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REFORMING THE JAPAN-U.S. SECURITY ALLIANCE: THREATS, MISSIONS, AND COSTS

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LIST OF ABBREVIATIONS

A2/AD	Anti Access / Area Denial
ACM	Alliance Coordination Mechanism
AI	Artificial Intelligence
BMD	Ballistic Missile Defense
C2	Command and Control
DGL	Defense Guideline
DMZ	Demilitarized Zone
FRP	Futenma Relocation Project
FONOP	Freedom of Navigation Operation
GDP	Gross Domestic Product
GOJ	Government of Japan
GPR	Global Posture Review
HNS/HNSA	Host Nation Support / Host Nation Support Agreement
ICBM	Intercontinental Ballistic Missile
INF	Intermediate Nuclear Force
JADC2	Joint All Domain Command and Control
JCPOA	Joint Comprehensive program of Action
LIO	Liberal International Order
MOD	Ministry of Defense
NDPG	National Defense Program Guideline
NSS	National Security Strategy
PLA	Peoples Liberation Army

RMC	Roles, Missions, Capabilities
ROK	Republic of Korea
SACO	Special Action Committee on Okinawa
SCC	Security Consultative Committee
SCS	South China Sea
SDF	Self Defense Force
SOFA	Status of Force Agreement
USFJ	United States Forces, Japan
USFK	United States Forces, Korea

Introduction¹

The Alliance of Japan and the United States seems to be back on track after four years of turbulent management by Trump Administration. The Joint Statement of the Japan-U.S. Security Consultative Committee (SCC, or 2+2), following the first Biden administration's diplomacy tour to Asia, is widely recognized as a bold step to revitalize the alliance toward China, since its "behavior presents political, economic, military, and technological challenges to the Alliance and international community."² "Japan has resolved to enhance its capabilities to bolster national defense and further strengthened the Alliance." The statement also emphasizes close coordination on alliance roles, missions, and capabilities (RMC) as well as Department of Defense's Global Posture Review (GPR). In the end of the statement, "the Ministers call for another SCC meeting late in the year in recognition of the depth and breadth of the Japan-U.S. Alliance, and the need to increase momentum on numerous shared policy priorities." At the same time, they have signed the agreement on the tentative extension of the Special Agreement on Expenses for Stationing U.S. Forces, Japan, of which the present Agreement expired on 31 March 2021. Therefore, the negotiation for the next Agreement shall take place together with other agenda by the next SCC in this year. Although bilateral tasks set forth in the joint statement are necessary and urgent, both Japan and the U.S. must break through inherent constraints of the alliance that was developed more than 60 years ago. This paper intends to clarify what these constraints are and how the alliance should transform today's alliance into one that meets the challenges of today and tomorrow.

¹ The view expressed in this paper is author's personal opinion and does not represent any other entities.

² U.S. Department of State, U.S.-Japan Joint Press Statement, 16 March 2021. <https://www.state.gov/u-s-japan-joint-press-statement/>

The alliance was and still is a deal that the U.S. would provide a security guarantee for a disarmed Japan in return for use of area and facilities in Japan to stationing U.S. forces, hence called the alliance of “people and goods.” President Trump claimed that this asymmetry of the alliance is unfair, and that Japan should compensate more. From Japan’s perspective, this is not true. Japan has suffered from sovereignty constraints with substantial costs including accidents, crimes and noises. But more importantly, these past agreements hinder our ability to respond and defeat the threats of the 21st century. While both governments managed the alliance to improve its asymmetry, the most recent such effort was the agreement of the Guidelines for Japan-U.S. Defense Cooperation in 2015 (hereinafter referred to as 15DGL). Therefore, this paper begins to discuss fundamental features of the alliance in respect to the 15DGL agreement by tracing the history of past efforts, and how it has adapted to the changing environment for the last 60 years. Next, impacts on the alliance that recent changes and events have had are analyzed so as to identify potential drawbacks in the current framework from the perspective of both countries. Even since the 15 DGL, the alliance has faced such disruptive changes as the U.S. new strategy vis-à-vis China, nuclear armed North Korea and the challenges of adopting emerging innovative technologies. Then, as President Trump insisted there existed certain inequalities in the alliance, this paper will discuss alliance cost sharing by using Professor Takeda’s analysis on this topic, clarifying what needs to be done to correct perception gaps between Japan and the U.S. This paper finds that Japan needs to assume more roles beyond self-defense while the U.S. should drastically change its presence posture associated with the U.S. Forces in Japan (USFJ). The key question is if these measures can be done without dramatically changing the existing alliance frameworks. And the answer would be very difficult, if not impossible. Finally, based on this

analysis, the paper will address issues the new political leaders in both countries must consider, in light of the new joint statement guidance on 16 March 2021.

Asymmetry of the Japan-US Alliance and Adaptation to Changing Environments

Origin of Asymmetry Alliance

The genesis of the Japan-U.S. alliance is a deal that the United States Forces in Japan would provide a security guarantee to war-defeated, disarmed Japan after the occupation. The Pacifist Constitution of Japan (1946), renounced any military capability (Article 9, para.2). Japan had few options to secure national defense except by the bilateral treaty with the United States, when it restored sovereignty by the San Francisco Peace Treaty (signed in 1951 and entered into force in 1952). Article 6 of the Peace Treaty stipulated, “the United Nations Forces occupying Japan must withdraw from Japan within 90 days after the entry into force of the Treaty, unless they are stationed or garrisoned under a separate bilateral agreement or multilateral agreement with Japan as one party.”³ The Japan-U.S. Security Treaty (the former Treaty) was concluded on the basis of this provision (signed on the same day as the San Francisco Peace Treaty, 1951). While the former Treaty allowed the U.S. Forces to be stationed indefinitely, ironically the obligation to defend Japan was not clearly stated. The USFJ was given extensive rights and special authority from the UN Forces under the Japan-U.S. Administrative Agreement. Moreover, despite the article 6 of the Peace Treaty, the U.S. Government requested special treatment for tentative use of facility which U.S. Forces wanted to continue to use. In the end, aside from the Administrative Agreement, the U.S. demand was approved by the “exchange of a note” between Foreign Minister Okazaki Katsuhiko and Undersecretary of State Dean Rusk.

³ <https://treaties.un.org/doc/publication/unts/volume%20136/volume-136-i-1832-english.pdf>

That note, being in effect today, provided the U.S. with veto power over Japan's possible request for returning a facility used exclusively by the U.S. Forces. Akasaka Press Center and Hotel New Sanno in the middle of downtown Tokyo are the cases in point. This is a contradiction to the current Status of Force Agreement (SOFA) article 2.⁴

An independent Japan was the goal as was an alliance that recognized both countries strengths and weaknesses as independent and equal partners. In 1960 the former Treaty and the Japan-U.S. Administrative Agreement were revised and agreed upon and incorporated into the current Security Treaty (Treaty of Mutual Cooperation and Security between Japan and the United States of America) and the SOFA. Recognizing Japan's important role as a rear support base during the Korean War, the revised Security Treaty allowed U.S. forces to continue stationing forces in Japan for the peace and security of the Far East Asia (Article 6). In return, Japan, which faced the threat of the Soviet Union, secured a U.S. commitment to defend Japan by a declaratory policy in order to supplement the nascent Self Defense Forces (SDF) (Article 5). The essence of this asymmetrical alliance meant the U.S. military was in charge of the defense of Japan and they were given facilities and areas within Japan. In terms of the SOFA, the USFJ was granted most of the privileges of the former Administrative Agreement in spite of strong criticism from the Japanese people. This involved some very bitter negotiations. The result was the "Agreed Minutes" giving special treatment to USFJ and exemptions from applicable Japanese laws which was contrary to the SOFA itself.⁵ The essence of the "Agreed Minutes" is a secret deal between negotiating parties that restricted transparency to the Japanese public,

⁴ See Ymamoto, Akiko. *Nichibei Chii Kyoutei: Zainichi Beigun to Doumei no 70 Nen (Status of Force Agreement: 70 Years of USFJ and Alliance)*. Chukou Shinsyo, 2019

⁵ Ministry of Foreign Affairs Japan, *Agreed Minutes To The Agreement Under Article VI Of The Treaty Of Mutual Cooperation And Security Between Japan And The United States Of America, Regarding Facilities And Areas And The Status Of United States Armed Forces In Japan*.
https://www.mofa.go.jp/mofaj/area/usa/sfa/pdfs/giji_fulltext.pdf

which was not known until a Marine helicopter crashed on Okinawa International University in 2004. This privileged status of the USFJ put significant limitation on Japan's sovereignty, causing anti-USFJ protests whenever USFJ forces generated problematic incidents and accidents.⁶ In this sense, Japan's quest for complete independence and equality has not happened yet. As discussed later in this paper, Japanese negative sentiment toward the USFJ increased dramatically, increasing public demand for Japanese government to revise the SOFA. Furthermore, as a response to the Trump Administration's insistence of an unfair alliance with Japan, even pro-alliance experts suggested to prepare a draft for the renewal of the Security Treaty.⁷

The reason why the basic structure of the alliance remains unchanged is that it is inseparable from Article 9 of the Constitution. In other words, according to Article 9 of the Constitution, Japan cannot possess military power to resolve international conflicts. It maintains its capabilities solely for the purpose of a narrow definition of self-defense (the rationale of SDF). The SDF alone cannot provide punitive deterrence using nuclear weapons nor can it attack enemy bases. Since Japan's security is supported by these two pillars of the Self-Defense Forces and the Japan-U.S. alliance, significant changes of the Japan-U.S. alliance require revising Article 9. Japan cannot defend itself with one hand tied behind its back.

