most of the U.S. forces farther south near Pyongtaek. 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 Korea’s defense, in part by constantly highlighting the \$11 billion in capability upgrades and other improvements that Pyongyang was worried about.

It is easier to keep highlighting how capable one is at destroying an adversary, however, when you are talking about North Korea, with which the U.S. 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 the case with China for both the United States and Japan), and holds about \$1 trillion (6 percent) of America’s long-term debt.

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At this point it seems clear that there is no immediate crisis of confidence regarding the alliance or its ability to deter aggression, but there is this growing divergence of priorities, which I mentioned, and this could get worse if the security equation truly becomes unbalanced. The United States remains committed to Japan, but there will be limits to how much more the U.S. can spend on defense in East Asia.

Looking ahead, there is already a bilateral roadmap for near-term alliance transformation, for maintaining deterrence and reducing the burden, and this should be followed. The plan took a lot of effort to put together, and it should be carried out. Beyond that, I think we should also move to build cooperation and confidence in the region to reduce (or at least limit) the threat side of the equation. Cooperation in Northeast Asia is particularly important, in a trilateral way with South Korea, in the six-party talks, and with China directly. An arms race helps no one, regardless of the pace at which it is moving.

If we cannot limit this threat component and find security balance, then either the United States or Japan (or both) will have to respond in some way to make sure that other countries cannot abuse their military power to cause instability or restrict economic openness. The U.S. response will depend in part on what Japan does. If Japan continues to increase its

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international contributions, then perhaps this allows the U.S. to respond more in East Asia. Or, Japan may see the international mission as too difficult (because of logistics, politics, or legal restrictions) and thus prefer to build capabilities that address its perceived local vulnerabilities, and then the U.S. and other allies will do more internationally.

So, Japan and the U.S. have options and choices, and we should work closely together and with other allies to reduce conflict, preserve peace, and assist weaker nations. We have to trust each other and be proactive to address the challenges we face. We cannot wait until the last minute to respond. Change is coming, and we should rush to meet it. I am confident in our ability to respond together.

–Thank you.