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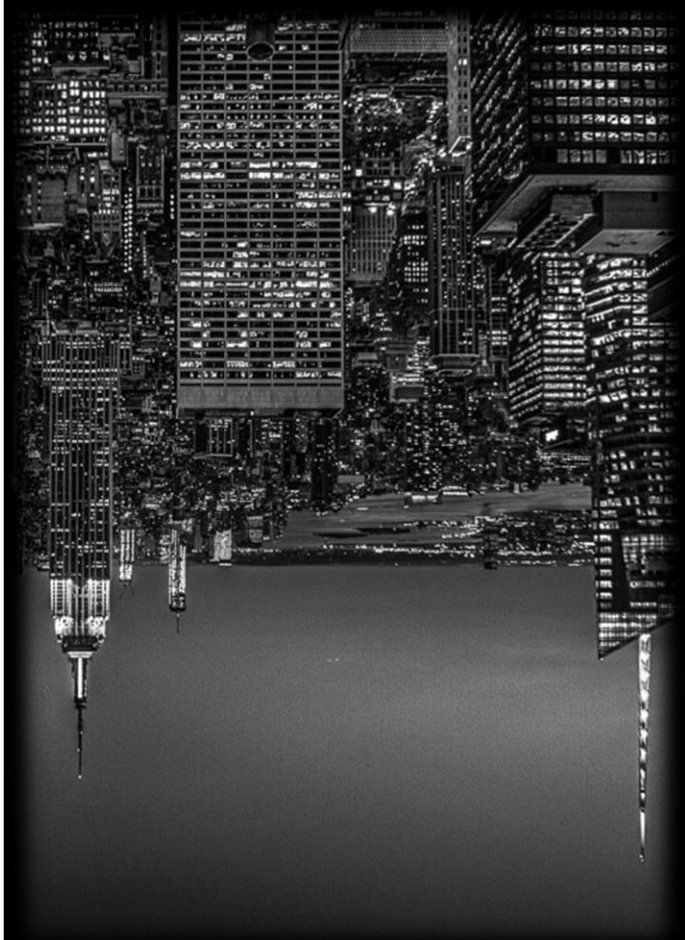

The US-Japan Partnership as a Regional Problem-Solving Mechanism

Edited by
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Pacific Forum CSIS

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Intro/Foreword: An Alliance of Hope

By Julia Gardner and Sarah Henriet
Directors, Pacific Forum Young Leaders Program

The Pacific Forum CSIS Young Leaders program is built on the premise that an international network of young Asia security experts will pay dividends for peace in future years when they are able to discuss contentious issues in times of crisis with people they already know. This volume is a collection of op-ed length policy pieces by our Young Leaders on the US-Japan relationship. As a cornerstone of US foreign policy for more than 70 years, the US-Japan partnership needs to continue to evolve to meet new regional and global challenges. The Pacific Forum Young Leaders propose ways to invigorate the partnership and to build a stronger US-Japan relationship.

The pieces selected for this volume have been written by seven Young Leaders based in the US and Japan who attended US-Japan focused events in the first half of 2016. With the generous support of the Japan-US Friendship Commission and Worldwide Support for Development (WSD-Handa), Pacific Forum was able to bring the next generation of US-Japan specialists to international expert-level discussions in New York, Washington, and Tokyo. They emerged from their experience with a richer network of friends and colleagues and new exposure to some of the challenges and opportunities facing the US-Japan alliance. We are grateful to the JUSFC and WSD-Handa organizations for their support of the Young Leaders program and their tireless efforts to build bridges between the United States and Japan.

This publication is especially timely as both Japan and the US are experiencing domestic tumult. Both Prime Minister Abe Shinzo and President Barack Obama have spoken publicly about the strength of the US-Japan relationship and the US commitment to protecting and supporting Japan while advocating for Tokyo to contribute more to regional peace and security. During his speech before the US Congress on April 29, 2015, Prime Minister Abe emphasized his desire that the US and Japan "join our hands together and our best to make the world a better, a much better, place to live." In May 2016, during President Obama's visit to the Hiroshima Peace Memorial, he said "the Japan-US alliance...has to be an alliance of hope for the world."

The alliance has been and will continue to be strong but it cannot be taken for granted. While young people in the US remain enthusiastic about engagement with Japan, young people in Japan are becoming less interested in Japan's foreign policy and look increasingly inward. Pacific Forum CSIS takes pride in bringing together young Japanese and US professionals to encourage them to support each other and the alliance. Our Young Leaders Program provides a platform where their voices can be heard and encourages creative thinking about this vital partnership. The next generation's innovation will help the alliance to overcome current and future challenges and to continuously grow. We hope our readers will gain new ideas for future US-Japan cooperation, that this volume will inspire increased engagement and participation from our Japanese Young Leaders, and promote a better understanding of the values of the US-Japan partnership.