The expansion of the roles of the SDF after the Cold War (such as overseas missions and responses to situations in areas surrounding Japan) was progressively and prudently carried out

⁶ Akiko Yamamoto, *Nichibei Chii Kyoutei no Mondai, Kako 60nen Zainichi Beigunn no "Tokkenn" wo Kiteisite kita Mono (Issue of the Japan-U.S. Status of Forces Agreement, which stipulates the "privileges" of the U.S. Forces in Japan, over the past 60 years)*, Ronza. <https://webronza.asahi.com/politics/articles/2020031400003.html>

⁷ For examples, Professor Sakamoto Kazuya, *Nichibei Anpo ha Amerika ni totte Fukouhei nanoka? Joyaku Saikaitei heno Shian Junbi wo Susumeyo (Is the Japan-U.S. Security Treaty unfair to the U.S.? Prepare a draft for the renewal of the Treaty)*, <https://president.jp/articles/-/29251>; Yaksushiji Katsuyuki, *"Fubyoudou" nanoka? Henshitsu shihajimeta Nichibei Anpo ni Nihon ha dou taiou? (Unfair? How should Japan respond to the transforming Japan-U.S. Alliance?)*, https://courrier.jp/columns/166835/?ate_cookie=1565475261

through changes in the interpretation of the Constitution. The Peace and Security Legislation enacted in September 2015 did not amend the Constitution, but allowed limited exercise of the right of collective self-defense through changes in interpretation. Many scholars insist that the Law does not reflect what the Constitution says. And many policymakers recognize the Constitution must be revised to expand Japan's military roles beyond the Law. Therefore, what the RMC Japan would enhance in such contingencies as the Taiwan Strait crisis, will be a primary issue in the follow-on consultation of SCC. If Japan and the U.S. seek to alter the asymmetric relations of the alliance, they must simultaneously amend the SOFA attached to the Article 6 of the Security Treaty, and Article 9 of the Constitution as well. For both Japan and the U.S., the political reality of getting this done is highly unlikely. But the security threat facing the alliance is severe enough they must act.⁸ At a minimum, both governments should rectify double standards in the Treaty and SOFA derived for historical reasons that restrict our ability to protect our people.

Adaptation to Changing Environment

Japan and the U.S. have made some changes to compensate for the asymmetric nature of the “alliance of people and goods” in response to changes over times. Various measures have been taken, such as the provision of “compassion” budgets (思いやり予算) and the dispatch of the SDF abroad under the Law Concerning Special Measures (in response to the U.S. demands of “Show the Flag” and “Boots on the Ground”), and the enforcement of the right to collective self-defense, albeit limited, by the Peace and Security Legislation. On the other hand,

⁸ See, Joint Statement of the Japan-U.S. SCC (2+2). It articulates that China's behavior presents political, economic, military, and technological challenges to the Alliance and international community. It also recognizes that the North Korea's arsenal poses a threat to international peace and stability.

the United States, which has alliances with many other countries, has long been critical of the so-called perceived “free ride” of its allies. The idea of demanding the fair burden sharing from allies has been consistently shared by U.S. policymakers and a vocal element of the U.S. public. In addition, former President Obama declared that the U.S. would step down from a global police role, making it clear that even the United States would find it difficult to sustain the international order on its own. Given these changes, therefore, the alliance has evolved for Japan and the United States in terms of “people (Article 5) and goods (Article 6)”.

Efforts on Article 5: Review of Guidelines for Japan-U.S. Defense Cooperation

The 1978 Defense Guideline was the first document to clearly define Roles, Missions and Capabilities, such as responses to armed attacks against Japan. In 1996 after the end of the Cold War, the Japan-U.S. Joint Declaration on Security was announced, the Special Action Committee on Okinawa (SACO) report on the return of the Futenma Base was decided, and the Guideline (97DGL) was revised to expand RMCs in response to situations in areas surrounding Japan. As a series of the SCC (2+2) continued, the new guideline (15DGL) was agreed upon by Abe and the Obama administrations on 27 April 2015.

The objectives, assumptions and concepts of 15DGL follow 97DGL. That is, the conduct of Japan and the U.S. stipulated in the Guidelines are carried out in accordance with the respective constitutions, laws and regulations, and basic policies of each country. Accordingly, Japan will act in accordance with the policies of an exclusively defensive posture and the Three Non-Nuclear Principles. Although DGLs do not require either government to take any necessary measures nor do they create any legal rights or obligations, they are expected to be reflected in specific policies and measures in accordance with the DGL’s goals. The features of the 15DGL

are that the Alliance Coordination Mechanism (ACM) is permanently established to enable a seamless response, that a cross-domain joint operation in response to an armed attack against Japan could be implemented, and that cooperation (limited exercise of the right of collective self-defense) has been specified in cases where an armed attack against a country other than Japan has occurred and is recognized as a crisis of Japan's existence.⁹ In response to the 15DGL, the Abe Cabinet enacted the Peace and Security Legislation in September 2015.

The 15DGL states that “the two governments will continue to formulate and renew joint plans in order to ensure that the SDF and U.S. forces conduct coordinated operations smoothly and effectively,” and that “the joint plans will be appropriately reflected in the plans of the two governments.” Despite these statements, the Japan-U.S. Alliance has not formulated a formal bilateral crisis-response plan (contingency plan) to commit its forces to Japan-U.S. joint operations. Based on the Guidelines, the Self-Defense Forces and the U.S. Forces only conduct “Research on Joint Operation Plans.”¹⁰ Then, based on this research approved by the U.S.-Japan SCC, the Japanese government formally prepares the “defense and security plans” and other plans stipulated in the directive on preparation of defense plans. How the U.S. incorporates them in the U.S. plans is confidential and cannot be confirmed. I would suggest that the general understanding of this joint operation plan is totally insufficient in the face of imminent, existential threats including North Korean nuclear ballistic missiles and China's assertive behavior to occupy Senkaku Islands. Fixing this fundamental situation will define the basis and shape of an effective alliance capable of reacting to future crises and threats.

⁹ https://archive.defense.gov/pubs/20150427_-_GUIDELINES_FOR_US-JAPAN_DEFENSE_COOPERATION.pdf

¹⁰ Sangiin, “Report on Answers to Questions Concerning the Current Status of the Japan-U.S. Joint Operational Study Submitted by Masatoshi Ito Upper House”, Answer No. 9, Cabinet Counselor No. 126, 13 July 1993, <https://www.sangiin.go.jp/japanese/joho1/kousei/syuisyo/126/touh/t126009.htm>

At the 15DGL, there were also important changes in the RMC between Japan and the United States in response to an armed attack on Japan. The basis of Japan-U.S. joint actions indicated in the DGLs to date lies in the relationship of a “shield and spear” approach. The SDF will conduct defensive operations mainly in Japan and its surrounding waters and airspace, whereas the U.S. forces will support the operations of the SDF and implement operations to complement the capabilities of the SDF. Regarding the “spear” roles of the U.S. military, the 97DGL stipulated that the U.S. military “strike power” should be provided for counter air, maritime operations, and ballistic missile defense (BMD). However, in the 15DGL, operations such as air and maritime defense and response to ballistic missile attacks, the wording has changed to “the U.S. Forces will implement operations to support and complement the operations of the SDF,” and no mention is made of “strike power.” Only in a new cross-domain operation, is it stipulated that “U.S. forces may conduct operations involving the use of strike power to support and supplement the SDF.” Cross-domain operations refer to “operations that combine the capabilities of new domains such as space, cyber, and electromagnetic waves with the capabilities of the traditional areas of land, sea, and air, as it is essential to eliminate attacks by utilizing these new areas.”¹¹ To put it bluntly, it appears that U.S. forces are expected to conduct operations involving the use of strike force only in a full-scale armed conflict between Japan and China, and it can be interpreted that the use of strike force by the U.S. forces against North Korea’s ballistic missile attacks on Japan is not anticipated.

The 15DGL guidance requires the SDF to provide asset protection, search and rescue, maritime operations, response to ballistic missile attacks, and logistical support to the U.S. forces in operations if Japan’s survival is threatened by a direct armed attack on the third countries.

¹¹ Ministry of Defense, *2020 Defense of Japan*, p.303-4, https://www.mod.go.jp/en/publ/w_paper/wp2020/DOJ2020_EN_Full.pdf

Reflecting on this, as aforementioned, the Legislation for Peace and Safety has been put in place. On the other hand, the actions involved in changing the relationship between “shield and spear” described above, for example, the capability of the SDF to strike against North Korean missiles is at best ambiguous and unclear. The Japanese Government is “to take necessary measures after considering the situation,” same as the National Defense Program Guideline (NDPG) decided in December 2018. Although former Prime Minister Abe demanded on his resignation remarks to solve this lingering problem, the Suga administration has suspended this issue that is legitimately permitted under the Constitution. In order to improve the asymmetry of the alliance, Japan has taken bold steps to exercise the right of collective self-defense despite controversial interpretation of the Constitution. It should take the next step forward to carry out offensive roles for the defense of Japan, that seems to be transferred from the U.S. to Japan in 15DGL. As the recent Joint Statement declares that Japan resolved to enhance its capabilities to bolster national defense and further strengthened the alliance, the Government of Japan (GOJ) needs to persuade the Japanese public regarding expanding the offensive RMC of SDF.

Efforts of Article 6: Realignment of and Special Agreement of Expenses to USFJ

Both Japan and the U.S. defense experts share an understanding that the use of Japanese facilities and areas under the Japan-U.S. Security Treaty is equally important for the national security of the United States. But the strategic values of forward bases in Japan such as Yokosuka, Kadena and Iwakuni are clearly underappreciated to the American people and many U.S. politicians. It seems that the value of these bases in Japan are taken for granted, particularly in terms of their importance in supporting combat operation in such contingencies as a possible Taiwan conflict. Nevertheless, the U.S. needs prior consultation with Japan to conduct direct

combat operation from these bases in Japan. The majority of Japanese people, including myself, will agree on such use of bases, because Japan's national security would be also at stake in such cases. However, the GOJ would face a tough decision, since it would immediately make China an enemy, putting economic and other interests with China in jeopardy.¹² According to the Kishi-Herter Exchange Notes signed on 19 January 1960, "major changes in the deployment into Japan of United States armed forces, major changes in their equipment, and the use of facilities and areas in Japan as bases for military combat operations to be undertaken from Japan other than those conducted under Article V of the said Treaty, shall be the subjects of prior consultation with the Government of Japan."¹³ Although Japan and the U.S. have been able to abstain from raising this issue, both should face the reality surrounding the alliance and begin the "prior" consultation on Taiwan contingency and deployment of ground-based intermediate missiles.

