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Preparing for the post-Koizumi-era: the pieces are in place
by Brad Glosserman

The "Sayonara Summit" went very well – as expected. Prime Minister Koizumi Junichiro's last visit to the U.S. as prime minister – a "summit-cum-road trip" with a 19-gun salute and visit to Graceland – set a new standard for intimacy on the diplomatic circuit. It was a fitting farewell to a remarkable five years in U.S.-Japan relations and a well-earned reward for Koizumi.

Yes, Prime Minister Koizumi benefited from a decade of preparation. The evolution of Japanese security policy began in the aftermath of the Persian Gulf War and was nudged along by his predecessors as well as the administration of President Bill Clinton. But the friendship Koizumi built with Bush was instrumental and helped elevate the bilateral relationship to new heights. The "George-Jun relationship" will be the standard by which all others will be judged.

In the last five years, Japan made unprecedented overseas deployments of its Self-Defense Forces to aid Operation Enduring Freedom and the reconstruction of Iraq. The Security Consultative Committee (the SCC, also known as the "2+2" Committee because members include the heads of the two governments' defense and diplomatic bureaucracies) produced common strategic objectives for the alliance and, against high odds, this year agreed on a plan to restructure and realign the two militaries. The two governments are cooperating closely on key issues, such as North Korea and Iran, despite some basic differences in outlook.

At their June 29 White House meeting, Bush and Koizumi applauded their work and "together heralded a new U.S.-Japan alliance of Global Cooperation for the 21st century." This document identifies shared values and shared interests; it reaffirms the two countries' intentions to work together to combat problems ranging from the proliferation of weapons of mass destruction to energy security to climate change. It also called for the two governments to explore ways to deepen their economic relationship and enhance cooperation on regional and global issues.

Critics – and I confess to being one of the skeptics – have worried that the two leaders are well ahead of public opinion (at least in Japan) and that there is a risk of a backlash. Thus far, the critics have been wrong. Throughout the Koizumi era, Japan has surpassed virtually all U.S. expectations. And while some argue that the U.S. has gotten significantly more out of the refurbished alliance than has Japan, opinion polls show rising public support for the alliance on both sides of the Pacific.

It looks, then, like the "best relations ever" will survive the Koizumi era. The pieces are all there: the vision exists, the plan to strengthen the military dimension of the alliance is in place, nettlesome economic issues (such as beef) have been dealt with, and both governments appear ready to explore new possibilities for economic relations. Some supporters of the alliance even talk about a free trade agreement.

Still, there are reasons to be concerned. The immediate worry is the agreement to realign U.S. forces in Japan. While Japanese approve of any proposal that reduces the U.S. military footprint, relocation raises the NIMBY problem – not in my backyard. Communities are upset about hosting military forces and afflicted areas enjoy widespread sympathy. Japanese politicians will have to spend political capital to get the plan implemented, something they – including Koizumi – have been extremely slow to do to date. That reluctance is likely to increase when the next administration tackles other pressing domestic issues, such as fiscal reform and the mountain of government debt.

There is also a sense of imbalance: Despite their support for the alliance, many Japanese still feel that the U.S. benefits more from the relationship than their country does. The list of grievances is varied. Some fret that reckless U.S. policies might entangle Japan in conflict. Some complain that the U.S. has not been sufficiently supportive of Tokyo's bid for a permanent seat on the United Nations Security Council. Some charge that Koizumi was overeager to please President Bush and lift the ban on imports of U.S. beef, a move that endangered Japanese consumers. U.S. threats of trade retaliation certainly don't help build favorable opinion.

And, oddly enough, despite all the accomplishments, there are still Japanese fears of abandonment. They aren't as pronounced as they were during the "Japan passing" of the Clinton administration, but they exist. Those fears were evident at the start of the second George W. Bush administration when most seasoned "Japan hands" were resigning. Their persistence given recent developments suggests that there is an element of irrationality involved, but the fears must still be acknowledged and dealt with.

Over the long term, there are two structural concerns. The first is Japan's aging population. The country is already one of the grayest in the world – one Japanese in five is over the age of 60 – and the social and economic costs of this demographic shift are hard to predict. Priorities will have to change and it is unlikely that an aging society will be prepared to spend the money needed to maintain a robust military alliance over other priorities.

The second concern is the development of Asian economies and Japan's deepening integration with the region. Today, the U.S. is the final market for products built in Asia. As Asian economies mature, a middle class will emerge and that will decrease Japan's (and the region's) reliance on the U.S. market. This threatens to create a divergence in Japan's

security and economic interests that could undermine its alliance with the U.S.

While there is no quick fix for any of these problems, they are not insurmountable. The single most important thing Japanese can do is to vigorously make the case for the alliance. The Japanese public must be convinced of the benefits from a strong partnership with the U.S. In fact, however, the U.S. is usually cast as the demandeur while Japan is passive. Japanese politicians may score points by claiming to fend off U.S. demands, but such tactics undermine the sense of partnership that is essential to the alliance's survival.

Second, the U.S. should be very careful about future demands on Japan. More energy should be devoted to locking in the gains of the last decade rather than continuing to expand Japanese responsibilities. To Washington's credit, that appears to be the current strategy.

Finally, the two countries have to institutionalize an economic relationship that balances Asia's economic development and integration. The development of deeper economic relations envisioned in the alliance of global cooperation the 21st Century is thus a key task for both governments.

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