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The US-Japan Alliance:
The keystone for a regional higher education cooperative architecture

By Annette Bradford

The US-Japan alliance serves as the cornerstone of Asia-Pacific security when complex political rivalries are becoming increasingly dangerous and nontraditional security challenges demand attention. Tackling these issues requires improved cooperation, not just between states, but between populations that are more internationally conscious, better able to understand the values of others, and hold greater expertise in thinking strategically. People-to-people exchanges and educational partnerships play a vital role in fostering these skills. Further, educational partnerships can make regional education more efficient and strengthen its quality. Although the number of regional multilateral educational initiatives has been growing in recent years, there is no policy consensus to guide the process, nor a shared view of the desired regional cooperative architecture.[1] As Japan and the United States have the largest and most sophisticated education systems in the Asia-Pacific, and the US-Japan alliance is the region's strongest political and social partnership, their combined weight could empower this important endeavor. Advancing US-Japan alliance efforts to strengthen their bilateral education partnership could drive education cooperation throughout the region.

Large-scale studies, including a recent survey of study abroad alumni in Japan, demonstrate that students who have studied overseas become more globally engaged, and take greater action to work for the common good.[2] Study abroad also develops student intercultural adaptability and sensitivity, and fosters open-mindedness, patience and flexibility.[3] In Europe, the ERASMUS (European Community Action Scheme for the Mobility of University Students) program is credited with enabling study abroad to become commonplace, increasing the lateral exchange of students on equal terms, and with embedding higher education cooperation within European higher education institutions.[4] The Asia-Pacific lacks a similar common education arena. Yet, given the rapid economic development of many East and Southeast Asian nations over recent decades and the promising pool of potentially internationally mobile students, the need for unimpeded regional movement is great and there is demand for the opportunity such an arena would enable. However, it would be unworkable and inappropriate to simply attempt to duplicate ERASMUS in the Asia-Pacific. ERASMUS was implemented under the framework of the European Community, a strong multinational institution which the Asia-Pacific lacks. An Asia-Pacific higher education

[1] Akiyoshi Yonezawa and Arthur Meerman, "Multilateral Initiatives in the East Asian Arena and the Challenges for Japanese Higher Education," Asian *Education and Development Studies* 1(1) (2012), 58.

[2] See: R. Michael Paige, Gerald W. Fry, Elizabeth M. Stallman, Jasmina Josić, and Jae-Eun Jon, "Beyond Immediate Impact: Study Abroad for Global Engagement (SAGE)," Report Submitted to the Title VI: International Research and Studies Program US Department of Education (2010); Masahiro Yokota et al., "Survey of Global Personnel Development and Long-term Impact of Study Abroad," JSPS-funded Research Project "International Comparative Research into Global Personnel Development and Long-term Impact of Study Abroad" (2016).

[3] See for example: Tracy Rundstrom Williams, "Exploring the Impact of Study Abroad on Students' Intercultural Communication skills: Adaptability and Sensitivity," *Journal of Studies in International Education,* 9(4) (2005).

[4] Ute Lanzendorf and Ulrich Teichler, "ERASMUS under the Umbrella of SOCRATES: An Evaluation Study," in *ERASMUS in the SOCRATES Programme: Findings of an Evaluation Study,* ed. Ulrich Teichler (ACA Papers on International Cooperation in Education. Bonn: Lemmens Verlags & Mediengesellschaft, 2002), 16.

cooperative architecture has to be built by networking and aligning disparate relationships and partnerships.

Asia-Pacific higher education cooperative initiatives are ongoing, and each is making an important contribution. However, study abroad has not yet become part of the fabric of higher education in this region. Current efforts are not coordinated, they often employ different conceptualizations of a regional education arena, and they sometimes seek to address the same concerns in non-complementary ways. Two of the most significant student mobility programs in the region are UMAP (University Mobility in Asia and the Pacific) and AIMS (ASEAN International Mobility for Students).[5] Both include representation from some of the same regional governments and neither includes all nations in the Asia-Pacific region. Notably, neither includes active participation by the United States, a leading destination for many Asians studying abroad. Moreover, political tensions mar involvement; for example, China, although a member, is not active in UMAP due to Taiwan's membership. Both programs are seeking to streamline credit transfer systems between their members, but are approaching the issue differently. In their current forms, both programs have stalled at the level of building cooperation between individual higher education institutions, and have made little headway in creating a harmonized regional education arena. Greater regional efficiency would be gained if international agencies, government ministries, higher education departments, and individual universities were working toward common goals.

In parallel to these multilateral efforts, the US and Japan are seeking to tighten their bilateral education cooperation. The 2013 findings of the US-Japan Conference on Cultural and Educational Interchange (CULCON), a binational advisory panel that serves to elevate and strengthen the cultural and educational foundations of the alliance, have underpinned a new commitment, the depth of which is demonstrated in the 2014 US-Japan Joint Statement issued by Prime Minister Shinzo Abe and President Barack Obama. Deep national commitment to increasing the number of US and Japanese students studying in each other's country, coupled with the resources available to these nations, could provide a sustainable center of gravity in an expanded multilateral framework. A tangible outcome of the new bilateral activity is the TeamUp campaign, which guides institutions in and offers grants for creating strategic educational partnerships.[6] If the US and Japan can facilitate greater mobility through these partnerships and increase harmonization in areas such as application processes, credit transfer mechanisms, and program quality, they could create an important basis for networked alignment throughout the Asia-Pacific. To take advantage of the new mobility programs created by the US and Japan, other nations will seek to increase the compatibility of their programs. In time, this framework could lead to the establishment of a common regional education arena that enhances bonds between people.