It must also be noted that the presence of USFJ causes various other burdens including incidents and accidents, noise, environmental problems, area occupation, and so forth. In particular, Okinawa, where 70 percent of the U.S. military bases are concentrated, continues to be a minefield that shakes the Japan-U.S. alliance whenever a critical event takes place such as the gang-rape of a schoolgirl by three marines in 1995. SOFA excludes the Japanese judiciary from being involved in cases involving criminal acts committed by U.S. soldiers, and has caused unprecedented anger among Okinawa people, mobilizing huge protests. Seriously concerned, both governments agreed upon relocating Futenma Air Base that is located in a densely populated area, although it is still occupied by the U.S. Marine even today. Since then, Japan and

¹² See Toyoda Yukiko, "The U.S.-Japan Security Arrangements and Prior Consultation In Search of Equal Partnership." <https://core.ac.uk/download/pdf/286923714.pdf>

¹³ <https://worldjpn.grips.ac.jp/documents/texts/docs/19600119.T2E.html>

the United States have worked to improve asymmetry of the alliance by reducing these burdens. One of the major initiatives is the reorganization of the U.S. military based on the 1996 Special Action Committee on Okinawa Final Report and the 2006 Roadmap of Japan and the United States to Reorganize, and the other is payment of Host Nation Support (HNS) costs.

The final report of SACO agreed on four items including the return of all or part of 11 facilities and areas such as Futenma Air Base.¹⁴ The following “Roadmap” also includes the reduction of approximately 8,000 Marine Corps personnel from Okinawa Prefecture, the relocation of Futenma Air Base to Camp Schwab, and the return of a substantial amount of land in areas with dense populations south of Kadena Air Base. Other specific measures in the mainland include strengthening coordination between headquarters of the Air Self-Defense Force at Yokota Air Base, reorganizing the U.S. Army Headquarters in Camp Zama, deploying U.S. BMD radar systems at Shariki Base, relocating carrier-borne aircraft from Atsugi Air Base to Iwakuni Air Base, partially returning Camp Zama and Sagami General Depot, and relocating training.¹⁵

Although some of the agreements in the SACO Final Report and the Roadmap are still being promoted, such as the relocation and return of the Futenma Air Base and the relocation of the Okinawan Marine Corps to Guam, the GOJ has implemented the majority of these measures in spite of the severe fiscal situation by taking appropriate legislative and financial actions. These measures not only reduce the burden but also strengthen the deterrence posture. It can be said that the U.S. military footprints have been improved to reduce the local burden, although

¹⁴ The other three items are the coordination of training and operation methods, such as the relocation of live fire exercises over Prefectural Route 104 to the mainland exercise area; the implementation of noise reduction initiatives, such as the relocation of the operation of naval aircraft at Kadena Air Base and the installation of sound insulation walls; and the improvement in implementing the Status of Forces Agreement, such as the procedural improvement of compensation for damages.

¹⁵ Kantei (Cabinet Office), Government’s efforts to review the military posture of the USFJ, On 30 May 2006, the Cabinet Decision, <https://www.mod.go.jp/j/approach/zaibeigun/saihen/20060530.html>

frustration among local citizens directly exposed to the USFJ still exist and can always be a problem. Therefore, it is necessary to keep improving the structure and posture of the USFJ in light of the current and future security environment. For example, the status of the Okinawa Marine Corps, the use of facilities such as commercial ports and airports, and the use of Magejima island (馬毛島) newly acquired by the Ministry of Defense (MOD) needs further review. In particular, both governments should review the status of the Henoko reclamation work in light of the future force posture stipulated in *Force Design 2030* of the U.S. Marine Corps as well as Global Posture Review under work.¹⁶

The Japan-U.S. Security Treaty Article 6 states that “for the purpose of contributing to the security of Japan and the maintenance of international peace and security in the Far East, the United States of America is granted the use by its land, air and naval forces of facilities and areas in Japan. The use of these facilities and areas as well as the status of the U.S. Forces in Japan shall be governed by a separate agreement and other agreed arrangements.” The separate agreement is the Japan-U.S. Status of Force Agreement and another arrangement is the special agreement for the host nation support (HNSA) relating to the expense of USFJ. In addition, the Exchange of Note and Agreed Minutes have been governing as previously explained. Article 24 of SOFA articulates, “it is agreed that the United States will bear for the duration of this Agreement without cost to Japan all expenditures incident to the maintenance of the United States armed forces in Japan except those to be borne by Japan as provided in paragraph 2.” According to the paragraph 2, “Japan will furnish without cost to the United States and make

¹⁶

<https://www.hqmc.marines.mil/Portals/142/Docs/CMC38%20Force%20Design%202030%20Report%20Phase%20I%20and%20II.pdf?ver=2020-03-26-121328-460>

compensation where appropriate to the owners and suppliers thereof all facilities and areas and rights of way, including facilities and areas jointly used such as those at airfields and ports.”¹⁷

Despite this original agreement, GOJ decided to bear part of the labor costs of the Japanese employees in the USFJ and the development costs of the provided facilities since 1978 in response to the rise of oil price and wages associated with Japan’s economic growth. The measure was named “compassion budget” because Japan was willing to carry the financial burden for the U.S. to reduce stationing cost of the USFJ, regardless of the provisions of SOFA. Since then, as the economic environment surrounding Japan and the U.S. keeps changing (yen appreciation and dollar depreciation, trade friction, etc.), the GOJ concluded a special agreement in 1987 as an *exceptional, limited, and provisional measure* to secure the stable employment of workers in the UFSJ so as to ensure the effective activities of the U.S. Forces. After that, Japan expanded its expenditures to include the basic salary of labor costs and utility and water costs (from FY1991) and training relocation costs (from FY1996). The HNSA budget for FY2020, including the above-mentioned expenses related to SACO and the realignment of the U.S. Forces was 162.3 billion yen (approximately \$1.5 billion) and the total U.S. military-related expenses counted 798.2 billion yen (approximately \$7.4 billion).¹⁸ Between 1978 and 2016, Japan’s total fiscal burden amounted to US\$650 billion (¥6.9 trillion), which has greatly contributed to the strategic bargain of the Japan-U.S. Alliance.¹⁹

The current HNSA covers the five years from FY2016 to FY2020, so it has expired. But both governments agreed on a tentative extension for one year at the SCC in March 2021. While the Trump administration was prepared to demand Japan’s expenses be increased four times

¹⁷ <https://www.mofa.go.jp/region/n-america/us/q&a/ref/2.html>

¹⁸ *2020 Defense of Japan*, p. 319

¹⁹ Smith, Sheila. *Japan Rearmed*. Brookings Institution Press, 2020. P.190

higher than the current level,²⁰ negotiation with the Biden administration will be expected to take a more comprehensive approach rather than just focusing on cost sharing. The burden associated with the stationing of USFJ is not only in terms of expenses, but also must take into account collateral burdens such as noise litigation by local residents and damage caused by accidents. While the upcoming Japan-U.S. negotiations must go beyond the scope of HNSA, an *exceptional, limited, and provisional measure*, burden sharing should be reviewed, sooner or later, back to the original cost-sharing principle of the SOFA. In such a case, the negotiation would inevitably involve not only each article of the SOFA, but also the Agreed Minutes that specify special treatment of the USFJ.²¹ It may not be too late to shed light on historical burdens, and agree on more mutually acceptable treatment of the USFJ. As the Joint Statement notes that RMC will be reviewed to account for the changing nature of warfare across the spectrum of issues and challenges the alliance is facing, appropriate burden sharing should be also addressed.

Previous efforts to strengthen the Japan-U.S. alliance and balance the burden have been undertaken within the current framework of the Constitution of Japan, the Security Treaty and the Status of Forces Agreement established in 1960, more than 60 years ago. In fact, various deviations and reasonably difficult interpretations were crafted in order to avoid revising any of the controlling legal documents. The key question is: Are these documents still relevant in providing overall guidance to the type of national security alliance Japan and the U.S. needs in the future?

²⁰ Nihon Keizai Shinbun, *U.S. Administration Requesting the “Nuclear umbrella” allowance*. 30 January 2020. <https://www.nikkei.com/article/DGKKZO54992760Z20C20A1TCT000/>

²¹ Akiko Yamamoto, *Ronza*.

Changes surrounding the Alliance and their Impacts

Contextual Changes Surrounding the Alliance

One of the major changes affecting the basic construct of the Japan-U.S. alliance is a structural change in the international security system. During the Cold War the Japan-U.S. alliance faced a simpler bipolar world, east and west, communism vs. capitalism, and the common threat to Japan and the U.S. was clearly the Soviet Union. Now that 30 years have passed since the collapse of the Soviet Union in 1991, the liberal international order (LIO) has changed.²² The economic benefits and relationships are more complex and Japan and other democracies must deal with the shift in the balance of power between China and the U.S. China is now becoming the dominant world economic power as well as military giant. In 1991, U.S. GDP was 6,158 billion USD, whereas China's was only 383 (1/16). In 2018, U.S. was 20,544 billion whereas China was 13,608 (2/3).²³ During the last three decades, China has invested economic wealth in military capacity, achieving a more rapid growth rate of its military budget as a percentage of GDP. In fact, China benefited the most from the LIO, taking advantage of free trade at its terms and conditions. Having acquired sufficient power and influence, China is now trying to transform the LIO into a Chinese style system. The Trump administration clearly identified the emerging China threat in the December 2017 National Security Strategy (NSS) and changed its security strategy to compete with China.

As China's power and influence grow, China becomes more assertive in terms of its national interests and pursues China's great rejuvenation dream. Thus, the emerging China threat to the U.S. and its allies extends to a wide range of non-military areas, including economies,

²² See Funabashi, Yoichi, and Ikenberry John G., et al. *The Crisis of Liberal Internationalism: Japan and the World Order*. Brookings Institution Press, 2020.

²³https://www.google.com/publicdata/explore?ds=d5bnecppjof8f9_&met_y=ny_gdp_mktp_cd&idim=country:USA:CHN&hl=ja&dl=ja

technology, trade, laws and regulations.²⁴ China's hostile operations vary from unfair trade practices, cyber infringement of intellectual property, and competition for innovative advanced technologies. This alone is a good reason to review the alliance because it must begin with a common understanding of not only military threats but also how to recognize and counter the expanding influence of China worldwide. A robust alliance must be bolstered, above all with a common belief to fight together to defend common values and national interests.

Alliance Dilemma Associated with China's Military Challenges

Clearly China poses different types of military threats and some argue that the Japan-U.S. alliance confronts an alliance dilemma of "entanglement and abandonment."²⁵ As the Japan's NDPG states, China is "a strong concern for the security of the region and the international community, including Japan," therefore, three cases need further examination for the alliance to prepare for military operations. They are Senkaku Islands, Taiwan, and the South China Sea (SCS).

