

Cato Institute Policy Analysis No. 244: Paternalism and Dependence: The U.S.-Japanese Security Relationship

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Executive Summary

The U.S. military alliance with Japan no longer serves the best interests of either country. Washington subsidizes Japan's defense at the expense of American taxpayers. That subsidy, which has amounted to approximately \$900 billion (in 1995 dollars) since the early 1950s, is a powerful incentive for the Japanese to continue free riding on the U.S. security guarantee. And Japan's much-touted host-nation support of \$5 billion a year actually pays only a small fraction of the total cost of the U.S. security commitment.

Even worse, Washington's policy encourages a dependent mentality on the part of the Japanese and enables Tokyo to evade political and military responsibilities in East Asia even when Japan has important interests at stake. Japanese officials confirm that, in the event of war, Japanese military units would not join U.S. forces in combat operations unless Japan itself were attacked.

U.S. leaders foolishly perpetuate Japan's security dependence. Washington's East Asian policy is held hostage to the exaggerated fears of Japan's neighbors, who oppose a more active military role for Tokyo. A lingering undercurrent of distrust toward Japan in U.S. policy circles has also been a major motive for Washington's "smothering" strategy.

A new policy is badly needed. It would seek a mature relationship between equals and recognize that Japan, as the principal great power in East Asia, must take a more significant role in the region's security affairs. The United States should withdraw its forces from East Asia over the next five years and keep smaller forces based in Guam and other U.S. territories. The U.S.-Japanese alliance ought to be replaced by a more limited, informal security relationship. America should be the balancer of last resort, not the intervenor of first resort, in East Asia's security equation.

Introduction

Critics have long charged that Washington's military commitments to wealthy allies in Western Europe and East Asia encourage those nations to "free ride" on the U.S. security guarantee. The accuracy of such allegations was demonstrated with unusual clarity in early 1995 when Assistant Secretary of Defense Joseph Nye unveiled his department's latest East Asia strategy report, which affirmed that the United States would keep approximately 100,000 troops in East Asia indefinitely.[1] Five days later Japan's Kyodo News Service announced that the Japanese government hoped to reduce its troop levels and weapons by approximately 20 percent and cut military spending over the next five years.[2]

Those two events indicate that incentives matter just as much in international affairs as they do in domestic affairs.

Given the threat environment in East Asia--North Korea's attempt to acquire nuclear weapons, China's increasingly assertive behavior, and the continuing political instability in Russia--it is unlikely that Tokyo would decide to cut its already modest military forces and budgets were it not for Washington's willingness to underwrite Japan's defense. The attitude expressed in an editorial in the influential Asahi Shimbun, that Japan should "aim at being a conscientious-objector nation," would be difficult to sustain if Japan had to be responsible for its own safety.[3] Hisahiko Okazaki, Japan's former ambassador to Thailand, described a more probable reaction. If the U.S. alliance did not exist and Japan's survival were at stake, "because of a threat from the Russians, the North Koreans, or the Chinese," Okazaki stated, Japan would build a strong military force for itself.[4] Just as domestic welfare expenditures foster an unhealthy dependent mentality and discourage initiative on the part of recipients, so too do international military welfare subsidies. Nye's announcement reassured Japanese officials that it was safe for their country to continue its free-riding habits.

Admittedly, it is not certain that the sharp reductions announced by Kyodo will actually be made. That goal largely reflects the desires of Prime Minister Tomiichi Murayama and his Social Democratic (socialist) party and is not necessarily shared by the other parties in the governing coalition, much less by the Defense Agency. Nevertheless, Japanese defense spending as a percentage of the country's gross domestic product has declined in recent years and will continue to do so. Then prime minister Morihiro Hosokawa, a decidedly nonsocialist political leader, announced in January 1994 that his government would conduct a review of the nation's Defense Program Outline to adjust it to the worldwide trend of reduced military spending.[5] That action suggests that the desire to reduce Japan's already minimal defense budget and force structure is not confined to the pacifist left. Tokyo's free-riding policy, which was an irritant to many American taxpayers and politicians during the last decades of the Cold War, shows little sign of ending, and Washington's determination to remain the stabilizing, hegemonic power in East Asia abets that policy.

Japanese Free Riding

Japanese policymakers, of course, vehemently deny that Japan engages in free riding. They point out with pride that their government pays most of the costs of the U.S. military units stationed on Japanese territory and that the amount of that host-nation support has been rising steadily for several years--reaching more than \$5 billion this year. They also note that Japan's actions are in marked contrast to the parsimonious behavior of Washington's other allies, including the NATO members and South Korea. (Even the Pentagon's 1995 report conceded that "Japan supplies by far the most generous host-nation support of any of our allies.")[6]

Host-Nation Support and Its Limits

Although it is true that Japan's host-nation support is substantial, the subtle implication that the U.S. alliance with Japan is nearly cost free to America is misleading on several counts. First, the popular Japanese contention that the financial support now amounts to more than 70 percent of the cost of the forces stationed in Japan is inaccurate. That percentage does not include the salaries of the military personnel--the largest single expense.[7] Including salaries in the calculation reduces Japan's support to barely 50 percent.

Second, there is less to the \$5 billion in host-nation contributions than it might appear. The figure includes such expenses as local labor and utility costs of maintaining U.S. forces and funds for the construction of new facilities--approximately a \$1 billion item by itself. Tokyo also funds the leases for land used by those forces and incurs what the Pentagon describes as "indirect costs," including "waived land use fees, foregone taxes, tolls, customs, and payments to local communities affected by United States bases." [8] Some of the items are expenses the U.S. government would otherwise clearly have to bear. But the "indirect costs" category is largely a matter of shifting revenues from the government in Tokyo to local governments, not a real financial offset that would benefit American taxpayers. True, Japan may be incurring opportunity costs because the land occupied by U.S. bases could be used for other purposes, which would generate taxes, land-use fees, and other forms of revenues. But that opportunity cost must be measured against other factors. Those include the economic benefits to the Japanese economy from the money spent by American troops when off base and the huge financial gain to Japan arising from not having to fund a larger military establishment of its own. Including the opportunity costs as part of the host-nation support without considering the multifaceted financial benefits of the U.S. presence is inherently misleading.

Third, Tokyo hardly volunteered to increase its support payments out of a spirit of alliance solidarity, much less altruism. The Japanese agreed to the increase in January 1991 only with great reluctance following a series of caustic congressional hearings and reports on the "burden-sharing" issue. For example, a report issued by a special House burden-sharing panel chaired by Rep. Patricia Schroeder (D- Colo.) suggested that trade sanctions be imposed on Japanese exports to the United States if Japan did not agree to pay more for the U.S. troop presence, and an increasingly angry Congress seemed receptive to that proposal.[9]

The Real Cost of the U.S. Defense Subsidy

Finally, even if one concedes that Japan's host-nation support is significant, that reimbursement represents only a small fraction of the overall cost of America's East Asian security commitments, which primarily benefit Japan and South Korea. To measure the total cost, it is necessary to consider not only the expense of the forces stationed in those two countries but also that of the air, ground, and naval units that exist to reinforce the forward-deployed forces if trouble breaks out in the region.[10] Measured in that way, the cost of Washington's East Asian obligations is nearly \$40 billion a year.