[5] UMAP member territories are: Australia, Brunei, Cambodia, Canada, Chile, China, Ecuador, Fiji, Guam, Hong Kong, Indonesia, Japan, South Korea, Laos, Macao, Malaysia, Mexico, Mongolia, Myanmar, New Zealand, Papua New Guineas, Peru, the Philippines, Russia, Samoa, Singapore and Taiwan. AIMS participants are: Malaysia, Indonesia, Thailand, Vietnam, the Philippines, Brunei, Japan, and prospective member, South Korea.

[6] "The TeamUp Roadmap", accessed July 3, 2016, http://teamup-USjapan.org/about

An opportunity for US-Japan Alliance cooperation in the South China Sea

By Justin Chock

While most attention is focused on the US role in the South China Sea disputes, there is a question of what Japan can do, and what role both states can play within the framework of the US-Japan alliance to lower tensions. Answers are increasingly important after the ruling from the International Tribunal on the Law of the Sea on the Philippines-China case, given that the alliance plays a vital role in maintaining East Asian security. This is a key opportunity for the alliance to expand its cooperation and ability to maintain regional security. However, the response must be careful and well-tailored so as to not provoke third-parties like China that are wary of growing Japanese strength. Therefore, Japan should play a greater *supporting* role for US operations and avoid the direct deployment of armed assets.

Japan has key security interests in the SCS. It relies on the peaceful flow of goods and services through the area. 80 percent of its oil imports pass through the SCS. Freedom of Navigation is therefore as vital to Japanese interests as to US interests, as Japan would be vulnerable if any state possessed the ability to halt this trade. While Japan is not an SCS claimant, its claims in the East China Sea (ECS) are tied to precedents in the SCS. Instability or coercive actions in the SCS dispute have the potential to escalate as well. For example, the use of the "Scarborough Shoal Model" where one country establishes control over territory following an ambiguous situation, was successful in the SCS and could be used in the ECS. Moreover, Japan's new security legislation allowing for collective self-defense could mean that escalation in American SCS operations has an even greater likelihood of forcing Japan to become involved. While there are conditions in the legislation that must be met, situations that "threaten Japan's survival" (for example, a threat to the vital Japanese trade through the SCS) may trigger Japanese to involvement.

In addressing these security interests, however, Japan must also be careful how it acts. China is already concerned about a "remilitarized" Japan, and overly provocative steps to become involved in the SCS may fuel negative messaging, cause more assertive Chinese military behavior, and/or accelerate Chinese military modernization. Furthermore, the Japanese domestic audience, a majority of which opposed the security legislation, have little appetite for deploying forces into areas that seem remote from the Japanese mainland to justify as defense. Most pressing, however, is the possibility of an accident at sea. An incident between two states that, according to the 2014 Genron-NPO and China Daily poll, approximately 90% of both publics hold negative views of each other, could serve as the tipping point where calls to uphold national honor soon become a call to arms.

Thus, Japan should support US Freedom of Navigation operations in a similar manner as the refueling support for the US during the war in Afghanistan. For six years, Japan conducted approximately 800 refueling missions distributing 126 million gallons of fuel and provisions for the US and other coalition members. Demonstrating operational support and even a small Japanese presence makes all parties understand the importance of SCS security to Japan and its willingness to take action to protect those interests. It also prevents states like China from using the presence of armed Japanese ships to portray a "remilitarized" Japan in its media, which would serve as justification for additional military build-ups or tougher action. Indeed, it may even prevent incidents at sea, as ships conducting aggressive or risky behavior would find a weak post-accident

justification for their actions against *unarmed* Japanese supply ships, thereby making the Japanese ships' passage without harassment in the interests of all parties.

Most importantly, logistic support is the most likely type of SCS operation that will satisfy Japanese domestic audiences. Parts of the new security legislation allow for this support, which provides legal backing for the operations while also allowing Japan to demonstrate how this new legislation works and clarify its intricacies in practice. A supporting role with historical precedent is easier for the public to accept, especially one intended for simple ship transits and not conflict, as was the case with the Afghanistan operations.

Both the US and Japan within the alliance framework benefit from these operations. By stationing refueling and resupplying ships in the area to support US transits, the alliance is able to showcase its shared commitment to Freedom of Navigation. This also begins the process of enacting and refining US-Japan coordination under the new Alliance Coordination Mechanisms and eliciting cooperation from all areas of government. For the US public, logistical support would relieve some costs of the operations, addressing the calls for burden-sharing by US domestic audiences and freeing up capacity for security operations around the world.