For Japan, defense of the Senkaku Islands is a vital national interest related to national sovereignty, and is the top priority mission of the SDF. Although the United States repeatedly states that the Senkaku Islands will be subject to Article 5 of the Security Treaty (in fact, a China's military invasion has been deterred so far), few experts believe that U.S. forces will intervene in armed conflicts between Japan and China that are limited to the Senkaku Islands.²⁶

In the event of China's limited aggression, Washington would be faced with the "Senkaku

²⁴ Denmark, Abraham M. *U.S. Strategy in the Asian Century: Empowering Allies and Partners*. Columbia University Press, 2020.

²⁵ Cha, Victor D. "Abandonment, Entrapment, and Neoclassical Realism in Asia: The United States, Japan, and Korea." *International Studies Quarterly*, Volume 44, Issue 2, June 2000, Pages 261-91. <https://doi.org/10.1111/0020-8833.00158>

²⁶ O'Hanlon, Michael E. *The Senkaku Paradox Risking Great Power War Over Small Stakes*. Brookings Institution Press, 2019

Paradox” in which risking a great power war over small stakes obligated by a treaty may not be in the U.S. national interest. China’s challenges to Japan’s administration on the islands are conducted in what some refer to as a “grey-zone.” The alliance should devise and implement a strategy by which China’s short of war aggression could be properly countered and, if necessary, stopped. We must also have a comprehensive strategy to deter China from escalating the situation into military conflict. Japan should take the lead in this contingency as a matter of national defense.

What about a scenario in which China invades Taiwan and the defense of Japan’s Southwestern Islands would be required? China has never renounced use of force to unify Taiwan. Xi Jinping as well as other high-ranking Chinese officials and generals have made increasingly belligerent remarks in terms of what to do about Taiwan. The Peoples Liberation Army (PLA) is enhancing military activities in air and at sea around Taiwan and applying coercive pressure to accept unification. The majority of experts recognize it as the most likely scenario in which the United States and China would go to war with full-fledged military force. The U.S. committed itself to maintaining the status quo by the domestic law of Taiwan Relation Act and the Trump Administration increased diplomatic as well as military assistance to Taiwan, but how the Biden Administration deal with the Taiwan situation remains to be seen. On the other hand, Japan which has neither diplomatic relation with Taiwan nor similar domestic law commitment faces very difficult choices. The U.S. must consult with the GOJ in accordance with the subsidiary agreement of the treaty to conduct combat operations from USFJ bases in Japan before Japan is attacked. This difficult question must be addressed through the discussion on RMC. The Biden and Suga administrations must reach a common understanding, and agreements

need to be made to deter and prepare for an attack on Taiwan that requires U.S. forces stationed in Japan.

In the South China Sea, military confrontation between PLA and U.S. navies, short of war, is a real possibility. China claims territorial sovereignty within a so called “nine dash line,” which includes almost the entire SCS and has militarized artificial islands to include reclaimed rocks. The U.S. has challenged China’s argument by conducting Freedom of Navigation Operation (FONOP) as well as joint exercises with Japan and other likeminded countries. In July last year, when the Chinese Navy conducted a joint exercise consisting of three naval theaters and including an aircraft carrier battle fleet, the U.S. Navy also dispatched two aircraft carriers with other ships, resulting in a confrontation of two navies in the narrow sea space of the SCS. Followed by this event, the PLA launched four intermediate range ballistic missiles into the SCS on 26 August 2020. According to a professor Won (retired Senior Colonel), “DF-21D and DF-26B hit the target ship which was sailing south of Paracel Islands.”²⁷ As such, the SCS has become a battleground where China uses a “Salami Slice” strategy to achieve *Fait Accompli* of its claim. This requires the U.S. and its allies to continue to carry out naval operations such as FONOPs. The alliance should agree on a burden sharing agreement to continue and maintain this mission.

In short, Japan and the U.S. should review Defense Guidelines, if not the Security Treaty, in order to adapt the alliance to these diverse security challenges posed by the emergence of China with an aggressive revanchist foreign policy.

²⁷ South China Morning Post, 14 November 2020.

<https://www.scmp.com/news/china/military/article/3109809/chinas-aircraft-carrier-killer-missiles-successfully-hit-target>

DF-21D is called as carrier killer because of its ability to target moving vessels with a range of 1,500 km, while DF-26B is called a Guam killer because its range could reach to Guam from mainland China.

Today's Disparate Landscape in Korean Peninsula from the Past

As the NDPG articulates, North Korea is “a serious and imminent threat to Japan’s safety.” Complete, verifiable and irreversible denuclearization of North Korea is a vital national interest for Japan’s survival. The UN Security Council has also adopted a series of resolutions on sanctions against North Korea for its denuclearization. Until December 2017, the United States decided to denuclearize North Korea by economic sanctions and military pressure. General Brooks, then Commander of the U.S. Forces in South Korea (USFK), testified that early evacuation of U.S. family members and citizens from Seoul was considered, but he opposed it because North Korea might misread it and be driven for preemptive attack.²⁸ The Trump administration switched to diplomacy since the 2018 Pyongchan (平昌) Winter Olympic Games and held two U.S.-North Korea summit meetings and a face-to-face meeting at the Demilitarized Zone (DMZ). However, nothing was achieved. In a speech delivered at the beginning of 2021, Kim Jong-un indicated his intention to return to brinkmanship diplomacy by hinting at the resumption of nuclear tests and intercontinental ballistic missile (ICBM) launches as well as the emergence of new strategic weapons. In fact, North Korea launched 33 short range missiles including new types in 2019 and 2020, while abstaining from launching a longer range missile which could provoke President Trump.²⁹ Although it is widely believed that North Korea cannot launch ICBMs that can target the Continent of United States, a number of missiles with possible nuclear warheads capable of targeting the entire area of Japan have already been deployed. It is

²⁸ <https://headlines.yahoo.co.jp/hl?a=20200119-00000003-asahi-int>

²⁹ In an exchange with a group of reporters at the beginning of the Japan-U.S. summit meeting held on 25 August 2019, on the occasion of the G7 summit, Prime Minister Shinzo Abe stated that “short-range missiles are also a violation of the U.N. resolution.” In response, President Trump indicated his view that short-range missiles were not a violation of the agreement.

difficult, if not impossible to compel North Korea to abandon its ballistic missiles and nuclear weapons, because that may be the only reason that keeps the current regime in power. Since the failure of the Trump administration's summit meetings, Trump lost interests in negotiation with Pyongyang. But, Kim Jong-un continues development of his nuclear arsenal which is estimated to increase to 30-40 warheads from 20-30 in 2019.³⁰ President Biden made clear that the U.S. would consider rejoining the Joint Comprehensive Plan of Action (JCPOA) to cope with the Iran nuclear challenge; however, he has not yet made clear his policy toward the more serious threat of North Korea. The U.S. and Japan must agree on the extent of the threat from North Korea and collectively have a plan for a denuclearized North Korea as well as a strategy of extended nuclear deterrence against existential North Korean threats.

In many ways it appears that the U.S. is still fighting the Korean War instead of developing a regional collective security regime to counter current and future threats. North Korea's ballistic missile development poses a major problem to the U.S. operational posture and alliance system in the region, which were constructed at the time of the Korean War. The Korean War was limited to the Korean Peninsula, and Japan functioned as a rear area without being directly involved in combat. After the cease-fire, the United States deployed the UN Forces Korea, the U.S.-ROK Combined Forces Command, and the U.S. Forces Korea in South Korea to set up a theater of operation covering only the Korean Peninsula. Command and control relations have also become a special form of direct control and reports to the president without the commander of the U.S. Indo-Pacific Command in the chain of command. If a crisis occurs on the Korean Peninsula in the future, Japan and the USFJ will certainly become the targets of North

³⁰ SIPRI. *Nuclear weapon modernization continues but the outlook for arms control is bleak: New SIPRI Yearbook out now*. 15 June 2020. <https://www.sipri.org/media/press-release/2020/nuclear-weapon-modernization-continues-outlook-arms-control-bleak-new-sipri-yearbook-out-now>

Korea's missile attacks, and the Korean Peninsula and the Japanese Archipelago must be regarded as an indivisible area of operation. However, under the present circumstances, the operational areas including Japan and those on the Korean Peninsula are separated, and U.S.-ROK combined operation plans have not been disclosed to Japan. Similarly, the work of the SDF and the U.S. Forces to formulate a joint operational plan is not disclosed to South Korea. It is unlikely that the U.S. possesses a joint operational plan among Japan, the U.S., and the ROK, and it is unlikely that the plan is being shared with the relevant commanders (USFK, USFJ, and Indo-Pacific Commanders). In fact, unlike NATO and the ROK-U.S. alliance, the Japan-U.S. alliance has not formulated a formal operation plan (crisis-response contingency plan) in which both countries secure forces to commit to bilateral joint operations.³¹ The U.S. and South Korea are currently discussing the future U.S.-ROK Alliance (increasing the budget for U.S. military stationing, returning wartime command authority, and coordinating anti-North Korean policy and strategy). Outcomes of the discussion will inevitably influence the way forward for the Japan-U.S. alliance. In light of these developments, the United States and its allies badly need to come together and review the security arrangements in East Asia, including the Korean Peninsula. Japan should take a leading role together with the U.S. in this review as the alliance must be the pillar of regional security arrangement in the future as well as today.