The extent of Japanese free riding is even more apparent when one examines the defense budgets of the two countries. The U.S. military budget is nearly six times Japan's. It costs each American more than \$1,000 a year to support the military, whereas it costs each Japanese less than \$360 a year. Yet America's population is barely twice that of Japan, and its economy is only 30 percent larger. The differential is not a new problem. Former investment banker Ernest Oppenheimer noted,

From 1981 through 1994, the U.S. spent \$3.5 trillion on defense, or \$14,000 per capita. In the same interval, Japan devoted about \$2,500 [per capita] to this task. The \$11,500 per capita difference constituted a \$1.4 trillion financial advantage to 120 million Japanese. These funds represented a form of free financing, which was channeled into the creation of superior products and state-of-the-art manufacturing facilities.[11]

One might legitimately quarrel with Oppenheimer's assertion that the entire differential in military spending represented a U.S. subsidy to Japan. There were other free riders in Washington's network of alliances during those years, most notably the NATO allies and South Korea, so it is hardly fair to contend that the entire benefit went to Japan. Furthermore, Tokyo was under no obligation to duplicate the bloated military budgets that the United States adopted during the 1980s. The United States' having done something foolish does not mean that Japan should have done so as well.

Nevertheless, Oppenheimer's larger point is valid. The United States has spent (and continues to spend) far more on the military than has Japan, and at least part of that differential constitutes a lucrative financial subsidy to the Japanese economy. Any justifications there may have been for Americans' tolerating such a gap in military spending during the early decades of the Cold War, when both countries faced a potentially lethal threat to their mutual security interests and Japan lacked the economic strength to build a credible defense force of its own, are no longer relevant. A continuing huge disparity between the military efforts of the world's two leading economic powers is difficult to justify in the post-Cold War era, given Japan's considerable economic and financial resources; America's chronic fiscal woes; and the existence of lesser, regional security problems rather than a global menace.

The financial cost to American taxpayers of Japan's free riding is not the most troublesome consequence of Washington's East Asian policy, however. Even more disquieting are the risks the United States continues to incur because of its role as the guarantor of East Asia's security and stability--risks that would normally be borne primarily by Japan and other regional powers.

Encouraging Japan's Evasion of Responsibility

It has become all too apparent that Japanese officials are content to let the United States continue bearing disproportionate risks and responsibilities. Japan's anemic military budget is not the only indication of such intent. Equally significant is the configuration of its defense forces. Japan remains the most lightly armed of the major powers in the international system, and noticeably absent from its inventory are bombers, short- or intermediate-range missiles, aircraft carriers, and other weapon systems that would be capable of projecting force outside the immediate

vicinity of the Japanese archipelago.[12]

But it is the attitude of Japanese policymakers and members of the foreign policy community that most clearly reveals an undiminished intent to free ride on the U.S. security guarantee. During meetings in Tokyo in July 1995, I asked officials of the Foreign Ministry and the Defense Agency what response Japan would expect from the United States to possible breaches of the peace in East Asia. Three hypothetical crises were presented: a war involving China and one or more of its neighbors over ownership of the (apparently oil-rich) Spratly Islands, a military attack by Beijing on Taiwan following a Taiwanese declaration of independence, and a second war on the Korean peninsula. None of those scenarios, the Japanese conceded, was at all far-fetched.

The officials, without exception, stated that they would expect the United States to take all necessary measures, including the use of force, to repel the aggression and restore peace to the region. When asked whether Japan would join the U.S. military effort, however, the officials responded quite differently. Again, without exception, they stated that Japan would not participate militarily. One midlevel Defense Agency official thought that his country might be willing to provide logistical support "if other nations in the region requested such help." Several members of both departments also emphasized that Japan would, of course, provide financial contributions to help offset the costs of the U.S. military operation. They repeated, however, that under no circumstances would Japanese planes, ships, or personnel be involved in combat unless Japan itself was attacked.[13]

What was so striking about that position was that the scenarios did not include the expectation that Japan would undertake such military burdens in place of the United States; officials were asked only whether Japan would assist the United States militarily. Japanese unwillingness to play even a supporting military role in such regional crises is cause for concern. Whatever the relevance of Korea, Taiwan, or the Spratlys to the economic and security interests of the United States, their importance to Japan ought to be far greater. The Spratlys lie directly astride Japan's oil lifeline to the Persian Gulf as well as routes to several key trading partners in Southeast Asia. Taiwan is a significant arena for Japanese investment as well as a major trading partner, and a move by Beijing against Taiwan would be an even clearer sign than a takeover of the Spratlys that China intended to be the dominant power in East Asia--something that Japan could hardly accept with equanimity. Finally, a North Korean invasion of South Korea would represent a serious military threat quite literally on Japan's doorstep.

It is highly unusual for a great power to choose to remain catatonic in the face of such significant security problems in its own region. But Japanese leaders know that they do not have to incur the costs and risks of playing a more active role to protect their country's security interests. The United States has obligingly agreed to incur those costs and risks. Americans have every reason to ask, however, whether it is reasonable for U.S. military personnel to be put in harm's way to deal with problems that are-- or at least ought to be--much more important to Japan than they are to the United States. The prospect of American troops' dying in Korea, the Taiwan Straits, or the South China Sea, while the Japanese merely provide moral and financial support, is not very appealing. Yet that is the very real possibility that U.S. security policy in East Asia has created.

Washington's Smothering Strategy

The desire to have Japan militarily dependent on the United States has been a consistent feature of U.S. policy for five decades. Ever since the U.S. victory in World War II, Washington has repeatedly discouraged Japan from taking significant military initiatives--especially independent initiatives. The post-World War II occupation government, led by Gen. Douglas MacArthur, engaged in a comprehensive effort to root out all vestiges of Japanese militarism. One of MacArthur's first actions was to supervise the complete disarmament and demobilization of Japan's armed forces in accordance with the explicit wishes of the Allied leaders at the Potsdam meeting. President Harry S Truman's directive to MacArthur implementing the Potsdam Declaration stated, "Japan is not to have an Army, Navy, Air Force, Secret Police organization, or civil aviation." [14]

The MacArthur regency went beyond those initial steps. Most of the provisions of Japan's so-called Peace Constitution were drafted by members of MacArthur's staff. The most important provision, suggested by pacifist elements in Japan and strongly supported by MacArthur and his superiors in Washington, was article 9:

Aspiring sincerely to an international peace based on justice and order, the Japanese people forever renounce war as a

sovereign right of the nation and the threat or use of force as means of settling international disputes.

In order to accomplish the aim of the preceding paragraph, land, sea, and air forces, as well as other war potential, will never be maintained. The right of belligerency of the State will not be recognized.[15]

Washington's goal of keeping Japan demilitarized carried over into the Cold War period, despite concern about securing allies to help contain Soviet power. One prominent Japanese analyst aptly described U.S. Cold War policy in East Asia as one that "aimed at containment of the Soviet Union and China at arms length and of Japan with an embrace." [16] The 1951 U.S.-Japanese security treaty was never viewed as "mutual" in any meaningful sense. To a much greater extent than the North Atlantic Treaty, the U.S.- Japanese treaty was blatantly one-sided: the United States would protect a pacifist and largely disarmed Japan from aggression by the Soviet Union or China.[17]

In essence, Washington assumed primary responsibility for Japan's conventional defense and exclusive responsibility for nuclear deterrence. Japan was to provide some help in repelling conventional attacks on its territory but had no responsibilities for assisting in the defense of the United States. The 1960 security treaty that replaced the 1951 document created a more credible facade of mutuality, but it did not alter the substance of the relationship in any meaningful way. Washington neither sought nor welcomed a powerful Japanese military partner.