There is an opportunity for the US-Japan alliance to grow and play a supporting role for maintaining order in the SCS, but only if Japan is careful about how it implements the operations. By providing logistical support to US Freedom of Navigation operations, both states can better maintain security for the region and the wider international system while strengthening their partnership.

Strengthening US-Japan Alliance can deter, without provoking, China

By Justin Conrad

The US-Japan alliance offers the best and most immediate hope of deterring Chinese aggression in disputed areas. With China's recent decision to ignore the Permanent Court of Arbitration ruling on territorial claims in the South China Sea, and its subsequent increase in provocative maritime activity, US and Asian fears of an aggressive and expansionist China may be reaching a crossroads. Fortunately, recent changes to Japanese national security policy offer a perfectly-timed opportunity to fully integrate Japan into US-led global security missions outside Asia. Such support, away from the "frontlines" of disputes with China, can serve as a strong deterrent while avoiding direct provocation.

Japanese participation in US operations around the world offers a highly visible signal of the two nations' interoperability and resolve, while serving two additional, critical functions. First, an increased presence outside Asia avoids directly antagonizing China. Chinese officials, for instance, have recently warned Japan against "meddling" in the South China Sea when faced with the possibility that Japan might join US patrols there. Second, increasing operational support to the US in other areas of the world is more politically palatable in Japan. The Japanese public, still wary of militarization that might provoke war with China, may be more tolerant of progressive increases in military operations outside Asia.

Empirical evidence suggests that US alliances with Japan and other democracies in Asia may be the key to successfully deter a rising power like China. In a forthcoming article in *The British Journal of Political Science*, I examine the conflict behavior of all states and their military alliances from 1816 to 2000. I find that when two states and their allies approach an equal distribution of power with one another, challengers are significantly more likely to initiate conflict. Although the study does not include current data on the US and China, it nonetheless suggests that the growing parity between the two powers could mean a higher probability of conflict. But despite this "bad news," I also find that when a state's allies are more democratic, the increase in the probability of conflict is largely negated. Democracies, unlike their autocratic counterparts, are better able to signal their credibility and reliance as alliance partners, both to allies and adversaries. The relative transparency and accountability of democratic institutions augment the credibility of alliance agreements, leading to successful deterrence of conflict in many cases. In other words, challengers are less likely to attack democratic alliances because they believe the alliance will be strong in a time of crisis.

If China is nearing parity with the United States, as many observers have argued, the potential for conflict with China is likely higher than ever. But America's democratic allies in the region, especially Japan, offer an opportunity to present a robust and credible deterrence, forcing Beijing to seriously reconsider any initiation of armed combat. But in order for this deterrent to work, it must be observable to China. Transparent integration of military policy and increased cooperation between the US and Japan are absolutely critical to such a strategy. Japan wields arguably the most formidable military of all US allies in the region. With the possible exception of South Korea, no other ally in East or Southeast Asia has the kind of military capabilities and potential for expansion of those capabilities than Japan.

More importantly, Japan's forces already enjoy a highly integrated and cooperative relationship with the US military. The Japan Maritime Self-Defense Force (JMSDF), for instance, is considered to be the closest foreign partner by many in the US Navy. Japanese and US naval forces already conduct more than 100 joint exercises annually. Japan has historically assisted the US in a variety of operational mission types, including anti-submarine warfare (ASW) during the Cold War and, more recently, refueling operations and the protection of sea lines of communication (SLOCs) during *Operation Enduring Freedom*. Japan has also dispatched troops in support of Humanitarian Assistance/Disaster Relief (HA/DR) operations, including those in Indonesia following the 2004 tsunami and Haiti in 2010, where Japanese forces worked closely with US military personnel.

Japan's participation in US-led exercises and operations are already substantial. Japan's military has steadily increased its participation in overseas missions since the end of the Cold War, despite restrictions enshrined in its post-WWII constitution. With the recent changes to Japanese national security policy, including the 2015 revision of the Guidelines for Japan-US Defense Cooperation, it is a logical progression to increase Japanese participation in a way that reaffirms the synergy of Japanese and US forces in the eyes of external observers like China.

In particular, the revisions make cooperation in new areas and mission types a real possibility. For instance, the changes allow for JMSDF forces to defend US Navy vessels that are under attack. This means that Japan could assist in nontraditional sea-lane defense operations in places like the Arabian Gulf and the Gulf of Aden. JMSDF vessels have already participated in anti-piracy missions in the area, but broader cooperation with US forces in the Middle East, combined with a concerted communications strategy to publicize this cooperation, can serve as a highly visible deterrent against aggression in Asia. Although there is ambiguity in the policy changes, there may even be opportunities for Japan's forces to participate in US-led drug interdiction operations in South America and the Indian Ocean.

