

More than Futenma

by Jeffrey Hornung

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Since former Prime Minister Yukio Hatoyama's bungling of the relocation of the Marine Corps Air Station Futenma, it has become normal for Japanese and Western media outlets to report that the US-Japan alliance has weakened or is adrift. It is neither. While US-Japan relations have suffered damage at the political level, including a loss of trust, the fundamentals of the relationship remain strong. This strong foundation, in turn, enables continued bilateral cooperation in a wide variety of areas.

Understanding the strength of current relations matters because US-Japan relations are about to enter Round Two of political mudslinging after Sunday's Okinawa gubernatorial election. The winner, incumbent Hirokazu Nakaima, opposes Prime Minister Naoto Kan's promise to fulfill the May 28 agreement with the US to relocate Futenma from Ginowan to Nago City. Because Kan's other promise is to listen to local voices, it will be difficult to make progress on relocation. The expected deadlock will lead to frustration in Washington and the rise of more 'alliance adrift' cries. While Futenma relocation will require compromise by both sides to balance the desires of Okinawa residents with the security requirements for Japan and the Asia-Pacific region, it should not define bilateral relations. The challenge for Tokyo and Washington is to keep Futenma in its proper perspective. The US-Japan relationship is more than Futenma.

Sound Fundamentals

Consider first the fundamental purpose of the alliance. In exchange for the US defense of Japan, Japan allows the US to maintain bases in Japan. The US receives a forward military presence in Asia while Japan enjoys defense at a lower cost than if it was responsible for its own. This agreement remains solid and has been confirmed by recent events. After the Chinese fishing trawler incident near the Senkaku Islands (Daioyutai in Chinese), US officials have repeatedly expressed the applicability of Article 5 of the Japan-US Security Treaty to the defense of the Senkaku Islands. The highest expression of support came from Secretary of State Hillary Clinton during her meeting with Foreign Minister Seiji Maehara in Honolulu last month.

The same is true of Japan's responsibilities. Despite facing strong opposition in Okinawa, both by the people and the gubernatorial candidates, Kan is committed to fulfilling the

May agreement to relocate Futenma to Nago City. Additionally, regarding the Japan-US Special Measures Agreement that outlines Japan's financial contributions for host nation support of US forces (called the sympathy budget in Japan), Kan agreed to sustain the current level of 188.1 billion yen. While it falls short of US requests for a budget increase to cover eco-friendly facility improvements, sustaining current spending is impressive given the previous opposition of Kan's Democratic Party of Japan (DPJ) to the special agreement authorizing the budget. Indeed, the party had been pushing Kan to reduce Japan's financial burden.

Robust Ties and Potential for Growth

In addition to strong fundamentals, there is room not only for the continuation of robust security ties, but even further growth. Consider first the reaction to recent naval activity by China in the East China Sea. The Ministry of Defense (MOD) hosted the first meeting of senior officials of the Ground Self-Defense Force (GSDF) and the US Marine Corps (USMC) with an explicit aim of strengthening bilateral cooperation via the exchange of opinions on opportunities for defense cooperation near Japan's southwest islands. Their civilian counterparts also agreed to launch senior-level consultations between the Ministry of Foreign Affairs and the State Department officials to exchange views on the changing situation in East Asia. In January, the GSDF will join the US Army and USMC to conduct a joint command post exercise that, for the first time, incorporates the defense of Japan's southwestern islands. In addition to confining China's navy to the East China Sea, the exercise simulates troop deployment to outlying islands and re-capture operations.

Japan has also been making progress in cooperating with other US allies. Just as Japan stood side-by-side with the US in support of South Korea after the *Cheonan* incident, it has denounced North Korea's recent shelling of South Korea. Similarly, two Maritime SDF (MSDF) destroyers have recently participated in naval training exercises hosted by South Korea under the Proliferation Security Initiative. The MOD hopes to push for further confidence-building measures with its Korean counterpart. Such moves are welcomed by the US as it strengthens trilateral cooperation among its allies at a critical time for regional stability. This follows a decision by both Japanese and US militaries to hold strategic security talks with Australia and South Korea concerning China's military modernization. For the US, stronger ties among its allies mean improved joint action in disaster relief, information sharing, warning and surveillance, and cooperation against future Chinese anti-access strategies.