Implication of Emerging Technologies on the Alliance

Furthermore, as military affairs are undergoing innovative changes through IT technology, military planners need to devise multi-domain operations, including space, cyber,

³¹ Smith, Sheila. "Japan Rearmed: The Politics of Military Power". p.15

and electromagnetic waves, as well as hybrid warfare utilizing asymmetric capabilities.³² Both the United States and China view the superiority in advanced technology as a determinant of who wins the competition over national power and influence, and in particular, as a dominant factor in the future military balance of power. Russia already demonstrated effectiveness of hybrid warfare in the Ukraine War and its cyber capability in allegedly hacking of 1,800 institutions and companies in the U.S. through SolarWinds software malware last year. Moreover, China is striving to realize an operational concept centered on intelligent unmanned vehicle systems that incorporate Artificial Intelligence (AI) and 5G, surpassing the U.S. military which currently dominates network-centric operations.³³ If materialized, it will further strengthen China's A2/AD (anti-access/area denial) posture in the Western Pacific, currently deploying thousands of medium-range ground-launched missiles that the Intermediate Nuclear Force (INF) treaty banned. In addition, there are so many other innovative technologies and weapon systems including directed energy, hypervelocity, anti-satellite, electro-magnetic pulse and so forth that comprehensive synchronization in R&D, deployment and employment as well as operations involving such technologies and weapons must be developed and fielded in concert with the U.S. Forces and Self Defense Forces in order to maintain interoperability in the future battlefield. The 2015 DGL emphasized cooperation in space and cyber-space in chapter IV. Nevertheless, there has been a lack of close bilateral consultation. An example is the cancellation of Japan's Aegis Ashore program. The alliance needs to consider establishment of a standing institution to

³² For example, Hoffman, Frank G. "Conflict in the 21st Century: The Rise of Hybrid Wars". *Potomac Institute for Policy Studies*, December 2007; Callard, James and Faber, Pete Faber. "An Emerging Synthesis for a New Way of War: Combinational Warfare and Future Innovation." *Georgetown Journal of International Affairs*, Winter/Spring 2002.

³³ Kania, Elsa. *Battlefield Singularity: Artificial Intelligence, Military Revolution, and China's Future Military Power*. Center for New American Security. November 2017

improve bilateral consultation. For example, the S&TF (Science and Technology Forum) could be used.

The game changing nature of technology and its impact on national security strategy demand Japan and the U.S. expand the scope of the alliance to develop and implement competitive strategies to secure technological advantage over China. Since the announcement of the NSS in 2017, the U.S. has released a score of strategic documents involving emerging technologies such as AI and 5G, and is working to stop the unfavorable shift in military balance that increasingly favors China. The U.S. aim of the ongoing negotiations on rectifying trade injustice practices is to gain an advantage in the competition with China over advanced technologies. The outcomes will have a huge impact on the military balance and national security. In addition, the Trump Administration took measures to exclude Chinese companies from important supply chains for national security. On the other hand, China is trying to reduce the degree of dependence and vulnerabilities on foreign countries by increasing the domestic production of critical technologies such as semiconductors and by issuing a digital Yuan to escape from the control of the American dollar as the preferred worldwide currency. Japan which has various stakes with China needs to strike a fine balance between China and U.S. relationships that promotes their own national interests. On one hand, it must manage a supply chain of sensitive technologies with China from a national security perspective and on the other hand, maintain benign relationship including trade and social exchange, enabling a competitive coexistence with China. While this should be the same aim as the Biden Administration, it must be confirmed to develop the best strategy for both Japan and the U.S.

Amid the accelerating trend toward new security domains and technological competition, Japan-U.S. alliances have no time to waste to devise a robust strategy and plan with the new

Biden administration that ensures interoperability between the SDF and the U.S. forces in future cross-domain operations and hybrid warfare in context of U.S.-China competition.

Domestic Constraints and Covid-19 Impacts

Finally, we have to recognize the inconvenient facts of worsening domestic conditions. The relative national power of the U.S. and Japan has declined in many aspects, and the COVID-19 pandemic exacerbates and accelerates this trend. China is likely to surpass the U.S. in nominal GDP in as early as 2028, which was estimated in 2035 before the pandemic. In a worst-case situation, and if the U.S. fails an early recovery from the COVID-19 economic damage, China's nominal GDP including Hong Kong may reach 41.8 trillion USD in 2035, surpassing 41.6 trillion USD combined of both U.S. and Japan.³⁴ President Obama became the first American president in the post-war period to declare that “the United States is not a police officer in the world” in his speech in 2013.³⁵ Following four years of the Trump administration further undermined trust in the U.S. as a leader of the liberal international order and a security guarantor of the alliances. President Trump's political stance also has deepened the divisions among the American people, causing serious damages to American democracy. Biden inherits a divided nation and damaged relationships with its allies. His initial focus must turn inward on the COVID-19 pandemic, the economy and unifying the country. He must also mobilize allies and partners to tackle the global security problems, in particular, developing a strategy to deal with a more powerful and assertive China.

³⁴ The Japan Center for Economic Research, 10 December 2020.
<https://www.nikkei.com/article/DGXZQOGM0925A0Z01C20A2000000/>

³⁵ Matsumura, Masahiro. *Suitai suru Beikoku-haken Sisutemu (U.S. Hegemonic System in Decline)*. Ashi Shobo, 2018.

Foreign Affairs, an opinion magazine specializing in U.S. diplomacy and international politics, published a feature article on the theme of non-interventionism in the March-April 2020 issue. Of the six essays that make up the feature titled “Come Home, America?”, five authors advocated that the United States should review its role in the world and substantially reduce its external military commitments. What these scholars shared is a reflection on the policy of military supremacy pursued by the U.S. administrations in the post-Cold War era. They suggested that the U.S. should review its alliance systems around the world on a zero-basis. Japan should recognize that the U.S. diplomatic establishment in general believe the alliance needs to be reviewed, and there may be a long-term shift in U.S. policy as it pertains to alliances. As Covid-19 will likely constrain defense budgets, the U.S. will demand Japan carry more of the Asia security burden and become more of an equal alliance partner. Accordingly, the Biden administration needs to implement multilateral diplomacy in cooperation with allies and partners while coping with domestic isolationism pressure.

Japan, however, also suffers from domestic problems including an aging society, declining birth rates, a huge budget deficit, and it too must deal with the costs of the Covid-19 pandemic. Although Japan’s security environment has worsened, Japan’s defense budget remains short of 1 percent of GDP. In fact, a bloating social security budget for Medicare has kept the defense budget from substantial increases. The MOD and SDF cannot afford modernizing obsolete weapon systems and investing R&D of emerging technologies. As the Joint Statement notes “Japan resolved to enhance its capabilities to bolster national defense and further strengthen the Alliance,” Japan needs to live up to the U.S. expectation by materializing its words. Despite this budgetary constraint, there are several dubious projects of which money should have been invested in more effective ways. For example, the Futenma Relocation Project

(FRP) case faced strong opposition of the local community, had insufficient coordination among due parties of both sides of the alliance, lacked rational operational objectives, and cost too much. As explained before, the FRP was agreed upon in 1996. Since then, costs and completion dates have ballooned due to various reasons including obstruction by the Okinawa prefecture government and opposition groups. Now facing with a new problem of a “too soft seabed” to construct a reclaimed airstrip, the project, which had been set for completion in 2014 by bilateral agreement, has been pushed to 2030. The overall cost of the new runway construction has skyrocketed from a 2014 estimate of \$3.3 billion to \$8.7 billion.³⁶ As the U.S. Marine Corp changes its global force posture in accordance with the Commandant’s “*Force Design 2030*,” it is time to explore a more affordable, updated alternative that satisfies both country’s needs. The U.S. must be made aware of the frustration among Japanese people in regard to the burden of stationing USFJ. Recent media attention as well as related research articles in Japan indicate increasing risk and serious damage to the alliance in regard to stationing U.S. troops in Japan.³⁷ In addition, China may exploit such risks to drive a wedge between Japan and the U.S. as well as between GOJ and local governments.

The evolving state of the alliance coupled with the changing nature of warfare and an increasingly complex security environment as well as domestic constraints, suggests the costs, risks and unintended consequences of doing nothing is not an option. Then, what should we do and what will it cost to advance an *interdependent and equal* Alliance adaptable to a post-

³⁶ Burke, Matthew and Ichihashi, Aya. “Marine Airfield Relocation on Okinawa to Take 16 Years Longer and Cost \$5.4 billion More Than Originally Projected.” *Stars & Stripes*, 29 May 2020. <https://www.stripes.com/news/pacific/marine-airfield-relocation-onokinawa-to-take-16-years-longer-and-5-4-billion-more-than-originally-projected-1.631642>.

³⁷ For example, Yamamoto details SOFA and Agreed Minutes of Joint Committee, proposing to correct the status of USFJ. Demand for revising the SOFA is increasing due to media reports of low flying training everywhere, accidents and crimes involving USFJ, and COVID-19 infection on the USFJ bases.

Pandemic world as proposed by the Nye and Armitage Report?³⁸ I would like to contemplate on this critical question by applying Professor Takeda's calculus of the alliance.

How to Fill the Gap of The Alliance Between Today and Tomorrow

Substance and Perception of Cost Sharing for the Japan- U.S. Alliance

An alliance is an agreement among countries to determine shared cost and benefits in pursuing common values and interests. This calculus must be perceived fair and acceptable to each other for the alliance to work. Professor Takeda Yasuhiro explains the calculus of the Japan-U.S. alliance by examining the concept of defense costs and autonomy costs. The former consists of defense expenses and assignment of missions, whereas the latter looks at sovereignty constraints and expenses of stationing USFJ (i.e. HNS).³⁹ In response to the Trump administration's demand for "fair burden sharing," Japan faced the difficult challenges of whether to increase defense spending in terms of GDP (increase defense costs), or whether to increase the budget of U.S. forces stationed in Japan (increase autonomy costs). According to Takeda's calculations, the cost sharing between Japan and the United States is discussed in terms of comparing the operation and maintenance costs for the U.S. Forces in Japan borne by the U.S. as defense expenses vis-à-vis expenses of stationing USFJ borne by Japan as HNS. The average cost sharing between Japan and the United States over the past five years is 7(Japan): 3(U.S.) (excluding the military personnel costs for the USFJ), and is approximately 1:1 if personnel costs are included. As a result of the various initiatives described before, the burden sharing between Japan and the U.S. is quite fair and experts in both countries as well as former Secretary of

³⁸ "The U.S.-Japan Alliance in 2020 An Equal Alliance with a Global Agenda." A Report of the CSIS Japan Chair. December 2020.

³⁹ Takeda, Yasuhiro. *Nichibei Doumei no Kosuto: Jishu-bouei to Jiritsu no Tsuikyū (The Cost of Japan-U.S. Alliance: Pursuit of Independent Defense and Autonomy)*. Aki Shobo, 2019.

Defense James Mattis described it as an ideal model. Nevertheless, dissatisfaction remains both in the United States and Japan only because the U.S. unilaterally bears the mission assignment of defense cost, and Japan alone suffers from the sovereignty constraints of autonomy cost.