These kinds of activities, of course, are likely out of the comfort zone for much of the Japanese public. But they should be seen primarily as a means to an end. Increased integration with US forces in operations across the globe would emphasize the solid relationship between the two countries. More importantly, such activity avoids direct confrontation with China. Supporting US global defense operations do not carry the same type of risks as would Japanese participation in joint patrols in the South China Sea,. Additionally, despite Japan's resource constraints and its long-running suspicion of provocative military activities, the new changes to national security policy provide a legal framework to increase overseas military activity. Plugging Japan into new and existing US operations around the world is more politically and financially tolerable than inserting it into the South China Sea. The Japanese public, in fact, has been growing more acceptant of such a role for its military since the end of World War II, and especially since the end of the Cold War.

Security policy changes have given Japan an unprecedented opportunity to increase its support of US global defense operations. This increased support will reduce financial and logistical burdens on the US while simultaneously strengthening the public image of the alliance. Amidst China's growing willingness and capability to challenge the US, a more robust US-Japan alliance offers the best hope of deterrence.

The brave new world of Japanese arms exports

By Jessie Daniels

In April 2014, Japan relaxed its restrictions on exports of defense equipment that had been basic policy for nearly 50 years. The so-called "three principles", in place since 1967, restricted Japan from exporting arms to countries that are communist, under UN arms embargos, and involved or likely to be involved in international conflicts. Under the new rules, defense transfers are now permitted in a variety of conditions, including in the case that such exports enhance security and defense cooperation with allies and partners. The change was met largely with applause by the US because of the potential new avenues of bilateral cooperation that could emerge. Two years later, Japan's entry into the arms export market is beginning to take shape. Challenges remain, as exemplified by Japan's failed acquisition bid to build Australia's next-generation submarines. In breaking down the bid's shortcomings, though, US and Japanese experts can facilitate better defense cooperation.

The Australian submarine deal: the perils of learning as you go

Though there were exceptions to the three principles—notably working with the US on ballistic missile defense—Japan's defense industry mainly marketed its goods domestically. In the Australian submarine deal, Japan's inexperience in promoting defense exports became apparent. It was an ambitious bid for Japan, and it was going to be difficult to pull it off. European companies, including France's state-owned naval contractor DCNS Group—which won the bid in April—were far more experienced in competing for these types of contracts.

But there were specific missteps by the Japanese too, especially in their inability to successfully argue to the Australians that they could manage a foreign contract. The government also couldn't make the case to Japanese industry that the deal would be profitable. In the end, the bid rested on geopolitical realities to prevail, and that wasn't enough.

Where does Japan fit in to the market?

Where does Japan's defense industry go from here? First, Japan needs to get into the development and vendor base early rather than vying for large-scale projects. The Acquisition, Technology and Logistics Agency (ATLA), the Japanese office established in October 2015 to streamline research and development and promote exports and joint development, has adapted this thinking. ATLA wants to find more ways to be involved in R&D efforts from the start. It also aims to formulate an R&D vision by 2020.

Getting in early will be easier once Japan's defense industry finds its niche. One such niche could be robotics which is a growing segment of the market. This is particularly true when it comes to unmanned systems, including unmanned underwater vehicles (UUVs). Already used for intelligence gathering, the value of UUVs is likely to rise as undersea dominance increases in importance and technology advances. Since robotics is an area in which Japan is already a leader, this could provide Tokyo with an opportunity to be at the forefront of a burgeoning market. It could also be a way to make a meaningful impact with regard to the future of warfare.

Come together: the power of partnerships

Partnerships are key if Japan wants to strengthen its defense industry. Joint development can help the Japanese bolster international military industrial partnerships. The US defense industry is ready to work with Japanese counterparts not only because of the alliance but because partnerships make good business sense.

Partnership is central to strengthening defense cooperation among like-minded. Making the right defense investments and designing systems with increased operability are critically important. How the US and Japan work with other partners in the region, especially with regard to determining who is best equipped to provide which technologies to regional allies, will be crucial to eventual success. It also demands, especially between the US and Japan, a consensus on perceptions of the regional security environment to optimize capabilities.

In the wake of the Australian submarine deal failure, there is still optimism about the impact of lifting Japan's defense export restrictions. The creation of a more integrated defense industrial base is still appealing and many opportunities for enhanced US-Japan defense cooperation remain on the table. How Japan rebounds from its submarine setback will play an important role in determining whether that potential is fulfilled.

North Korea: Japan's true strategic threat

By Alison Szalwinski

North Korea's nuclear development is, by many measures, the most immediate and critical security challenge facing Northeast Asia. Yet Japanese policymakers remain preoccupied with the potential long-term threat posed by China, to the detriment of increased bilateral and, with the ROK, trilateral coordination regarding North Korea. In early June this year, 100 senior scholars, private sector stakeholders, and former and current government officials from the United States and Japan met in Tokyo for a high-level dialogue on a wide array of issues important to both nations. Conspicuous in their absence, however, were discussions regarding the threat posed by the belligerent activities and developing nuclear program of North Korea, particularly by Japanese participants and policymakers. The lack of Japanese interest in these issues reveals a worrying gap in strategic perceptions between the United States and its ally Japan.