Japan's Ambivalence about Its Dependence

Japan's reaction to U.S. military paternalism has been one of increasing ambivalence. Although essentially imposed by an occupying power, the Peace Constitution became--and largely remains--popular with the Japanese people. Part of that popularity is explained by widespread public revulsion at the militarism of the 1930s and 1940s, which brought catastrophe to Japan. The aversion to war, assiduously cultivated by U.S. political and military leaders during the late 1940s and early 1950s, is still shared by a significant percentage of the Japanese public. Relying on the United States for its defense enabled Japan to replace the imperialist and militarist values that had dominated Japanese society in the years before World War II with values that emphasized pacifism, democracy, and economic success. U.S. statesmen sought to create a new Japan that was dedicated to peaceful commercial pursuits, and they succeeded beyond their expectations.

Eschewing a large military role has also served more tangible Japanese interests. Willingness to be a protectorate of the United States throughout the Cold War was an economic bonanza for Tokyo. Japan was able to concentrate on its recovery from World War II and, later, to build one of the most modern and dynamic economies in the world instead of spending its resources on armed forces. The U.S. defense subsidy since the conclusion of the security treaty in 1951 has saved Japanese taxpayers more than \$900 billion (1995 dollars). That figure may, in fact, be conservative. There are some economies of scale in having the United States, which has a large military infrastructure for missions around the world, provide protection for Japan. If Tokyo had had to build the forces necessary to fully replace that protection, it would probably have cost considerably more than the annual price tag of the U.S. shield. From the standpoint of minimizing military expenditures, being a U.S. dependent has been very good indeed for Japan.

The Yoshida Doctrine

Tokyo's approach to world affairs has adhered closely to the principles of the Yoshida Doctrine, initiated in the 1950s by Prime Minister Shigeru Yoshida. Crucial components of the doctrine included subordination of Japan's international ambitions and position to the goal of national economic growth, heavy reliance on the U.S. security guarantee, maintenance of a modest self-defense capability to assist U.S. forces if Japan itself came under attack, and use of nonmilitary tools of influence to promote Tokyo's foreign policy objectives.[18] Although Japan has become somewhat more assertive in stating and advancing its interests as its economic power has grown, the basic features of the Yoshida Doctrine remain intact.

Despite the aversion to militarism and the significant fiscal and economic benefits of being a U.S. protectorate, Japanese political elites have grown increasingly restless about their country's dependence. Tokyo has sought to enjoy the benefits and status of a great power in a variety of nonmilitary ways. Its preferred strategy, consistent with the goals and preferences of the Yoshida Doctrine, has been to cultivate influence through an expanding economic presence in East Asian countries and elsewhere in the world. That component of Japanese policy accelerated markedly

during the 1980s and early 1990s. A related tool of influence has been a sizable foreign aid budget, the principal manifestation of Japan's "checkbook diplomacy." [19]

Tokyo has also become more involved in the activities of the United Nations. Indeed, after an agonizing debate, the Diet voted in June 1992 to authorize Japanese participation in UN peacekeeping missions--although with severe restrictions, including a strict limit on the number of personnel and an outright ban on involvement in combat operations.

A Hesitant Expansion of the Military

There has also been a movement, albeit gradual and hesitant, toward a more serious military role. Even during the early years of the Cold War, Japan's government sought to apply article 9 with some flexibility. Taken literally, the provision would seem to ban any armed forces whatsoever. But only the most extreme pacifist elements have embraced that interpretation, and their views have been ignored by the Japanese courts and a succession of governments. By the early 1950s Japan had created a small military--named the Self-Defense Forces, to ease the concerns of those who worried that article 9 was being breached--and that force has expanded and taken on additional roles in the intervening decades. Indeed, it seems that whenever Japan's political elite has wanted to pursue a particular policy objective, it has been able to find sufficient elasticity in article 9. Conversely, when Tokyo has wanted to avoid undertaking security responsibilities, the Peace Constitution has provided a convenient excuse for inaction.

Despite the creation of the SDF, Japan's military effort was negligible throughout much of the Cold War era. Government policy limited defense spending to no more than 1 percent of the nation's GDP, and until the 1970s Japan's economy was relatively small--although growing at a healthy rate. One percent of such a modest GDP did not buy a large military establishment. That began to change, however, in the mid-1970s. Japan's rapid economic growth rate had produced a sizable economy--and hence a considerable pool of funds to support the military. Also in the mid-1970s, the Japanese political elite began to adopt a new attitude: Japan should have forces capable of making more than a token contribution to the defense of the home islands.[20] In 1981 Japan committed itself to defend the sea-lanes out to 1,000 nautical miles from the archipelago and began to build the forces needed to accomplish that mission. An additional impetus to Japan's defense output came in 1987 when the government, responding to mounting U.S. pressures for more burden sharing, decided to lift the 1 percent barrier within three years.

Today, the SDF have more than trivial capabilities. There are more than 237,000 active duty personnel, along with a modern 127-ship navy and an equally modern air force that includes some 440 combat aircraft.[21]

Some Worrisome Trends

Nevertheless, recent trends have hardly been encouraging. The number of active duty personnel has declined by 9,000 in the past three years.[22] As noted, the SDF still have not built aircraft carriers, bombers, or other systems for power projection. Perhaps most troubling, next year Japan will be spending a meager 0.88 percent of its GDP on defense, a figure that is also on a downward trajectory.

There are several reasons for the budgetary decline. The economic troubles following the collapse of the financial and real estate speculative "bubble" at the end of the 1980s have made Japanese voters and politicians more conscious of government spending and taxes and the size of the budget deficit. In that area, Japanese worries parallel those of many Americans. In addition, the current government is a fragile coalition dominated by the Socialist and Liberal Democratic parties--traditional adversaries that have little in common except a desire to control the levers of power. Prime Minister Murayama epitomizes the Socialist party's long-standing allergy to things military and has sought to curb the size of the defense budget. Although the LDP has favored moderate increases in military spending, the tug of war with its coalition partners has produced a tepid compromise--small growth in nominal spending but a decline in spending as a percentage of GDP.[23]

The Impact of Washington's Perverse Incentives

Japan's reluctance to build up its military and play a more active security role is not merely a product of domestic considerations, however. That reluctance must be viewed in the context of the military relationship with the United

States. The U.S. policy of providing for the bulk of Japan's security needs--combined with the policy of discouraging independent Japanese initiatives--has greatly skewed the incentives. During the 1990-91 Persian Gulf crisis, Washington's willingness to assume the costs and risks of defending Tokyo's interests spared the Japanese people and government difficult decisions about how to protect those interests.[24] Instead of sending military forces to protect the Persian Gulf oil supply, which Japanese officials insisted was a vital national interest, Japan hid behind the Peace Constitution and resorted to another form of checkbook diplomacy. Tokyo did provide more than \$13 billion to help pay for Operation Desert Shield and Operation Desert Storm, but it assiduously avoided sharing the military risks.

That approach worked--at least in the sense that no breach occurred in the U.S.-Japanese relationship, despite some public anger in the United States. But one ought to wonder if the reaction of the American public to Japan's checkbook strategy would have been as restrained if the Persian Gulf War had produced the thousands of American casualties most military experts predicted instead of fewer than 200 deaths. That is an especially pertinent question since Japan would apparently adopt the same strategy of confining its role to financial and (possibly) logistical assistance in the event of a war in East Asia.