Therefore, even if Japan pays the entire cost of the stationing of USFJ (the FY2017 budget is \$4,807 million (¥588.6 billion)), it will not eliminate dissatisfaction on either side (see Table 1).

Given the various changes facing the Japan-U.S. alliance (see Paragraph 3), it will be necessary to review cost sharing by considering the credibility of U.S. extended deterrence and commitment against threats from China and North Korea as well as mission assignments in new areas of a remarkably different nature such as space and cyber domains. Japan's newly possible roles with the Peace and Security bill should also be counted. In addition, it is neither feasible nor productive to convert all of the defense cost and autonomy cost into precise monetary amounts. Rather, by focusing on assignment of missions and sovereignty constraints, which are the root causes of dissatisfaction between Japan and the U.S., it is more desirable and practical to aim for an agreement that is fair and convincing to both Japan and the United States, with the goal of increasing Japan's defense missions and improving Japan's sovereignty constraints accompanying the stationing of the USFJ.

Takeda's proposal offers a scenario in which partial roles of the Indo-Pacific Force forward deploying in Japan and of the USFJ would be transferred to the SDF to strengthen Japan's self-defense capabilities, while at the same time reducing the sovereignty constraints by reducing the footprints of U.S. forces in Japan. In this scenario, assuming Ballistic Missile Defense, sea lane defense, and island defense, the life cycle cost of required capabilities and the annual expenditure divided by the useful life are calculated, making it possible to compare them with the annual defense budget and GDP ratio. Although details shall be omitted, the total

amount of these expenditures will amount to more than ¥1,658.8 billion, equivalent to approximately 32 percent of the ¥5,191.1 billion defense budget for fiscal 2018 and approximately 0.3 percent of GDP. In addition, by taking over the facilities management of U.S. bases in Okinawa, the SDF will contribute to alleviating the sources of dissatisfaction in Japan, reducing both the defense cost of U.S. missions and autonomy cost of the restrictions on sovereignty in Japan. Takeda also advocates that it is a realistic policy to ensure more independent self-defense and autonomy within the current framework of the Japan-U.S. alliance.

Although the author generally agrees with Takeda's analysis and proposal, it may be necessary to point out some problems in order to make it a policy option for upcoming HNSA negotiation, or joint review of the alliance from broader perspectives, with the Biden administration. First, news reports suggest that U.S. demands for more burden sharing may include costs related to nuclear deterrence.⁴⁰ In addition, it is necessary to estimate various functions other than the USFJ (such as C4ISR) and deploying units from outside the region in an actual contingency. Takeda's proposal does not consider nuclear deterrence and military forces other than the U.S. Forces currently stationing in Japan. On the other hand, one military expert in the U.S. Forces, who is familiar with the situation, calculates that "in the event that the U.S. Forces in Japan withdraw, the amount necessary for the SDF to prepare its own defense forces in place of the U.S. Forces in Japan" is \$85.3 billion (approximately ¥9,383.0 billion). Therefore, "the Trump government's request for an increase in the HNS expenditure is not unreasonable."⁴¹

⁴⁰ Akita, Hiroyuki. "U.S. administration asks compensation for nuclear umbrellas?" *Nikkei Shimbun*. 30 January 2020. <https://www.nikkei.com/article/DGKKZO54992760Z20C20A1TCT000/>

⁴¹ Kitamura, Jun. "A demand for a significant increase in "compassion budgets," a reason why the United States doesn't think it is unreasonable claim." *The Asahi Shimbun Globe* +. 22 February 2020. <https://globe.asahi.com/article/13140457>

Differences in assumptions and calculation methods can lead to significant difference in cost estimates, leading to stagnation at the beginning of negotiations. And the SCC in March was a good start to discuss RMC rather than futile burden sharing in cost terms. Besides, the Takeda proposal on reducing autonomy costs estimates the joint use and facility management of U.S. bases in Okinawa by the SDF, but this must be clarified on whether the SDF would take over and replace USFJ or just manage bases and facilities. If the size of the USFJ remains the same (if the SDF does not replace the U.S. forces), the constraints of sovereignty will not be reduced, but rather the cost of HNS will increase as the SDF takes over the cost of base management. Instead, if SDF would replace USFJ, for example, Ground SDF's amphibious brigade replace III MEF, the negotiation will likely expand to review the alliance framework from a broader perspective. Finally, measures that are difficult to translate into monetary expenses but have important implications for cost sharing are not taken into account. For example, the aforementioned Japan-U.S. joint operation plan, (not research but commitment) should be pursued to resolve concerns about "entanglement/abandonment" and bilateral RMC demarcations in new domains must be addressed, too. Based on the Takeda proposal with these caveats, it will be realistic and necessary for Japan to prepare various options in advance that contribute to strengthening an independent defense capability and reduce autonomy costs without lowering the security level. In short, Prime Minister Suga and President Biden need to discuss how to adapt the asymmetric nature of the alliance to more demanding security environments and domestic constraints beyond the HNS issue. At their first meeting in face to face manner, all issues must be put on the table to revitalize the alliance.

Limit of Conventional Incremental Approach

The context of Japan-U.S. security relations has been consistently maintained to preserve the status quo while a variety of band-aids have been prescribed to adapt to changing environments in a reactive manner to the U.S. demands. A series of Nye-Armitage Reports and GOJ's efforts to realize homework proposed in the Reports show this dynamic.⁴² In this context, Professor Takeda's proposal as a response to Trump's demand can be characterized as a practical and pragmatic conventional approach to strengthening the Japan-U.S. alliance within the current Japan-U.S. Security Arrangements. That is, since the San Francisco Peace Treaty and the Japan-U.S. Security Treaty (former) were inseparable, the Pacifist Constitution which embraces the exclusively defense-oriented self-defense and prohibition of collective self-defense right should have been combined with the Japan-U.S. alliance to ensure Japan's security. As long as Japan maintains the Pacifist Constitution, dismantling of the alliance to rebuild it from the scratch is unlikely to be a policy option.⁴³ After the resignation of former Prime Minister Abe who was the strong advocate to revise the Constitution, Japanese political leaders as well as the public citizens have lost momentum to challenge this impossible issue, particularly in Covid-19 pandemic.

Notwithstanding, some convincing reasons exist to recognize the traditional incremental approach as neither appropriate nor possible options. First, GOJ's response to the current Covid-19 crisis as well as the Fukushima nuclear disaster ten years ago reveal defect of Japan's crisis governance system, including the lack of state of emergency clause in the Constitution and related laws. The Asia Pacific Initiative (API), a Tokyo-based independent global think tank, has examined the government's response to those national crises and how lessons learned from them

⁴² The first report, "The United States and Japan: Advancing Toward a Mature Partnership," was released in 2000 from INSS. The fifth was published in December 2020, titled as "The U.S.-Japan Alliance in 2020 An Equal Alliance with a Global Agenda."

⁴³ Takeda, *Nichibei Doumei no Kosuto*, p.17

have been utilized. The API reports point out the Japanese sentiment of prioritizing immediate comfort over public safety (so called “myth of absolute safety”), the problem of the nation coping with the crises under peacetime legal systems and procedures, and the lack of preparedness to assume the worst case scenario as well as the determination to exercise political leadership for such cases.⁴⁴ If Japan would avoid repeating the same failure of crisis response, it should re-examine the legal system from the viewpoint of emergency preparedness including the Constitution through simulating such scenarios as a possible Senkaku conflict and North Korea’s nuclear intimidation.

Second, national consensus has not been reached on the role of Self-Defense Forces in emergencies.⁴⁵ A public opinion poll conducted by the Cabinet Office in 2018 showed that 79.2 percent of respondents expect the SDF to serve in disaster relief operations, and only 60.9 percent expect the SDF to work for national security and defense. The result reflects the public’s high evaluation of the SDF’s work in disaster relief efforts, as the SDF is dispatched to various disaster-hit areas, creating a situation in which the organization, which should normally be deployed as a last resort, is working on the front line in peacetime. However, nobody, including the SDF, the government and the general public, has yet experienced a situation which requires the forces to serve as a last resort to defend the country. There is no guarantee that the SDF can protect the nation and its people against North Korean nuclear missiles or the massive military force of China. Moreover, unlike natural disasters or pandemics, such crises are affected by intentions and deliberate actions taken by the countries involved, and things can change for the

⁴⁴ Suzuki, Kazuto. *Japan’s lack of preparedness: Lessons from Fukushima and COVID-19*. The Japan Times, 10 March 2021. <https://www.japantimes.co.jp/opinion/2021/03/10/commentary/japan-commentary/311-preparedness/>

⁴⁵ Oue, Sadamasa. *National consensus needed on the role of Self-Defense Forces in emergencies*. The Japan Times, 30 March 2021. <https://www.japantimes.co.jp/opinion/2021/03/30/commentary/japan-commentary/japan-sdf-consensus/>

better or worse depending on their policies. In a situation in which the interests of different countries intertwine in a complex way, Japan needs to make a highly political decision in determining what kind of missions should be assigned to the SDF to protect the nation's sovereignty and its people, and how much can be sacrificed as a result. Therefore, the GOJ is faced with an urgent task of enhancing public understanding, if not consensus for SDF's role in potential armed attack situations as an independent nation state.

Third, the alliance must coordinate and prepare for potential armed conflicts with China. Following the Great East Japan Earthquake and tsunami, the SDF and the U.S. military conducted a joint operation for the first time. Operation Tomodachi, the relief effort mounted by U.S. forces in the aftermath of the disaster, worked well thanks to joint drills which had been conducted previously by the two nations. But as for the response to the nuclear meltdowns, it became clear that there are limits to the two nations' alliance, considering the differences in their national interests and in the code of conduct regarding radiation. Concerning cooperation between the SDF and the U.S. military, which became an issue regarding the nuclear disaster response, an alliance coordination group was created with the participation of the Cabinet Secretariat, the Foreign Ministry and the Defense Ministry. But it has not yet been decided how other government ministries and politicians will be involved. In cases of crises that could result in military confrontations, it is important for the whole government to tackle the issues in unison, including assessing situations based on their circumstances and assigning missions to the SDF, as well as issuing strategic messages and coping with the situations geoeconomically. It is also indispensable for the government to coordinate interests with the U.S. and come up with a shared goal toward which the joint operation should be directed. As such, preparing the alliance for the

risk of conflict over Taiwan may require unrestricted coordination that does not fit neatly into the existing framework.