Japan's bilateral relationship with the ROK and the strength of the US-Japan-ROK relationship is essential to the role Tokyo plays in addressing North Korea issues. Recent developments in Japan-ROK relations, including the December 2015 "comfort women" agreement and the recently concluded trilateral Pacific Dragon missile defense exercises, indicate a positive trajectory in the bilateral relationship, at least for now. However, Tokyo often views the trilateral US-Japan-ROK relationship through the lens of a China threat, seeking to coordinate with the United States and the ROK on countering Chinese aggression, rather than strengthening cooperation on Korean Peninsula security. The United States, for its part, sees Japan as a valuable ally in supporting its interests vis-à-vis China, but also needs Japan to contribute to supporting the defense of the Korean Peninsula. During the debate over the revised Bilateral Defense Guidelines, Japanese officials reportedly focused on how the United States and Japan would cooperate in the case of a maritime dispute with China, while US leaders saw this as secondary to Japan playing an increased security role on the Korean Peninsula.

North Korea's decision to develop a nuclear program—in violation of UN Security Council resolutions and in the face of multiple rounds of international sanctions—poses a major threat to Japan, as well as the Asia-Pacific region, and US interests. The January 6, 2016 nuclear test, North Korea's fourth, was a reminder to Japan and other nations of the danger in their backyard. North Korea then conducted two launches of its *Nodong* medium-range ballistic missile on March 17, this is of particular concern to Japan as the *Nodong* could be armed with a nuclear warhead and can reach much of Japan. In addition, the DPRK has repeatedly tested its intermediate-range *Musudan* missile, which can reach all of Japan and Guam, with a reportedly successful launch on the fifth try on June 22.

After the January nuclear test and February missile launch, Japan imposed unilateral sanctions on North Korea, with the hope that doing so would encourage China to agree to the UN Security Council sanctions under consideration at the time. Chief Cabinet Secretary Suga Yoshihide called the sanctions "extremely harsh" and said that they showed "our determination to deal with North Korea under the principle of 'dialogue and pressure' and 'action for action.'" Prime Minister Abe Shinzo called the North Korean tests "totally unacceptable" and said that Japan would "take all possible measures to ensure the safety and the peace of mind of the Japanese people." Despite

acknowledging the danger of each subsequent nuclear and missile test, Japanese policymakers seldom raise the North Korea issue as a primary priority in security discussions.

Other issues impede full alignment of Japan and the United States on North Korea policy. The Japanese abductees remain an emotionally-charged sticking point in Japanese decision-making toward North Korea. A May 2014 agreement in which North Korea agreed to investigate the abduction issue led to an easing of Japanese sanctions on North Korea. In retaliation for Japan's imposition of strict sanctions following the 2016 nuclear and missile tests North Korea announced that the investigation was canceled.

Beyond the abductee issue and the direct threat North Korea's nuclear weapons pose to Japan, Tokyo has a significant stake in the Korean Peninsula. In the case of a conflict between the ROK-United States and North Korea, the United States will require the assistance of its ally as a base of support, and the recent revisions to Japan's security law create new possibilities for the Japan Self-Defense Forces' role in a Korean Peninsula contingency. While this factor remains politically charged and causes alarm among ROK policymakers, any defense of the ROK from a North Korean attack will involve Japan.

Japan also has a stake in a unified Korea. Korean unification will transform Northeast Asia—the United States' presence in the region, China's relations with its neighbors, and the character of the unified Korean state will all be up for determination. These shifts will impact Japan's economy, its military posture, its strategic planning, and even its domestic politics.

How then can Japan contribute to increasing stability on the peninsula? Japan does not have much direct leverage over North Korea; nevertheless, there is a significant range of options and issues that Japan, the United States, and the ROK should address. What is the best way to utilize the new security roles afforded to the Japanese military under the recent defense reforms to bolster security vis-à-vis North Korea, particularly without alarming or hurting relations with the ROK? What steps can Japan take to improve cooperation and coordination, and better align policy with the United States and ROK? How can the ROK and Japan develop military capabilities to address the North Korea threat without causing a bilateral arms race driven by historical concerns?

Cooperation between Japan, the United States, and the ROK on North Korea policy and peninsula security has never been more important, and the risks of a strained ROK-Japan relationship to US and Japanese strategic interests in the region never so high. To align US-Japanese strategic perceptions in the Asia-Pacific, Japan needs to raise the North Korea issue as a priority in its hierarchy of threats and work to further develop its own role in countering North Korean belligerence.

The US-Japan Alliance and South China Sea Capacity-Building*

By Taylor M. Wettach

After a period of strategic drift, the US-Japan alliance has been reconfirmed as the cornerstone of regional security under an Abe administration committed to raising Japan's international profile. This reinforcing of the alliance, exemplified by the revision of the US-Japan Defense Guidelines, is boosted by an array of Japanese national security reforms that include reinterpretation of the constitution to allow for collective self-defense and the removal of the longstanding arms export ban. While such developments reflect the ideological bent of the Abe government, they are rooted in a competitive security environment and, in particular, the rise of China.