It is highly unlikely that Japan would continue to spend such a meager percentage of its GDP on the military or to remain so diffident on matters that affect its own well-being, were it not for the smothering strategy of the United States. Tokyo's long-standing policy was aptly described by Kenneth Hunt, vice president of the International Institute for Strategic Studies. "Defence spending has tended to be set simply at levels which kept both Washington and domestic opinion not too restive." [25]

The incentive to continue free riding, the arrogant and exploitive mentality of some Japanese leaders, and the changes in both policy and attitude that would probably occur if the United States withdrew the defense subsidy and security shield were all illustrated during a September 1995 television debate between Ryutaro Hashimoto and Junichiro Koizumi, the candidates for president of the LDP. When asked whether the current U.S.-Japanese security treaty should be maintained, Koizumi replied,

Not necessarily, because lately the United States has been asking Japan to bear more of the cost of maintaining the U.S. Forces in Japan [USFJ]. Japan has been paying as much as it can. If the United States cannot bear the USFJ's stationing costs, we will have to ask them to reduce military personnel and bases in Japan to a size [the United States] can afford to maintain.[26]

He added, however, that Japan would commit itself to its own defense buildup if a scaled-down USFJ could not provide adequate protection.

Koizumi's comments illustrate that keeping Japan a U.S. military dependent has become increasingly unhealthy for both countries. That policy perpetuates an expensive set of security obligations for the United States, and it encourages the Japanese to act as though they can forever evade political and military issues. Yet, despite occasional rhetorical gestures to the contrary, Washington appears determined to maintain a policy of paternalism.

Continuing U.S. Distrust of Japan

Indiscreet comments by some U.S. political and military leaders in recent years suggest that the United States still does not trust Japan, nor does it want a more activist Japanese security policy. Maj. Gen. Henry C. Stackpole, onetime commander of Marine Corps forces in Japan, for example, stated bluntly that "no one wants a rearmed, resurgent Japan." The United States is "the cap in the bottle," preventing Japan from embarking on that course, according to Stackpole. "If we were to pull out of the U.S.-Japan Security Treaty," he warned, "it would definitely be a destabilizing factor in Asia." [27]

Suspensions of Japan (albeit in a somewhat more subtle form) were evident in the initial draft of the Pentagon's defense policy guidance planning document for 1994-99, which was leaked to the press. The authors warned that a larger Japanese role in East Asia would be destabilizing and argued that a major purpose of U.S. strategy should be to prevent the emergence of such a political or military competitor.[28] Takashi Inoguchi, a professor of political science at the University of Tokyo, observed that the Pentagon document showed that the United States was creating "a covert barrier to Japan's assumption of a greater role in world affairs," although Washington "has for many years publicly

argued that Japan should assume more of the collective defence burden." [29]

The same undertone of determination to preserve U.S. hegemony was evident in the Pentagon's 1995 East Asia strategy report. "If the United States does not provide the central, visible, stabilizing force in the Asia and Pacific region, it is quite possible that another nation might--but not necessarily in a way that meets America's fundamental interests," the report warned. [30] Given the power potential of states in the region, there are only two credible candidates for the role of substitute stabilizing force: China and Japan. (Russia's massive political and economic woes disqualify it for the next several decades, and, in any case, Moscow's geopolitical priorities are now concentrated in Central Asia and Eastern Europe rather than the Pacific.) Since U.S. policymakers openly worry that China is more likely to become a revisionist, disruptive power than a preserver of the status quo, it is highly probable that the other nation cited in the report is Japan. Washington's smothering strategy still appears to be alive and well.

Unfortunately, Japanese officials determined to preserve the defense subsidy frequently encourage U.S. fears about a rearmed Japan. It would not be in America's best interests for Japan to strengthen its forces and play a more active military role, they insist. Some even warn that the termination of the alliance would play into the hands of militarist and ultranationalist elements in Japan. [31] There is something indescribably sad about such a "stop us before we conquer again" mentality. Those who use that argument probably do so because they know that it is likely to get the desired reaction from their American counterparts and minimize the chances that the U.S. security shield will be withdrawn.

But not only is it demeaning for Japanese representatives to imply that their country cannot be trusted, it could prove to be a disastrous ploy in the long run. There is already a strong current of opinion among members of the American foreign policy and political communities as well as the general public that regards Japan as an adversary, especially in economic matters. Japanese officials ought to ponder whether it is really a good idea to strengthen that tendency by suggesting that general distrust may be warranted.

Japan and Its Neighbors: Exorcising the Ghosts of World War II

U.S. officials and foreign policy experts who insist on keeping Japan militarily dependent rarely admit publicly that the United States simply does not trust Japan. Instead, they contend that any significant Japanese rearmament or a more assertive policy by Tokyo would alarm Japan's East Asian neighbors, thereby producing a regional arms race and dangerous instability. President Ronald Reagan's first national security adviser, Richard V. Allen, summarized that attitude when he noted that the nations of East Asia "have painful, vivid memories of Japanese military prowess in the 1930s and 1940s." Allen concluded, "If the United States disengages, or is seen to be disengaging, albeit slowly, from Asia, and if Japan continues its dynamic regional expansion, the effect may be either that of a vacuum to be filled or a simple lateral replacement of one influence by another. I cannot see how this will benefit U.S. interests, or that of our non-Japanese allies and friends in the region." [32]

East Asian Paranoia

It is true, of course, that the other East Asian nations fear a militarily resurgent Japan. Former Singapore prime minister Lee Kuan Yew was only a little more candid than the other regional leaders when he urged the United States to maintain a large military presence in the region to contain Japanese power. Observing that the Japanese were once even greater warriors than they are now merchants, Lee concluded, "I do not think they have lost those qualities." The United States and other nations, he said, should pressure Japan to abide by its Peace Constitution. "It's already breached by the self-defense force, but let's not breach it further." [33]

A similar attitude is evident in South Korea. A Ministry of Defense white paper issued in October 1991 warned of a military buildup in Japan, which the paper said was shifting from a "defense only" orientation. Cha Young Koo, director of policy planning for the ROK government's Institute for Defense Analyses, even expressed the view that Japan was ultimately a more dangerous threat than China, even though China invaded South Korea during the Korean War. [34] When asked whether the ROK would be willing to accept Japanese assistance in the event of a North Korean attack, an official of South Korea's Defense Ministry stated that his government would be "extremely reluctant" to do so. The most he would concede was that the ROK "might" seek such help if the North Koreans scored decisive early victories and seemed poised to push South Korean and U.S. forces into the sea, as they were in the summer of

1950.[35]

Why East Asian Fears Are Exaggerated

Although it would be unwise to discount the apprehension with which Japan is still regarded throughout East Asia, the specter of a larger Japanese military role may be less traumatic for the nations of East Asia than it might at first appear. Japanese leaders are mindful of the continuing suspicions harbored by their neighbors. It is no accident that a large portion of Tokyo's foreign aid budget has been given to the countries occupied by Japanese forces during World War II, and the Japanese are taking other steps to alleviate concerns and mend relations with neighboring states. Most notably, Prime Minister Murayama finally issued a formal apology for the aggression and atrocities committed by Japan in World War II.[36]

The attitudes of East Asian societies toward Japan are also hardly monolithic. Ivan P. Hall, a long-time student of Japanese and East Asian affairs, notes, "Professed attitudes toward Japan depend a great deal on whether one has been talking to customers and economic planners eager for goods and investment, to politicians still playing the old 'aggression card,' to an elder generation with bitter memories, or to younger intellectuals." [37] He adds that attitudes also vary dramatically from country to country. Thus, South Korean opinion leaders are noticeably more apprehensive and suspicious of greater Japanese political and economic activities in East Asia than are, for example, opinion leaders in Malaysia.[38]

Moreover, with the collapse of the Soviet Union, Japan can probably protect its security interests without a massive rearmament effort. A modest increase in military spending, say to 1.5 percent of GDP, might well be sufficient--and only the most paranoid would be alarmed by a buildup of that magnitude.[39] Such an increase would produce decidedly more potent air and naval capabilities sufficient for a more credible, wide-ranging Japanese security role. But it would hardly be enough for a new wave of imperialism--especially if Japan was careful not to greatly expand its ground forces. Without a potential army of occupation, Tokyo would clearly lack the ability to subjugate its neighbors, and the existing ground Self-Defense Force, some 150,000 active duty personnel, is obviously far from being such a force.