Finally, Japan and the United States should reduce weak points which could be exploited by adversaries for their propaganda, psychological and legal warfare. The most vulnerable issue against such exploitation is the tension in Okinawa associated with the USFJ presence. In this context, despite the Joint Statement, FRP should not be excluded from the SCC dialogue, and more affordable and practical alternative should be jointly explored in a closed session from a much broader perspective of the Global Posture Review including return and/or joint use of U.S. bases. Considering recent narratives from Chinese diplomats, Japan and the U.S. need to strengthen their democratic systems and institutions, to better protect from disinformation and information warfare from a hostile power. Japan should be aware that article 9 of the Constitution inconsistencies with the existence of the SDF could be used as propaganda for criticizing Japan's legitimate remilitarization as a revival of "militarism." Public opinions are always effective targets of information warfare through cyber domains. Above all, containing the alliance within the current premise is the most favorable condition for the adversaries to pursue their objective. Japan and the U.S. must recognize the most vulnerable feature, an obstinate mind set adhering to the past.

Reviewing the RMC at the next SCC meeting should be regarded as a good opportunity to envisage a future Japan-U.S. alliance beyond this faulty premise. The changing environment surrounding the alliance, as discussed earlier, also makes it imperative for the new administrations to tackle these issues with an innovative approach rather than a traditional incremental approach, transforming the alliance for the 21st century. It will be useful to break from the current Security Treaty framework and the context behind it since the occupation, and

to *conceptualize an ideal Japan-U.S. security cooperation* based on the development of Japan's self-defense capability and appropriate complement of Japan-U.S. security cooperation policies. Otherwise, the alliance may not be ready if tested in a real contingency, such as the Taiwan crisis or it will have trouble dealing with a fatal accident/crime caused by the USFJ. Having all this in mind, and in light of today's security environment as well as domestic constraints, Japan and the U.S. should address the following critical issues to prepare the alliance before such contingencies take place.

Issues to Be Addressed for the Future Alliance

Reconfirming the Indispensability of the Alliance and Aligning the Agenda Priority

Prior to the 60th anniversary of the current Treaty last year, the two Governments announced a joint statement:

Rooted in our unwavering commitment to values such as democracy, respect for human rights, and a rules-based international order, our Alliance has played and will continue to play an integral role in ensuring the peace and security of our two countries, while realizing our shared vision of a free and open Indo-Pacific including regional security cooperation. Our Alliance is stronger, broader, and more essential today than ever.⁴⁶

The spirit expressed in this statement must be surely inherited by the Suga and Biden administrations as manifested in the Joint Statement of the SCC. Having acknowledged the indispensability of the alliance, however, the both governments need to develop a list of agenda priorities based on shared values and goals. As the alliance faces numerous issues and challenges relating to common values and principles that are often mutually exclusive to possible solutions, it is important not only to share them but also to prioritize them. This is particularly true because

⁴⁶ The US Embassy and Consulates in Japan, Joint Statement on 60th Anniversary of the Signing of the U.S.-Japan Treaty of Mutual Cooperation and Security, <https://jp.usembassy.gov/joint-statement-60th-anniversary-us-japan/>

both countries would compete against China under severe constraint of resources. Moreover, this list of agenda priorities will provide a baseline to review the alliance RMC.

Defense Cost Sharing in Possible Warfighting Operations

Most importantly, Japan and the U.S. need to collaborate to enhance bilateral operational capability to deter and defeat China's aggression against the Senkaku islands, Taiwan and the SCS. As is the case with the shifting balance of nominal GDP, the military balance is changing and now leaning toward China's advantage. Over the past decade, in U.S. war games against China, the United States has lost almost every single time.⁴⁷ Although details of war games are not publicized, every scenario against China must involve USFJ, hence Japan. SDF and U.S. Forces conduct bilateral planning and combined exercises in accordance with the current 2015 Defense Guideline as well as today's RMC demarcation, which would not meet the future requirement. The U.S. should involve Japan in these war games so that the most effective collaboration in possible warfighting can be pursued and shared by each other, clarifying appropriate RMCs in each contingency. Then lessons learned can be examined, and bilateral contingency/operational plans (PLANs) should be developed and authorized by the highest political leader of both countries. Undertaking war against China requires political decision at the highest level as well as popular support. Tokyo and Washington should educate respective audiences both domestic and foreign including Beijing regarding robustness and fairness of the alliance based on shared PLANs and RMCs.⁴⁸ Needless to say, the same collaboration for war gaming and development of PLANs and RMCs should be done regarding North Korea threats

⁴⁷ Brose, Christian. *The Kill Chain, Defending America in the Future of High-Tech Warfare*. Hachette Books, April 2020

⁴⁸ See, Hornung, Jeffrey W. The United States And Japan Should Prepare For War With China. *War on the Rocks*, 5 February 2021 <https://warontherocks.com/2021/02/the-united-states-and-japan-should-prepare-for-war/>

and new domain scenarios including cyber and space. In particular, SDF's offensive capability to neutralize ballistic missile threats at the left-of-launch phase must be addressed in light of the Integrated/Comprehensive Air and Missile Defense architecture, also taking into consideration the impact of the cancellation of Aegis Ashore project last year.

Simultaneously, each side needs to do its homework to accommodate and enable bilateral PLANS and agreed RMCs. For Japan, it may require a new interpretation of the Constitution, or change of conditions to exercise the right of collective self-defense, hopefully resulting in the revision of the Constitution. Accordingly, the budget should be increased and used to materialize agreed RMCs of SDF as well as envisioned force postures. Takeda's analysis provides a hint of the projected increase of Japan's defense budget to 1.3 percent of GDP. In addition, the SDF should establish a permanent Joint Force Commander and Headquarters equivalent counterpart to the Indo-Pacific Commander and Headquarters, enabling closer coordination in implementing bilateral operations. The joint HA/DR operation in the East Japan Great Earthquake, Operation Tomodachi, left useful lessons, suggesting the SDF and U.S. Forces need to establish a Combined Joint Task Force designed for each PLANS, conducting bilateral/multilateral exercises to demonstrate their operational capability for deterrence purposes. Finally, Japan should start consultation with Taiwan in an unprovocative manner regarding information sharing and contingency planning, which has been taboo with prior China relations.

For the U.S. part, Command and Control (C2) relation in the Indo-Pacific Theater and Korean Peninsula must be reviewed and redesigned to fit today's operational environment which would be more competitive and would require more robust and redundant systems to defeat the access denial systems coming from diverse threats including longer range missiles with precision and various unmanned systems. In particular, any contingency on the Korean Peninsula cannot

be contained and dealt with in the Area of Responsibility of U.S. Force Korea. The U.S. (Indo-Pacific Command, USFJ and USFK), Japan (SDF) and Republic of Korea (ROKAF) must have clear C2 relation as well as associated communication networks, if they are to conduct effectively practical combined operation vis-à-vis North Korea. We must develop C2 relationship that can rapidly act and view Asia as an integrated strategic space. If we do, we should find new strategies for maintaining stability and understanding in determining the scope of China's bid for regional hegemony.⁴⁹ The U.S. in collaboration with Japan and other partners in the region, should devise a more effective, responsive and sustainable strategy to grapple with China's challenges in the gray zone as well.

Autonomy Cost Sharing to Enhance Deterrence Posture

For the autonomous cost, the U.S.-Japan alliance is determined by looking at the alliance without U.S. forces in Japan but still allowing access in contingencies. This was once proposed by former Prime Minister Hatoyama.⁵⁰ Should the United States return all facilities and areas provided to the USFJ except access rights, it would remove most of the sovereignty constraints. At the same time, Japan would lose absolute assurance of a U.S. defense commitment, a so called "trip wire presence". Practically, defense establishment and military strategists in both countries will adamantly oppose such a disruptive proposal to the current strategy. U.S. Navy and Marine as well as Air Force alike will reject this concept right away to preserve their vested interests. Notwithstanding, it is worthwhile to evaluate the USFJ presence not only to reduce autonomous cost borne by the local community but also to transform present U.S. forward deployment into a more resilient posture against China's A2/AD strategy. For example, as

⁴⁹ Auslin, Michael R. *Asia's New Geopolitics: Essays on Reshaping the Indo-Pacific*. Hoover Institution Press. 2020

⁵⁰ Nihon Keizai Shinbun, https://www.nikkei.com/article/DGXNASGM26038_W0A420C1000000. 26 April 2010.

previously discussed, Futenma Air Station and Camp Schwab as well as other related facilities should be assessed in accordance with the U.S. Marine's future posture of *Force Design 2030*, and ongoing GPR. Ogawa Kazuhisa who is deeply involved with the FRP negotiation process made a proposal of a more viable, cost effective alternative.⁵¹ Similarly, the USAF adopted a Dynamic Force Employment concept while the U.S. Navy pursues Expeditionary Advanced Base Operations. Both envision future force deployment more dispersed and mobile to enhance resiliency against precision guided missiles with longer ranges. All services are transforming the large, expensive and vulnerable platforms such as aircraft carriers into relatively inexpensive and asymmetric capabilities that Beijing has long employed. This means investing in long-range conventional cruise and ballistic missiles, unmanned carrier-based strike aircraft and underwater vehicles, guided-missile submarines, and high-speed strike weapons.⁵² These developments would complicate Chinese calculations and force Beijing to reevaluate whether risky provocations would succeed. USFJ should be redesigned to accommodate these concepts and changes of weapon systems.

For this purpose, I will recommend establishing a group of experts from both countries similar to the BRAC (Base Realignment and Closure) initiatives.⁵³ The group will be mandated to classify missions and functions of individual U.S. forces in Japan into those that need to be stationed in Japan for the purpose of implementing shared missions of the alliance, and those that should secure the foundation for emergency deployment in the event of a contingency, and those that can be withdrawn. Since many units have multiple missions and are capable of dealing with

⁵¹ Ogawa, Kazuhisa. *Futenma Senki; Kichi Henkan ga Meisou sitsudokeru Hontou no Riyu (Futenma War History; True reason why the retuning base strays)*. Bungei Syunju. 20 March 2020.

⁵² Campbell, Kurt M. and Doshi, Rush. How America Can Shore Up Asian Order, A Strategy for Restoring Balance and Legitimacy. *Foreign Affairs*. 12 January 2021.