The challenge of China's rise to Asia's security has been most evident in the maritime sphere. Japan has had to bear much of the burden in responding to growing Chinese assertiveness in the East China Sea, culminating in Beijing's declaration of an Air-Defense Identification Zone (ADIZ) over Japan's territorial waters. Ultimately, however, the contest in the East China Sea has demonstrated the significance of Asia's most important alliance, as exemplified by Beijing's apparent moderation following President Obama's commitment to defend the Senkaku Islands.

The relative deterrent capability of the US-Japan alliance in the East China Sea has, in relief, made clear the difficulty of arresting Chinese assertiveness in the more actively contested and less effectively defended South China Sea. Despite efforts by claimant states to utilize all the national security tools at their disposal, from increased defense spending to international arbitration, China's regional rivals have not blocked Beijing's efforts to turn Southeast Asian waters into a Chinese lake.

National interests and regional problem-solving

Although a Chinese victory in the South China Sea would be a clear existential threat to the claimant states, it is also a significant strategic threat to both the United States and Japan. Both states have demonstrated their recognition of this through words as well as actions, such as the United States' freedom of navigation operations (FONOP) and Japanese military exercise participation. And while US involvement in the disputed waters is largely taken for granted given its status as the region's principal security guarantor, there has been speculation that a more liberated Japan might take on a bigger role in bolstering Southeast Asian maritime security.

Maritime security experts have called for Japan to join the US FONOP effort. Ultimately, however, even with Asia's most proficient native navy and loosened constitutional restraints, the involvement of Japan's Self-Defense Forces in the South China Sea remains limited by already overstretched resources. Furthermore, many in the Japanese policy community believe that, "Actively challenging China's questionable territorial claims in the South China Sea will likely cause an increase in aggressive Chinese naval activity against the Japan's Senkaku Islands... and would thus prove counterproductive to Japan's security interests."

Cooperative capacity-building capability

This does not mean, however, that Tokyo will, or should, be a bystander in addressing Asia's most pressing problem. The best way that Tokyo can support the development of security in the volatile South China Sea is through capacity-building. Such an effort responds to the Southeast Asian maritime states' limitations in monitoring and defending their sovereign territory and exclusive economic zones.

In addition to engaging in exercises with regional states, Japan has established a ReCAAP (Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia) to enhance regional anti-piracy efforts and taken a lead role in bringing regional coast guards together. Tokyo has also signed strategic partnership agreements with Indonesia, Malaysia, the Philippines, and Vietnam, and agreed to provide patrol ships and aircraft to these nations as well. Japan is an active provider of strategic official development assistance (ODA) that links aid and security interests; Japanese funding for power grids, airports and port facilities has the potential to serve as dual economic and defense infrastructure, supplementing Japanese arms transfers, coordination, and training for Southeast Asian maritime states.

Such activity buttresses the US effort to foster regional security, including its own capacity-building endeavors. In this regard, despite developments such as the loosening of arms export restrictions on Vietnam and the negotiation of an Enhanced Defense Cooperation Agreement with the Philippines, the United States continues to spend what has been described as "budget dust" to assist Southeast Asian partners in resisting Chinese coercion. While the Senate Armed Services Committee has sought to respond to this weakness through the Southeast Asia Maritime Security Initiative designed to provide $425 million in training, infrastructure construction and vessels for Southeast Asian partners, Congress has only authorized $50 million for FY 2016, rather than the entire five-year program.

Toward a more central cornerstone

Capacity-building represents an ideal area for US-Japan regional cooperation. The United States can take the lead in directly responding to China's efforts to change the status quo in the South China Sea, including by challenging Beijing's island-building project. Japan can support regional states by applying its significant capacity-building capability to maritime Southeast Asia. Such an effort would be an application, on a more expansive scale, of the front office/back office concept applied to the US-Japan alliance, with each partner utilizing their comparative advantages.

Simultaneously, both partners should reinforce their security position in the region in line with their national security strategies and the revised defense guidelines, and the United States should continue to pursue a greater commitment to capacity-building in recognition of its absolute advantage in this field. This effort should be more explicitly coordinated with that of Japan. For example, Japan should be involved in current bilateral capacity-building working groups with Southeast Asian states, such as those established with Indonesia and Vietnam. This can prevent redundant or contradictory efforts, while maximizing the regional impact of the alliance.

Through coordinating Southeast Asian maritime capacity-building, the United States and Japan can make greater progress toward providing Southeast Asian maritime states with minimum credible

deterrence amidst growing Chinese pressure. In doing so, they will demonstrate the value of a US-Japan alliance not just to their own national interests, but to the region more broadly, building a foundation for this Pacific partnership as a regional problem-solving mechanism amidst Asia's dynamism.

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Securing energy in doses

By Wilfred Wan

Energy security is a challenge across the Asia-Pacific. Developing nations in Southeast Asia struggle both with self-sufficiency and diversification. Even as advanced industrial countries in Northeast Asia invest significant amounts in renewables, they derive most of their supply from imported sources. The few energy-producers in the region–China and India in particular–struggle to keep up with domestic development and the accompanying rise in consumption. The absence of robust energy integration processes and fundamental structural challenges (including the scarcity of natural resources) magnifies the vulnerability of countries to supply disruptions.