The most worrisome development would be a decision by Tokyo to acquire nuclear weapons. That possibility cannot be ruled out in the long term--especially if North Korea or other aggressive or unstable regimes develop nuclear arsenals--but it is not inevitable. The Japanese public has a pronounced dislike of nuclear weapons, and the memories of Hiroshima and Nagasaki are not likely to fade soon. In addition, given the technological sophistication that Japan can bring to bear on the development of its military forces, Tokyo might conclude that an arsenal of precision-guided weapons, together with appropriate aircraft and missile delivery systems (and comprehensive air and missile defenses), would be sufficient to counter the nuclear arsenals of its neighbors. As the Persian Gulf War demonstrated, precision-guided conventional weapons can be extremely effective.

Domestic Constraints

Finally, Japan's neighbors should realize that Japanese public opinion will help restrain any aggressive ambitions that might be harbored by a future political leader. A public that for five decades has resisted not only militarism but even modest expansions of Japan's military role is not likely to countenance a huge military buildup and an expansionist binge. Indeed, the opposite problem is a more legitimate concern: public opposition may continue to inhibit Japan from doing enough to protect its own security interests.

The regional apprehension about Japan's "aggressive tendencies" parallels the attitudes in some European circles about Germany. But the Japanese are not congenital aggressors, any more than are the Germans. Imperial Japan's expansionism in the 1930s and 1940s, as horrible as it was, arose from a specific set of conditions that bore little resemblance to the current or any reasonably foreseeable situation. Both East Asian and U.S. officials must move beyond the simplistic assumption that Japan's military role must inevitably be one of extremes--either the rampant imperialism of a half century ago or the self-effacing dependence of the post-World War II era. It is not only possible but probable that, left to its own devices, modern Japan would play a reasonably prudent role somewhere between those two extremes. In other words, Japan would act as a typical prosperous, conservative great power in the

international system.

U.S. Policy Encourages East Asian Posturing

Nevertheless, there is little doubt that the smaller nations of East Asia would prefer the current arrangement, with the United States as regional protector. But the pertinent question from the standpoint of U.S. foreign policy should not be whether the status quo is more comfortable for the regional states but whether it is in the best interests of the American people. It is difficult to justify preserving expensive military commitments indefinitely merely to spare Japan and its neighbors the difficulties of confronting and overcoming old animosities. Washington cannot permit its policy in East Asia to be held hostage by the ghosts of World War II.

The smothering strategy not only fails to serve American interests in the post-Cold War era, it is unhealthy for Japan and its neighbors. Japan's reluctance to play a regional security role commensurate with its economic strength and the extent of its interests is only one example of the deleterious effects of Washington's policy. Another, more subtle sign of excessive reliance on America as East Asia's hegemon is the lack of security ties among the democratic nations of that region. For example, it was not until November 1994 that the first high-level security dialogue between Japan and South Korea took place. Yet both nations have numerous crucial interests in common--and, in fact, have had for several decades. Current mutual interests include such high-priority matters as discouraging North Korea from acquiring nuclear weapons and balancing China's growing power.

True, the legacy of Japan's brutal colonial rule of the Korean peninsula earlier in the century left severe emotional scars that make cooperation difficult. But history is replete with examples of countries that have collaborated on security matters despite bitter animosities. If capitalist Britain and Stalinist Russia could cooperate to help defeat Hitler, it should not be too much to expect Japan and South Korea, two democratic capitalist nations, to cooperate to deter North Korea. The U.S. security blanket, however, has enabled both governments to adopt apathetic policies and engage in domestic political posturing rather than forge ties of mutually beneficial military cooperation.

The Danger of UN Distractions

Instead of persisting in its smothering strategy, Washington should encourage Japan to assume a more active and assertive security role. America's overall objective should be a reasonably stable balance of power among the principal East Asian nations. An activist Japan is an essential part, indeed the single most important component, of that balance-of-power system. For example, Japan is the only power--other than the United States--that will be capable of being a strategic counterweight to China in the coming decades (barring an unexpectedly rapid Russian recovery).

Japan shows signs of slowly moving toward a more active role in international affairs. Unfortunately, however, that increased activism may take a form that will benefit neither Japan nor the United States. Tokyo is giving high priority to Japanese participation in UN peacekeeping operations and securing a permanent seat on the Security Council. Those goals would not be objectionable if they were adjuncts to a decision to undertake greater security responsibilities in East Asia, but they seem to be substitutes for such regional activism. That creates the unpleasant prospect that Japan will do little more militarily than it does now in East Asia, while Japanese military personnel are sent to the Balkans, the Golan Heights, or similar hot spots on the other side of the world that have nothing to do with Japanese security interests.[40] Such a policy would dissipate scarce financial and military resources and be an undesirable distraction.

The principal reason Japanese policymakers have chosen the UN option is that it is seen as a safe and inoffensive way for Japan to play a larger political and military role in the international community. Japan can gain the prestige of global great-power status without alarming its East Asian neighbors or jeopardizing the lucrative defense subsidy provided by the United States.[41] Washington will not object, because Japanese participation in UN peacekeeping missions in no way challenges U.S. preeminence in the western Pacific. (Indeed, U.S. officials have encouraged Japan to become more involved in UN operations for years, just as they have considered Tokyo's generous foreign aid program an acceptable expression of greater "leadership.")

It is not America's place to pressure Japan to eschew foreign aid programs and participation in UN peacekeeping missions--although both are of dubious value. Washington should, however, at least change the incentives so that Japan can longer shirk responsibility for its own defense and for undertaking some security commitments in its own

region. At the same time, the United States should do nothing to encourage the increasingly prevalent delusion in Tokyo that checkbook diplomacy and participation in quixotic UN enterprises constitute serious involvement in international affairs.

Avoiding an Ugly Divorce

By persisting in their smothering strategy toward Japan, U.S. policymakers ignore a growing number of warning signals in both countries that a security relationship between America as patron and Japan as dependent is not sustainable in the long term. Even Robert Manning, an advocate of "revalidating" the alliance, concedes that "there are centrifugal economic and political forces in both countries that could easily lead Washington and Tokyo to gradually drift apart. Both nations give evidence of rising techno-nationalism, inward looking domestic political trends, and a growth of single-issue politics pursued by interest groups amid weak leadership. Mixed together and ignited, such forces could be a potent brew." [42]

Storm Signals

There are indeed an ample number of storm signals in both countries. The reliably pro-U.S. sentiments of the "Yoshida faction," which still dominates Japan's foreign policy bureaucracy, are not necessarily reflected in the attitudes of the Japanese people or even the younger generation of political leaders. The emergence of Ryutaro Hashimoto, minister for international trade and industry and a prominent advocate of hard-line positions toward the United States (especially on economic issues), as the leader of the LDP and a serious candidate to become the next prime minister is only the latest indication of shifting sentiment.