While the Hatoyama administration terminated the MSDF refueling mission in the Indian Ocean, Japan has not turned its back on US-led efforts in Afghanistan. Although it does not pack the same symbolic punch as Japanese vessels refueling

NATO vessels, and revives images of checkbook diplomacy, Japan remains committed to Afghanistan reconstruction via \$5 billion in aid. Kan is seeking to build upon this by dispatching a contingent of some 10 SDF doctors and nurses to Afghanistan. While the small medical team resembles Japan's 17-member medical team dispatched during the Gulf War, it does demonstrate Japan's ongoing commitment to disaster relief and humanitarian operations. This includes dispatching helicopters to relief efforts in Pakistan and the extension of GSDF missions in Haiti and Nepal. It also demonstrates Japan's willingness to engage in SDF operations beyond the region. Further evidence is found in Kan's extension of the MSDF antipiracy operation in the Gulf of Aden.

Diplomatically, Tokyo and Washington show ongoing commitment to each other's interests. Despite having an economic interest in maintaining a role in Iran's Azadegan oil field project, Kan sided with the US by applying sanctions on Iran and withdrawing from the project. For his part, President Barack Obama took advantage of the international spotlight created by the Asia-Pacific Economic Cooperation (APEC) forum to endorse Japan's bid for a permanent seat on the United Nations Security Council, a goal Japan has been pursuing for nearly two decades.

Economic relations are strengthening too. First among these ties is Kan's decision to begin consultations on the Trans-Pacific Partnership (TPP) to collect information for possible participation. While this decision is not a guarantee that Japan will join the TPP, it is impressive. Not only does it signal a significant change in Japan's trade policy and abandonment of the East Asian Summit as the chosen framework for economic integration, it also pits Kan against members of his own party and the powerful agricultural lobby that oppose Japanese participation. If Kan decides to join, Japan's participation would be equivalent to a free trade agreement with the US, prioritizing US economic relations over Japan's agricultural sector.

Making less news are two other agreements. One, an open skies agreement involving Haneda and Narita airports, enables carriers in both countries to set flight routes and the number of flights at their discretion. The result will be Japanese carriers strengthening business ties with US counterparts and an increase in convenience for passengers travelling between the two countries using Japanese or US carriers. The other, a bilateral agreement to diversify rare earth suppliers and possible joint development, was a response to China's use of rare earth exports as a political tool. It looks like agreement to act in concert with the US to minimize potential leverage China may seek via its dominance in the rare earth trade.

Changes Ahead

There are other moves in the DPJ that could signal significant changes in Japan's security policies if realized. Importantly, they are changes that past Liberal Democratic Party (LDP) administrations could not (or would not) achieve and would lead to closer US-Japan relations.

The most significant is a proposal to revise Japan's ban on exports of weapons and related technology. Because small-to medium-sized Japanese defense subcontractors face increasing production costs, it is becoming more difficult for Japan to

maintain a domestic production base. The current ban includes exceptions that allow Japan to transfer arms technology to the US and jointly develop and produce a ballistic missile defense system, but it does not allow Japan to participate in the development of other weapons, such as the F-35. The current proposal is to revert to Prime Minister Eisaku Sato's original three principles but add four standards. The net result would enable Japan to participate in joint development and production of weapons with the US and 18 other countries, including South Korea, Australia, and Western European members of NATO. Passage of this proposal would strengthen alliance relations as it would enable the US and Japan to pool resources and technologies for research and production of equipment at lower costs. It also averts problems that will arise after the US begins exporting to third countries the SM-3 Block II interceptor that is part of the jointly developed US-Japan missile defense system.

Another proposal under discussion is a permanent law on the overseas dispatch of the SDF. Previous LDP administrations considered a similar law, but opposition halted any progress. Depending on the content, it could make dispatching the SDF much easier in situations that do not fall under the Law for Cooperation on United Nations Peacekeeping Operations (PKO Law) and enable Japan to react faster to international needs. This comes at the same time that the DPJ is considering a review of the PKO Law to expand the scope of Japan's participation in UN peacekeeping operations, including the possibility of relaxing weapons' use standards for SDF personnel to defend foreign military personnel. Any revision would expand the range of UN missions in which Japan can participate.

Political winds may disturb bilateral relations, but there is much more robust cooperation than is often acknowledged. While the Futenma relocation has eroded trust in political relations, it should not overshadow the positive areas of cooperation. Relations remain strong in the security, diplomatic, and economic realms. What is more, the DPJ seems set to make significant changes in Japan's policies that would further bolster our partnership. Critical challenges lie ahead, including how to integrate the areas of cooperation under a new joint declaration next spring. Okinawa's gubernatorial election added a further layer of complexity. Yet, there is much more to US-Japan relations than what is happening in Okinawa. As long as Futenma defines the health of bilateral relations, this point will be lost.