

## **Japan's Foreign Policy and the Alliance: Transcending Change with Trust**

by Leif-Eric Easley, Tetsuo Kotani, and Aki Mori

*Aki Mori ([akimori401@gmail.com](mailto:akimori401@gmail.com)) and Tetsuo Kotani ([tetsuo.kotani@gmail.com](mailto:tetsuo.kotani@gmail.com)) are Ph.D. candidates in the Department of Political Science at Doshisha University, and research fellows at the Ocean Policy Research Foundation in Tokyo. Leif-Eric Easley ([easley@fas.harvard.edu](mailto:easley@fas.harvard.edu)) is a Ph.D. candidate at Harvard University, a Visiting Scholar at the University of Southern California Korean Studies Institute, and a Kelly Fellow with the Pacific Forum CSIS. This article draws upon a longer Pacific Forum CSIS Young Leaders collaboration published in the journal, *Asia Policy* (<http://asiapolicy.nbr.org>).*

An unprecedented change in government has raised speculation about the direction of Japan's foreign policy. The Aug. 30, 2009 legislative elections allowed the Democratic Party of Japan (DPJ) to take control of government for the first time from the long-ruling Liberal Democratic Party (LDP). Japan's democracy is poised for change, but drastic revision of the Japan-U.S. alliance is not in Japan's national interest, is not what the Japanese people voted for, and would seriously distract the new government from other priorities.

The DPJ won a 308-seat majority in the 480-seat Lower House of the Diet, but lacks an outright majority in the Upper House. To enact legislation smoothly, the DPJ decided to form a coalition government with two minor parties: the pacifist Social Democratic Party (SDP) and the People's New Party (PNP), known for its skepticism of economic liberalization. The coalition is set to govern at least until the Upper House election in July 2010.

In forming the coalition, the DPJ reached agreement on five foreign policy goals: (1) increasing contributions for U.N. Peacekeeping Operations (PKO), disaster relief, environmental diplomacy, and free trade; (2) pursuing a more sustainable and equal alliance with the U.S. by reviewing existing agreements out of concern for the Japanese taxpayer and citizens of Okinawa Prefecture; (3) expanding cooperation with Asian neighbors and developing an "East Asian Community"; (4) advancing nuclear disarmament; and (5) directing foreign aid toward the alleviation of poverty and post-conflict reconstruction, including in Afghanistan.

These policy visions are in line with the DPJ election platform, but the inclusion of the SDP could constrain Cabinet decisions on security policy. The SDP has strongly opposed international activities of the Japanese Self-Defense Forces (JSDF). However, the SDP and PNP did not gain additional seats in the recent election and account for only 2.5% of the Lower House. This certainly does not indicate their policies enjoy broad support among Japanese. Nonetheless, the

appointment of PNP leader Shizuka Kamei as Financial Services Minister signals a dramatic break with former Prime Minister Junichiro Koizumi's attempts at economic reform.

Even more important in terms of personnel decisions, DPJ leader and now Prime Minister Yukio Hatoyama appointed Katsuya Okada as Foreign Minister and named Ichiro Ozawa Secretary General of the DPJ. Ozawa, the veteran politician instrumental in the historic transition from LDP to DPJ-centered government, wields considerable power behind the scenes. Many DPJ lawmakers owe their positions to Ozawa, who will oversee not only party but also legislative business since his closest aide, Kenji Yamaoka, chairs the Diet Affairs Committee. An open question is how Hatoyama will coordinate policy among Ozawa, Okada's Foreign Affairs Ministry, and the newly-established "National Strategy Bureau" headed by Naoto Kan.

Hatoyama chose Toshimi Kitazawa as defense minister, a senior lawmaker not expected to take a transformative role. As the DPJ is without governing experience, it may be putting its most senior faces in the cabinet to inspire public confidence. This appointment might also indicate the DPJ's intention to play down defense issues ahead of the Upper House election. The tight election cycle puts pressure on the DPJ to demonstrate progress on economic and social issues. Japanese public surveys suggest that people voted against the LDP's domestic failures rather than in favor of the DPJ's international agenda.

With domestic politics demanding economic recovery and an improved social contract, and security concerns including a threatening North Korea and rising China, it makes sense for the new government to focus its efforts on the former and keep the U.S.-Japan alliance strong to cope with the latter. The DPJ will have its hands full redefining the interaction between elected officials and bureaucrats while pushing through reforms. Political battles will ensue, involving the DPJ, its coalition partners, the bureaucracy, LDP opposition, and investigative media reporting. It is in the interests of both Japan and the U.S. that the alliance does not become a political football in the process.