Public annoyance at the United States is rising and is manifested in a variety of ways. [43] Anger about escalating U.S. demands on the trade front is the most obvious, but there are others. There is, for example, a growing awareness of the implicit anti-Japan motives underlying Washington's smothering strategy and the U.S. insistence on maintaining a large military presence in East Asia despite the end of the Cold War. That awareness and the resentment it produces are no longer confined to an ultranationalist political fringe in Japan. [44]

Public sentiment in the United States toward Japan has likewise become more critical, if not negative, in recent years. Again the trade issue is at the forefront. A Journal of Commerce survey taken in September 1995 revealed impressive public support for President Clinton's "confrontational" strategy to open up Japan's markets. Moreover, those who expressed dissatisfaction with the administration's handling of U.S.-Japanese trade relations were likely to favor even more hard-line initiatives. [45]

An especially lethal potential for an acrimonious disruption in the U.S.-Japanese relationship exists if Americans who are angry about trade matters begin to link trade to Japanese free riding on defense. There are indications that such a linkage is already taking place. Rep. Patricia Schroeder's proposal in the late 1980s for a special tax on Japanese imports to offset the expense of America's defense subsidy to Japan and presidential candidate Ross Perot's vague but ominous call in 1992 to send America's allies a bill for the cost of U.S. security protection were early signs of that connection.

A more recent and detailed example is the article by Chalmers Johnson, president of the Japan Policy Research Institute, and E. B. Keehn, University Lecturer in Japanese Politics at Cambridge University, in the pages of Foreign Affairs. Noting that when the U.S.-Japanese security treaty was signed in 1951, Japan had "a devastated economy," Johnson and Keehn emphasize how much the economic equation has changed.

Today, Japan has the most modern industrial structure in the world, it has not run a trade deficit with the United States for almost three decades, the dollar has lost nearly 80 percent of its original postwar value against the yen, and Japan faces no known external military threat.

The Japanese establishment, not surprisingly, has welcomed the DOD report as a sign that the United States will continue to ignore the massive shift that has occurred in the balance of power-- in Japan's favor. For Tokyo, the report means that the United States is giving up its only real bit of leverage in dealing with its ruinous trade deficits. [46]

Later in the article, the authors even more explicitly link the trade and security issues and assert the primacy of the former. "East Asian markets will not open wider to U.S. goods and services because of the presence of the Seventh Fleet. A threat to withdraw the fleet might provide some useful bargaining leverage, but the DOD report forecloses that option for the next 20 years." [47] What is perhaps most troubling, however, is the pervasive note of anger and bitterness in their analysis. By continuing to make the U.S.-Japanese alliance the linchpin of U.S. policy in East Asia, the Department of Defense, Johnson and Keehn conclude, "has become a virtual pawn of the Japan lobby." [48]

The existing U.S.-Japanese security relationship is simply not sustainable in the long term. By clinging tenaciously to the status quo, American policymakers risk an abrupt and nasty rupture in the alliance that could poison the entire range of American-Japanese relations and create the dangerous power vacuum in East Asia that Washington has tried so hard to prevent.

Three Scenarios for Disaster

That rupture could occur in any of three ways. The most likely danger is that the growing array of trade disputes between the United States and Japan will spill over into the security realm. Public discontent with alleged Japanese misconduct with regard to trade will sooner or later produce massive pressure to adopt the suggestion of Johnson, Keehn, and others to threaten the withdrawal of the U.S. military shield as bargaining "leverage." American advocates of a confrontational trade policy will not be content indefinitely to subsidize the defense of a nation that they believe engages in unfair trade practices. [49] Throughout the Cold War, there was a virtual consensus in both countries not to let economic quarrels undermine the security relationship, lest disunity play into the hands of the Soviet Union. Without the specter of the Soviet threat, however, that argument is far less compelling to many Americans. [50] Since Tokyo shows a rapidly decreasing inclination to capitulate to Washington's escalating demands for trade concessions, the potential for an unpleasant breach is obvious. Even Takakazu Kuriyama, Japan's ambassador to the United States, has stated that the greatest danger to the alliance is "spillover" from economic conflict. [51]

Another scenario for a sudden fracture in the U.S.- Japanese alliance would be the outbreak of a conflict somewhere in East Asia that did not include an attack on Japan. Japanese officials have made it clear that their country would merely hold America's coat while U.S. forces intervened to restore peace. Johnson and Keehn accurately judge the probable consequences of such restraint in the case of a conflict in Korea. "The Pentagon should ponder the specter of Japanese warships standing idly by while the United States takes major risks to defend South Korea. Popular support in the United States for any defense of Japan would instantly vanish." [52]

That scenario underscores the inherent fragility of the U.S.-Japanese security relationship. Its continued viability is contingent on the alliance's never being put to the test by a military conflict in East Asia. U.S. policymakers will of course argue that the principal purpose of the alliance is to deter such a conflict in the first place. That is undoubtedly true, and the strategic partnership probably does make the outbreak of combat in the region less likely. Nevertheless, it is dubious wisdom to invest all of one's hopes in the infallibility of deterrence. To be viable, an alliance must also be of unquestioned value to both parties if deterrence fails and a war has to be waged. An arrangement in which one party must assume most of the costs in blood and treasure while the other party merely reaps the benefits is unstable as well as unjust. Yet that is the reality of the U.S.-Japanese alliance, and an East Asian military crisis would immediately expose that fact.

A third possibility for an unexpected termination of the relationship would be a shift in domestic Japanese political sentiment. That could take several forms: public anger at Japan's military dependence and vulnerability, growing recognition that the U.S. security commitment is at least partly motivated by American distrust of Japan, or a decision by Japan's political elite that the U.S. security shield no longer provides benefits that outweigh the obstacles it creates to Tokyo's pursuit of great-power status. In any of those cases, the initiative for terminating the alliance would come from the Japanese side, and bewildered U.S. leaders could do little more than complain about Japan's ingratitude and wonder what went wrong.

Toward a New U.S.-Japanese Relationship

Instead of persisting in a desperate effort to preserve the status quo, with America as military patron and Japan as Washington's security dependent, American policymakers should chart a new course. They need to foster a U.S.-

Japanese relationship that is based on the realities of the post-Cold War world, not a bygone era in which Japan lacked the economic strength or the political confidence to play an assertive, independent role in international affairs and the emotional wounds of World War II were still fresh. The new goal should be a mature relationship between equals--a relationship that recognizes that Japan is a great power in every respect. That approach requires something far more dramatic than the cosmetic changes that are likely to emerge from the ongoing security review leading up to the summit meeting between President Clinton and Prime Minister Murayama in November.[53]

Several steps must be taken to implement truly substantive changes. First, the United States should inform Japan that it intends to withdraw its forces from Japanese territory over the next five years and that it will renounce the security treaty two years later.[54] At that point, Japan will be expected to provide entirely for its own defense. Washington should implement its withdrawal strategy without rancor and state explicitly that the move is not motivated by traditional complaints about burden sharing or by the more recent disputes over trade. Indeed, every effort should be made to adopt a less confrontational policy toward Japan on trade issues. Under no circumstances should there be any suggestion that Washington is using the security commitment as a bargaining chip. It would be ill advised to imply that if sufficient Japanese concessions were forthcoming on trade matters, the United States would maintain the defense shield, and conversely, if Tokyo was recalcitrant, the shield would be withdrawn. That approach would be a blueprint for Japanese resentment, and the damage to U.S.- Japanese relations could last decades.