<https://www.foreignaffairs.com/articles/united-states/2021-01-12/how-america-can-shore-asian-order>

⁵³ Smith, Sheila. Chapter 12 Japan-U.S. Alliance. Funabashi, Yoichi et al. *Kensyo: Nihon no Ushinawareta 20 Nen (Verification: Japan's lost 20 years)*. Toyo Keizai Shinpou Sha, June 2015

diverse contingencies and their future force postures need to be taken into account, its conclusion must be adopted collectively in order to avoid turf battle. Although this task requires professional analysis beyond this paper, it may be appropriate to discuss how it works. For example, the U.S. Navy's 7th Fleet carries out a variety of operations, including sea lane patrol, BMD for Japan and the U.S., FONOPs in the South China Sea, and humanitarian assistance and disaster relief, thus playing a major role in the execution of the Japan-U.S. alliance's missions. In order to fulfill this role, the 7th Fleet needs to deploy forward at Yokosuka. Ownership and management of the U.S. Navy Yokosuka Base can be transferred to the Maritime Self-Defense Force, whereas the necessary facilities and functions will be continuously provided to the 7th Fleet. Expenses for maintenance and management of these facilities shall be shared between Japan and the U.S. in accordance with the role of the 7th Fleet. Accordingly, fairness will be satisfied in the burden of stationing expenses. Similarly, the U.S. Fifth Air Force bases at Yokota, Misawa, and Kadena may be under the ownership and control of the Air Self-Defense Force, and they will be maintained as an emergency deployment base or used jointly with the U.S. except for some units. With regard to the Marine Corps stationed in Okinawa, although there remains much room for discussion, some units of the Marine Corps can be basically replaced with the GSDF such as surface-to-ship missile units, and amphibious forces to defend Japan. These are not proposal but just examples used for understanding and building a path toward constructive dialogue. The point is the necessity to shed light on today's USFJ posture from each perspective of Japan and the U.S. to agree on its future design. Although Washington should maintain its forward presence, it also needs to work with other states to disperse U.S. forces across Southeast Asia and the Indian Ocean. This would reduce American reliance on a small number of vulnerable

facilities in East Asia.⁵⁴ Japan is a rational ally to start consulting with this future oriented regional alliance system, because “putting all our eggs in one basket” is not an option in a contested environment. Political leaders in both countries should overcome a “occupied/occupying” mentality, establishing equal and interdependent alliances in terms of both defense costs and autonomy cost through this collaborative posture review initiative.

Another critical issue relating to sovereignty constraint is derived from SOFA and other relating documents. Dr. Yamamoto Akiko points out three problems regarding the SOFA.⁵⁵ First, the unfavorable contents of the SOFA which has never been amended since it was signed in 1960, including the civil indemnity article that would not guarantee sufferer’s remedy caused by USFJ’s crimes and accidents as well as environmental pollutions. The second problem is caused by the absence of such clauses as to regulate flight training at low altitude and noise control, generating anxiety and stress in affected community. Last is the gap between the articulated sentences of SOFA and implementation in reality. As previously explained, the compassion budget is a typical example of this problem. Also, accidents outside USFJ bases cannot be investigated by Japanese authority due to the Agreed Minutes as manifested in the helicopter accident in 2004, which contradicts the SOFA. All of these problems have been handled unenthusiastically by the GOJ which may be afraid of negative influence to the alliance. However, Japanese public anger against accidents and crimes of the USFJ such as murder of Okinawa woman in 2016 and dropping of a MH-53 helicopter part on the roof of a kindergarten in December 2017 should not be dismissed by the GOJ or the U.S. Government. Both should sincerely consider due demands of Japanese residence so that sovereignty cost of the USFJ presence would be ameliorated. The alliance must be bolstered by a mutually agreeable

⁵⁴ Campbell, Kurt M. and Doshi, Rush. *Ibid.*

⁵⁵ Asahi Shinbun Digital. <https://webronza.asahi.com/politics/articles/2020031400004.html>. 14 March 2020.

framework among governments and local communities, if it will survive and function in more severe circumstances in the future. It is not too early to review historical liabilities and redesign more appropriate relationship with the USFJ. While this task should be initiated by the GOJ, the U.S. Government would be expected to cooperate.

Ensuring Interoperability in the Future Battlefield

All services of the U.S. Armed Force are rapidly transforming into digital forces, which involves weapon systems applying innovative technologies, doctrines to employ these weapon systems, organizations adaptable to digital requirements, training system, manpower recruit and management, logistic support, and leadership. Above all, each service conducts various experiments to construct Joint All Domain Command and Control (JADC2) system, which will connects all sensors, decision-makers, and shooters from space to cyberspace to air, sea and land domains. If SDFs would conduct joint/combined operations with U.S. counterparts, they could be connected through a JADC2 network. In order for the SDFs to catch up with the rapid transformation of the U.S. Forces, SDFs should participate in these experiments as well as R&D initiatives so as to expedite SDF's own transformation and ensure interoperability with U.S. Forces in the future battlefield.

Moreover, conventional theories of exercising the right of self-defense, offense/defense tactics, and concept of sovereignty inter alia, may not be applied to space and cyberspace domain operations. For instance, does an attack on a dual use satellite launched by American company constitute armed attack to which a self-defense act would be legitimate? Would deterrence of cyber-attack effectively work, or preemptive cyber-attack be induced because of the advantage of the offensive side? Japan's NDPG 2018 articulates SDF will possess offensive capabilities to

secure superiority in space, cyberspace and electromagnetic domains. Statement of the SCC on April 14, 2019 indicates that on certain conditions, with respect to applying article 5 of the Security Treaty, a cyber-attack may constitute an armed attack, implying U.S. Force may use forces for the defense of Japan. Japan and the U.S. need to clarify the RMC demarcation in these new operational domains. In addition, as discussed earlier, Japan's offensive capability to incapacitate North Korean missiles at the left-of-launch phase should be agreed upon with the U.S. through envisioning a future Integrated Air and Missile Defense construct. Through this collaboration, traditional "spear and shield" role sharing should also be transformed into more practical, equal defense role sharing to conduct bilateral operation in the future battlefield.

Innovative Approach Required to Address These Issues

Addressing the above issues will certainly require drastic measures, such as amendments to the Constitution and treaties, and may face outright rejections as an infeasible as well as risky option. It must be also necessary to consider the difficulty of transitioning without lowering the U.S. deterrence in the face of threats posed by China and North Korea. Nevertheless, in order to squarely face and rectify the alliance that the U.S. President professed to be unfair, the starting point should be, at least in principle, to conceive the future of the Japan-U.S. alliance by considering sea changes in the security environment and domestic constraints of the two countries. In other words, innovative approach must be pursued in lieu of stalemating incremental approaches in the past. Such a transition to an updated Japan-U.S. alliance and the required rebalancing of defense costs and autonomous costs requires a major decision on both sides.

With regard to the exercise of the right of collective self-defense, the GOJ may need to be able to fully exercise the right beyond the current interpretation of the Constitution, and it will be necessary to amend Article 9 of the Constitution. Furthermore, given the severe financial situation of both nation's deficits further exacerbated by COVID-19, GOJ has to seek financial resources to increase the defense budget to build SDF and enable it to carry out its increased mission assignment. On the other hand, the U.S. side needs to grapple with strong resistance from the U.S. military to build a more robust future USFJ posture, returning or jointly using U.S. bases in Japan. The current unilateral increase in the cost of stationing U.S. forces in addition to defense costs is an unacceptable requirement for the Japanese, and there is a strong fear that the political left wing opposing the stationing of U.S. forces, as well as the political right wing aiming for independent self-defense, will come together and strengthen anti-U.S. feelings. Therefore, if Japan and the U.S. calls for the elimination of unfairness in the alliance, it is necessary to rebalance both defense costs and autonomous costs as a package.

While the new Biden administration has made clear its direction of the alliance enhancement, the domestic demand to reduce the excessive U.S. burden and commitments on allies will remain unchanged. Even more importantly, not making these structural changes will not allow our nation to leverage the technological and conceptual changes affecting national security in the future. In the face of a rapidly deteriorating security environment, we must have our own policy options that will make up the foundation of the new and improved alliance.

Conclusion

Timing is everything. Although President Trump insisted that the Japan-U.S. Security arrangement is unfair, his demand to reconsider the asymmetry of the Japan-U.S. Alliance in

light of the environment facing the alliance is justified. Japan and the United States should prepare for the future and not the past. They must envisage the world where shared common values prevail, review national interests and defense burden sharing, and agree on the most effective demarcation of the RMC to preserve the security and safety of both. The Japan-U.S. alliance is a means and not an objective. In order for the Japan-U.S. alliance to remain the best choice for Japan and the U.S. in the foreseeable future, efforts and cooperation between Japan and the U.S. are required to change today's alliance into the one suitable for tomorrow.

In the midst of COVID-19 pandemic, Prime Minister Suga met President Biden for the first foreign-leader guest of his presidency, having issued historical joint statement, “U.S.-Japan Global Partnership for A New Era” on 16 April 2021. Both expressed their commitment to further strengthening the Japan-U.S. alliance, and fully endorsed the March 2021 Joint Statement of the SCC, to which this paper frequently referred. The Joint Statement concludes with the phrase, “[a]bove all, we renew our investment in the very idea of steadfast alliances—knowing that our partnership will make security and prosperity possible for both our peoples for decades to come.” While today's alliance becomes more important for security and prosperity for both Japan and the U.S. in the future, it is framed by the past documents, customs and ways of thinking, making the alliance less flexible and resilient to prepare for future risks. It is the right time for both administrations to renew and build a strong alliance capable of handling the opportunities and challenges of the future.

TABLES

Table 1: Asymmetry of the Alliance Cost Sharing

	Defense Cost		Autonomy Cost	
	Defense Budget	Mission Assignment	HNS Payment	Sovereignty Constraint
Japan	Less than 1% of GDP ×	Self Defense Only Very limited role to defend U.S. Force ×	75% of USFJ stationing cost ○	Heavy local burden Agreed Minutes ○
U.S.	3.2% of GDP ○	Unilateral Commitment to Defend Japan ○	None Cost of personnel and O&M only ×	None Privileged Status of USFJ ×

Reference:

- × indicates insufficient to cost sharing.
- indicates sufficient or excessive to cost sharing.

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