The new government in Tokyo and relatively new government in Washington should thus proceed on alliance-related issues with care. Foreign Minister Okada emphasized to Ambassador John Roos that the DPJ wants to strengthen relations for the long-term and step up cooperation on nuclear nonproliferation and the environment. However, the handling of four issues – the Indian Ocean refueling mission, troop and base relocation, historical accounting of a tacit nuclear agreement, and the legal status of U.S. forces in Japan – will determine whether the DPJ government manages to "build trust" with the Obama administration as promised, or whether the new government undermines the alliance.

First, it appears the DPJ will allow the JSDF Indian Ocean mission to expire. This is regrettable since the mission is not symbolic “alliance dues,” but a substantive contribution to global security. The main task of CTF-150, which Japanese refueling supports, has shifted from interdiction of terrorists and weapons to countering drug trafficking – a major source of terrorist financing. Cancelling Japan’s refueling support would make operations difficult for CTF-150 partners, particularly Pakistan. The DPJ should consider renewing the mission with increased parliamentary oversight, a compromise that would likely have the support of the Japanese public. Meanwhile, it would be counterproductive for Washington to consider the refueling mission a litmus test for the alliance. The U.S. should leave the door open for creative Japanese contributions to Afghanistan and elsewhere on nontraditional security issues.

Second, existing U.S.-Japan agreements on troop and base relocations are critical for the alliance goals of defending Japan and ensuring regional stability. While the U.S. should fully engage in consultations about DPJ concerns, the margin for adjustment is small. Implementing existing agreements is less a matter of negotiation between Japan and the U.S. than between Tokyo and Okinawa. The DPJ naturally wants to advance the interests of all its constituents, but it must ultimately show leadership to implement the plan to relocate Futenma airbase, which will reduce the U.S. forces footprint while maintaining the presence needed for Japan’s security.

Third, the DPJ appears intent on reviewing a historical “neither confirm nor deny” (NCND) policy about U.S. nuclear weapons passing through Japan. This is part of the DPJ’s campaign promise to increase government transparency and clean the slate from LDP rule. However, since the U.S. no longer introduces nuclear weapons into Japan, the issue is one for historians, not for today’s policymakers. Moreover, the origin of the decades-old agreement was a request by the Japanese for political cover, so enshrining the non-nuclear principles into law over this issue may appear hypocritical and damage trust in the alliance.

Fourth, on the Status of Forces Agreement (SOFA), which provides the legal parameters for U.S. forces in Japan, it is important to note that the U.S. has over 100 SOFAs all over the world. While revising the SOFA may appear to be a bilateral issue to Tokyo, it has multilateral implications for Washington. If Tokyo seeks SOFA revision, to include an environmental clause for example, it should take a gradual and multilateral approach, possibly involving fellow host countries South Korea and Germany.

The DPJ leadership has signaled it will avoid drastic moves on the alliance, instead pursuing policy reviews, consultations with the Obama administration, and government reforms ahead of the Upper House election. But other public statements by DPJ officials suggest the new government will demand change on the above four points within months. For instance, Okada has a personal passion for nuclear issues, such as exposing the NCND policy and calling for the U.S. to declare a no-first-use (NFU) nuclear posture. However, he no longer speaks for himself, but for the Japanese government, and Japan’s national interests include maintaining the alliance and the credibility of the U.S. nuclear umbrella.

Assistant Secretary of State Kurt Campbell struck a helpful tone ahead of Hatoyama and Okada’s visit this week to the United States. He said that Japan is an “equal partner” and that the U.S. has “patience, a commitment to listen, and to work closely” with the new government in Tokyo. The Obama administration has reacted calmly to Hatoyama’s suggestion in a pre-election op-ed that Japan should position itself carefully between the U.S. and China. The U.S. could go further in encouraging Japan to reach out to its neighbors, as an improved Japanese regional profile would be an asset to the alliance. The DPJ proposal of a Japan-U.S. Free Trade Agreement (FTA) is constructively bold, but for efficiency and to avoid undue bilateral friction, Washington may encourage Tokyo to show greater leadership in the Doha round instead. There is also room for increasing U.S.-Japan coordination on North Korea, Iran, and Burma.

For Japan’s new government, there is an opportunity in offering continuity with the Security Consultative Committee statements, and taking steps forward rather than back on international cooperation in the upcoming revision of Japan’s National Defense Program Guidelines. The DPJ must be a good steward of the Japan-U.S. alliance – building upon existing agreements, and seeking adjustments via consultations rather than politically-charged negotiations. Doing so will allow the DPJ to focus on pressing economic and domestic issues. It is also important for the LDP to be a faithful opposition – looking after Japan’s national interests rather than focusing on trying to topple the DPJ. On the eve of the security treaty’s 50th anniversary, both the Hatoyama and Obama governments need to demonstrate that the alliance is not merely a partnership between particular political parties. The alliance should transcend changes in government because it is based on shared interests, values and trust, making possible deeper cooperation on major global challenges.