Second, Washington should indicate to Tokyo that it no longer objects to Japan's assuming a more active political and military posture in East Asia. Quite the contrary, U.S. officials ought to adopt the position that, as the principal great power in the region, Japan will be expected to help stabilize East Asia, contribute to the resolution of disputes, and contain disruptive or expansionist threats that might emerge. Washington should also use its diplomatic influence to encourage political and security cooperation between Japan and its neighbors, but U.S. policymakers must not let East Asian apprehension about a more assertive Japan dictate American policy and keep the United States in its role as regional policeman. Regarding matters beyond East Asia, the United States should express its full support for international recognition of Japan's status as a global great power, including endorsing Tokyo's goal of a permanent seat on the UN Security Council.

Third, discussions should begin immediately about a new, more limited security relationship between the United States and Japan. There are important American economic interests in East Asia, and clearly no one in the United States should want to see an expansionist power dominate the region, given the adverse security implications of such a development. America's overall policy goal should be a relatively stable balance of power in East Asia. Japanese and American security interests are likely to overlap in the coming decades, and it is reasonable to explore avenues of cooperation in those areas where there is a sufficient convergence of interests. That cooperation should not, however, take the form of a new alliance. An ongoing security dialogue and occasional joint military exercises would be more appropriate. Elaborate, formal treaty commitments are a bad idea in general. They are excessively rigid and can lock the United States into commitments that may make sense under one set of conditions but become ill advised or even counterproductive when conditions change.

Toward a New East Asian Security Policy

America's new East Asian policy should envision Japan's playing the role of "first among equals" and being the front-line state for promoting stability. That is not to say that the United States should take no interest in the region, withdraw its forces to Seattle and San Diego, and adopt a Fortress America strategy. Members of the U.S. political elite have an unfortunate habit of branding all proposals for meaningful foreign policy change as harbingers of isolationism. The cliché-infested diatribe of former president George Bush about domestic "threats" to U.S. policy in East Asia is only the most recent dreary example.[55]

The United States has some important East Asian interests. Geographic factors alone make the United States a Pacific, although not an East Asian, power. Portions of Alaska extend into the northwest Pacific, Hawaii is nearly midpoint in that ocean, and Guam and other important territorial possessions are in the west-central Pacific. Those political and security interests, combined with growing economic ties to East Asia, mean that the United States cannot be indifferent to the region's fate. In particular, a successful campaign by an aggressive expansionist power to dominate East Asia would pose a significant threat to America's security and well-being.

But having some interests in the region and being willing to make a modest contribution to its stability are a far cry from volunteering to be point man in every crisis. America can still protect its core interests with a significantly reduced military presence based in Guam, Wake, Midway and other locations in the central and west-central Pacific.[56] There is no need to have large numbers of forward-deployed forces, much less units to serve as automatic tripwires if even a minor conflict erupts. The United States should be the balancer of last resort, not the intervenor of first resort, in East Asia's security equation. And the most crucial step in adopting that strategy is to devolve primary regional security responsibilities to Japan, the region's leading power.

Notes

[1] U.S. Department of Defense, Office of International Security Affairs, United States Security Strategy for the East Asia-Pacific Region (Washington: U.S. Department of Defense, February 1995).

[2] "Japan to Reduce Number of Troops, Weapons," Washington Post, March 5, 1995, p. A29.

[3] Quoted in Sam Jameson, "A Reluctant Superpower Agonizes over Military," Los Angeles Times, August 1, 1995, p. A4.

[4] Quoted in *ibid.*

[5] Kenichiro Sasae, "Rethinking Japan-U.S. Relations," Adelphi Paper 292, International Institute for Strategic Studies, London, December 1994, p. 17. [6] U.S. Department of Defense, p. 25.

[7] Sasae, p. 21.

[8] U.S. Department of Defense, p. 25.

[9] U.S. House of Representatives, Report of the Burden sharing Panel of the Committee on Armed Services, 100th Cong., 2d sess., August 1988. Even after Tokyo's support payments took a substantial jump in 1992, Congress passed a resolution demanding that Japan pay all costs (except salaries). For a discussion of the burden-sharing controversy during that period, see Sasae, pp. 21-22. [10] For a discussion of that methodology, see Ted Galen Carpenter and Rosemary Fiscarelli, "America's Peace Dividend," Cato Institute White Paper, August 7, 1990, appendix A.

[11] Ernest Oppenheimer, "The War against Ourselves: Unequal Defense Costs Are the Villain in U.S.-Japan Trade Saga," Barron's, May 29, 1995, p. 43.

[12] International Institute for Strategic Studies, *The Military Balance, 1994-1995* (London: Brassey's, 1994), pp. 176-77.

[13] One scholar even contends that the lack of tangible aid might not mean only that Japanese forces would stay on the sidelines in an East Asian conflict that did not include an attack on Japan. Kenichiro Sasae argues that if the North Korean nuclear crisis in 1994 had led to U.S. military action, "the viability of Article 6 of the Security Treaty (the use of Japan's facilities for U.S. operations in the Far East) would have been tested." Sasae, p. 14.

[14] Quoted in Douglas MacArthur, *Reminiscences* (New York: McGraw Hill, 1964), p. 304.

[15] Amos Jenkins Peaslee, *Constitutions of Nations* (Boston: Martinus Nijhoff, 1985), p. 415.

[16] Haruhiro Fukui, "Beyond Korea: The Future of the U.S.- Japan Partnership," in *U.S.-Japan Partnership in Conflict- Management: The Case of Korea*, ed. Chae-jin Lee and Hideo Sato (Claremont, Calif.: Keck Center for International and Strategic Studies, 1993), p. 152.

[17] Text of treaty, in *The Major International Treaties since 1945*, ed. J. A. S. Grenville and Bernard Wasserstein (London: Methuen, 1987), pp. 118-19.