There is no single solution to the energy security issues in the Asia-Pacific. Countries need to continue to invest in renewable sources, to expand and diversify their trade networks, and to enhance the reliability and affordability of existing sources of supply. The longstanding alliance between the United States and Japan can serve as a conduit for each of these processes. Stronger bilateral energy cooperation will not only bolster Japan's energy security, but also create a foundation for regional processes that can dent these challenges across the Asia-Pacific.

Under the Obama administration, the partnership has sought to enhance energy cooperation. A joint statement in April 2014 noted that the two countries "view energy security as vital to prosperity and stability." The US and Japan have pursued clean energy in the context of global climate change, including in the 20-nation Mission Innovation project announced during negotiations of the Paris Agreement. Liquefied natural gas (LNG) exports to Japan will expand upon completion of five export facilities sanctioned by the US Department of Energy; the Trans-Pacific Partnership (TPP) will remove further barriers to this trade. Meanwhile, nuclear energy cooperation continues in the wake of the Fukushima Daiichi disaster, most prominently through the Bilateral Commission on Civil Nuclear Cooperation.

Despite these scattered activities, Japan's energy security remains fragile, a situation that is exacerbated by continued public aversion to nuclear power. The halt to nuclear power generation that continues after the March 11, 2011 accident affects joint ventures between Japanese and US nuclear vendors; the Fukushima disaster also drove countries in the region to scale back or halt development of their nuclear programs. Not only has the slow and sometimes interrupted process of nuclear restart deprived Japan of one of its few native sources of energy, but there have been negative economic consequences as the country turned to costly fossil fuel imports. The corresponding dependence on LNG has driven prices up for the Northeast Asian market as well.

Given the wide-ranging effects of Japan's current energy profile, it is imperative that the two countries intensify their scattered cooperation under the banner of energy security. This includes encouraging Japanese firms to accelerate LNG imports from the US to reduce the current dependence on Middle Eastern sources. In addition, more hands-on bilateral consultation and coordination in renewables can drive further diversification. While Japan has invested much in that sector, the US can provide a model for addressing inefficiencies that have limited growth, in particular streamlining bureaucratic approval procedures and lifting restrictions on land ownership

for those projects. Improved regulatory conditions would also create an environment more conducive to US private sector investment.

Perhaps the biggest key is to restore the viability of nuclear energy in Japan. Emergency shutdowns of restarted reactors suggest continued weaknesses in safety. While cooperation between Japan's Nuclear Regulation Authority and the US's Nuclear Regulatory Commission has been robust, parties should move beyond consultations to joint inspections and field exercises. Having the NRC's first "foreign assignee" in Japan is a good start. The Japanese would benefit from replicating aspects of the US nuclear sector, which despite its flaws, is marked by stringent federal oversight, industry self-regulation, and an overall safety culture. Enhancing cooperation with the US would also provide an aura of due diligence, with decisions to restart appearing less driven by the central government or the private sector.

The 2018 expiration of the US-Japan Atomic Energy Agreement is another opportunity to strengthen the nuclear safety and security culture in Japan, for instance by creating more checks on reprocessing activities, formalizing waste management arrangements, or tackling on as obligations membership in existing international agreements. Actions to raise safety standards would help both to win back public confidence and to alleviate specific concerns from district courts that have upheld bans on power plant operation. The *en masse* restart of a verifiably safer nuclear sector would do much to alleviate Japan's energy security issues. It would also pave the way to the high levels of integration and collaboration previously enjoyed by the Japanese and US civil nuclear industries.

A more energy-balanced Japan would have significant ramifications for the Asia-Pacific. Japanese imports of LNG–already experiencing its first downturn in 2015–would experience an accelerated decline, likely to pre-Fukushima levels. As the largest importer of LNG in the region, this would stabilize the market, providing an economic boost to other importers in the Asia-Pacific. Meanwhile, a greater share of LNG exports from the US could open up new markets for American companies. This domino effect through the Asia-Pacific would lessen the region's dependence on Middle Eastern sources.

A strengthened nuclear sector built upon the alliance would have reverberations for the region as well. A smooth restart process would allow Japan to pursue additional opportunities for bilateral or multilateral civilian cooperation, including in research and development (as it did with India in December 2015). Meanwhile, an enhanced regulatory framework capped by a more stringent US-Japan Atomic Energy Agreement could become a standard-bearer for a region that is especially attuned to safety and security issues in the post-Fukushima era. These activities would enhance both the reliability and efficiency of nuclear power across the Asia-Pacific.

Energy security concerns in the Asia-Pacific demands a multi-faceted response. By cultivating the environment for investment in renewables, furthering the diversification of the LNG market, and restoring and enhancing the viability of nuclear power, the US-Japan alliance can provide a foundation for regional action.