- [18] Martin E. Weinstein, "Japan's Foreign Policy Options: Implications for the United States," in *Japan's Foreign Policy after the Cold War*, ed. Gerald L. Curtis (Armonk, N.Y.: M.E. Sharpe, 1993), pp. 218-19.
- [19] Robert M. Orr, *The Emergence of Japan's Foreign Aid Power* (New York: Columbia University Press, 1990). For a recent example of the application of that strategy in Vietnam, see Ronald Bruce St. John, "Japan's Moment in Indochina," *Asian Survey* 35 (July 1995): 668-81.
- [20] For a discussion of the evolution of Japan's defense policy during the late 1970s and early 1980s, see Masashi Nishihara, "Expanding Japan's Credible Defense Role," *International Security* 8 (Winter 1983-84): 180-205.
- [21] International Institute for Strategic Studies, *Military Balance*, 1994-1995, pp. 176-77.
- [22] Compare the personnel figures in *ibid.* to those in International Institute for Strategic Studies, *The Military Balance*, 1991-1992 (London: Brassey's, 1992), pp. 165-66.
- [23] The most recent example occurred in August 1995. Defense Minister Seishiro Eto sought a 3.9 percent increase in the 1996 military budget, while Murayama's faction wanted an increase of less than 1 percent. The compromise provided for an increase of "up to 2.9 percent." Naoaki Usui, "New Japan Defense Minister Faces Uphill Budget Battle," *Defense News*, August 14-20, 1995, p. 12.
- [24] For discussions of how the Japanese political and foreign policy elites reacted to the gulf crisis, see Yoichi Funabashi, "Japan and the New World Order," *Foreign Affairs* 70 (Winter 1991-92): 58-74; Richard Holbrooke, "Japan and the United States: The Unequal Partnership," *Foreign Affairs* 70 (Winter 1991-92): 50-52; International Institute for Strategic Studies, *Strategic Survey*, 1990-1991 (London: Brassey's, 1991), pp. 192-94; and Christopher A. Preble, "U.S.-Japanese Security Relations: Adjusting to Change," *Cato Institute Foreign Policy Briefing* no. 7, March 14, 1991.
- [25] Kenneth Hunt, "Japan's Security Policy," *Survival* 31 (May-June 1989): 203.
- [26] "Hashimoto, Koizumi Debate Japan-U.S. Ties," FNN Television Network, September 16, 1995, Foreign Broadcast Information Service Daily Report--East Asia, 95-181, September 19, 1995, p. 2.
- [27] Quoted in Fred Hiatt, "Marine General: U.S. Troops Must Stay in Japan," *Washington Post*, March 27, 1990, pp. A14, 20.
- [28] "Excerpts from Pentagon's Plan: Prevent the Emergence of a New Rival," *New York Times*, March 8, 1992, p. A14. [29] Takashi Inoguchi, "Japan's Role in International Affairs," *Survival* 34 (Summer 1992): 76.
- [30] U.S. Department of Defense, p. 9.
- [31] Author's conversations with Foreign Ministry and Defense Agency officials, Tokyo, July 11-14, 1995. Other interlocutors made the opposite contention: that U.S. disengagement would strengthen left-wing pacifist elements. One especially creative Foreign Ministry official managed to present both arguments, albeit at different times.
- [32] Richard V. Allen, "Fifty Years after Pearl Harbor: The Future of U.S.-Japan Relations," Heritage Foundation Lecture no. 356, December 3, 1991, p. 3.
- [33] Quoted in Karen Elliott House, "Asia's Stability Depends on Relationship of Japan and U.S., Singapore's Lee Says," *Wall Street Journal*, May 18, 1989, p. A13.
- [34] Damon Darlin, "South Korea, Fearing Japan's Military, Wants U.S. to Remain a Peace Keeper," *Wall Street Journal*, November 20, 1991, p. A12.
- [35] Author's conversation with South Korean Defense Ministry official, Seoul, July 18, 1995.
- [36] Edward W. Desmond, "Finally, A Real Apology," *Time*, August 28, 1995, p. 47.

[37] Ivan P. Hall, "Japan's Asia Card," *National Interest* 38 (Winter 1994-95): 23.

[38] *Ibid.*, p. 24.

[39] A few mainstream Japanese political figures are now advocating defense spending levels of 1.5 or even 2 percent of GDP. Author's conversations with Motoo Shiina, a prominent member of the House of Councilors (the upper house of Japan's Diet), Tokyo, July 11, 1995, and retired Gen. Toshiyuki Shikata, Tokyo, July 14, 1995.

[40] See, for example, "Coalition Endorses Peacekeepers to Golan Heights," Tokyo Kyodo, Foreign Broadcast Information Service Daily Report--East Asia, 95-165, August 25, 1995, p. 3.

[41] Some pragmatic Japanese leaders may also regard acting on behalf of the UN as a useful first step toward full great-power status and a useful short-term facade for greater military activism. For example, Defense Agency planners have argued that Japan will need to acquire some airlift and sealift capabilities to fulfill its new UN responsibilities. Once acquired, however, such ships and planes would be available for unilateral deployments in East Asia. [42] Robert Manning, "Futureshock or Renewed Partnership? The U.S.-Japan Alliance Facing the Millennium," *Washington Quarterly* 18 (Autumn 1995): 88.

[43] In a CBS/Tokyo Broadcasting System poll, conducted July 23-26, 1995, 54 percent of Japanese respondents described relations between Japanese and Americans as "somewhat unfriendly" or "very unfriendly." Perhaps most revealing, 32 percent of respondents described their own feelings toward the United States as "unfriendly." CBS News Poll, press release, September 2, 1995, p. 6. An attitude of suspicion was also evident among American respondents. Only 37 percent believed that Japan was a dependable ally, whereas 49 percent disagreed with that characterization. *Ibid.*, p. 1.

[44] For a more detailed discussion, see Ted Galen Carpenter, *A Search for Enemies: America's Alliances after the Cold War* (Washington: Cato Institute, 1992), pp. 63-66.

[45] John Maggs, "Majority Back Clinton on Japan, JofC Poll Says," *Journal of Commerce*, September 8, 1995, p. A1.

[46] Chalmers Johnson and E. B. Keehn, "The Pentagon's Ossified Strategy," *Foreign Affairs* 74 (July-August 1995): 105. For a similar, albeit somewhat less strident, analysis, see Michael Lind, "Asia First: A Foreign Policy," *New York Times*, April 18, 1995, p. A25.

[47] Johnson and Keehn, p. 112.

[48] *Ibid.*, p. 114.

[49] Allegations of "unfairness"--indeed, the entire obsession with trade deficits--have little connection with international economic reality. See Stanley Kober, "The Fallacy of Economic Security," *Cato Institute Policy Analysis* no. 219, January 24, 1995. But that is largely beside the point. The perception of unfairness, whatever the truth, can be sufficient to produce a nasty breach in U.S.-Japanese relations.

[50] For discussions of the breakdown of the "fire wall" between economic and security issues, see David E. Sanger, "The Corrosion at the Core of Pax Pacifica," *New York Times*, May 14, 1995, p. E1; Willis Winter, "Sanctions Threaten U.S.-Japan Alliance," *Washington Times*, June 26, 1995, p. A1; and James A. Kelly, "U.S. Security Policies in East Asia: Fighting Erosion and Finding a New Balance," *Washington Quarterly* 18 (Summer 1995): 23-24.

[51] Yoshihide Soeya, "A Secure Alliance," *Look Japan*, September 1995, p. 17.

[52] Johnson and Keehn, p. 109.

[53] A preliminary draft of the new agreement obtained by the *Sankei Shimbun* indicates that the text will emphasize the following points: 1) the security pact is to be firmly maintained in the future; 2) the treaty contributes to the entire Asian region's security, as well as that of Japan; 3) the Acquisition and Cross-Servicing Agreement (giving U.S. and

Japanese forces greater latitude in using each other's military facilities) should be concluded at an early date; 4) Japan and the United States should cooperate with each other in promoting the nonproliferation of nuclear arms; and 5) efforts should be made to promote regional dialogues. "Daily Cites 'Gist' of Security Pact with U.S.," Tokyo Sankei Shimbun, August 18, 1995, Foreign Broadcast Information Service Daily Report, 95-165, August 25, 1995, p. 1. Although the changes outline a security arrangement that is marginally less one-sided than the existing treaty, there is no indication that Japan will play a significantly greater military role than it has in the past. Indeed, other provisions suggest that U.S.-Japanese military collaboration will occur mainly in the context of UN peacekeeping operations, many of which are likely to be outside East Asia.

[54] As part of a change in its overall East Asian policy, the United States should withdraw its forces from South Korea and terminate the "mutual" defense treaty at an even faster pace (three to four years). In addition to being a worthwhile step in itself, that action would make it clear to Tokyo that Washington was absolutely serious about ending the U.S.-Japanese alliance.

[55] "Bush on China, Japan, and the 'Liberation' of Private Life," text of interview, Washington Times, September 20, 1995, p. A10.

[56] That strategy would require the reversal of recent policies that envision the closing of some installations on Guam. It is a measure of the perversity of U.S. strategy in the western Pacific and East Asia that Washington contemplates drawing down forces stationed in American territories while it maintains, or in the case of South Korea actually strengthens, forces used to subsidize the defense of allies.