

## **U.S.-Japan Relations: Vindication!**

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The alliance optimists should be permitted to gloat. This quarter vindicated their faith in the government of Prime Minister Koizumi Junichiro. Tokyo continued its support for the U.S.-led war against terrorism and even upped the ante by agreeing to send an Aegis-equipped destroyer to the Indian Ocean after a year of sometimes heated debate on the feasibility and legality of such a move. When news of North Korea's clandestine nuclear weapons development program broke, concern about a possible split between Washington and Tokyo on dealing with Pyongyang proved unfounded. The U.S. and Japan have worked closely to fashion a solution to the crisis. There has been little daylight between the two governments' positions.

Recent comments about Japanese participation in the missile defense (MD) program also comfort the alliance hawks, but the reaction they prompted reveals that over-reaching is a danger in Japan. Despite the progress of the last quarter, consensus on security issues is still elusive. A similar caution is necessary on the economic front. Japan's economy has slid again into recession and that will constrain Tokyo's efforts to share additional international economic burdens.

### **Aegis Ahoy!**

As expected, on Nov. 19, the Japanese Cabinet decided to once again extend the deadline for logistical support for the UN war against terrorism. In a significant step forward, the Japanese government decided on Dec. 4 to dispatch one of its Aegis-equipped vessels to the Indian Ocean as part of that effort. The Aegis deployment has been surrounded by controversy since it was first mooted over a year ago. Immediately after the Sept. 11, 2001 terrorist attacks, the U.S. was reported to have nudged Japan to send the high-tech destroyer; it was later alleged that Maritime Self-Defense Force officials had asked the U.S. to ask Japan to send the ship (see "All is Good, If You Don't Look too Close," *Comparative Connections*, Vol. 4, No. 2, July 2002). At one point, Tokyo seemed ready to dispatch the vessel, but clamor within the Diet, and from members of the ruling coalition in particular, forced a retreat.

While critics argued that deployment was merely an attempt to push the envelope on Japanese military activities, using an Aegis makes sense. The ship's radars are the best available, allowing for maximum protection of coalition vessels. Japanese deployment would also allow the U.S. to send one of its own Aegis-equipped destroyers elsewhere – like the Middle East in preparation for a war against Iraq. Early Japanese press reports played up the superior air conditioning of the Aegis-destroyers, implying that sailor comfort was behind the decision – an indication of just how far Japan has yet to go when thinking about national security matters. According to the official press release announcing dispatch of the *Kirishima*, “The government of Japan decided to send the Aegis-equipped vessel to utilize the ship's radar and information-processing capabilities to enhance safety during at-sea refueling activities, and to ensure the flexibility of replacement rotation by increasing the number of potential command ships for the vessels dispatched to the Indian Ocean.” The move has been greatly appreciated and warmly applauded by Washington.

If the decision makes so much sense, why the fuss? The problem is that protection afforded by the Aegis radar, which can track 200 enemy aircraft and missiles simultaneously and shoot down 10 targets at the same time, would appear to constitute “collective self defense,” which has been prohibited by the prevailing interpretation of Article 9 of the Japanese Constitution. It may sound silly, but by this logic, protecting Japanese ships and assets is OK; extending that protection to other nations' ships is not. The problem is exacerbated by the need for real-time integration of the electronics of the Aegis and the other ships it is protecting. That is especially worrisome to those who are concerned that it will completely erode the prohibition against collective self-defense and render Article 9 an empty shell. Realistic or not, the constitutional questions shrouding the issue are important ones, and have not been addressed by the government decision.

### **Shoulder to Shoulder as They Go Nose to Nose**

Japan's response to news of North Korean clandestine nuclear weapons program has been equally heartening to supporters of the alliance. Students of history expected Japan to put considerable distance between itself and the U.S. in dealing with North Korea, especially given the Bush administration's hardline approach to Pyongyang. Using the past as a guide, Tokyo should have served up equal amounts of rhetorical support for U.S. policy and hand-wringing about its possible impact as the situation developed.

Instead, Tokyo and Washington have marched pretty much in lockstep since the U.S. revealed in mid-October that North Korea had confessed to cheating on the 1994 Agreed Framework. While condemning the North Korean move, both governments have stressed the need for a diplomatic solution to the crisis, and have attempted to coordinate their diplomacy at every opportunity, both bilaterally and trilaterally within the Trilateral Coordination and Oversight Group (TCOG) process that includes South Korea.

While such coordination would seem normal – the two countries are allies – it is important to remember that the alliance almost ruptured during the first Korean Peninsula nuclear crisis nearly a decade ago. Then, the prospect of Japan refusing to help pressure

North Korea to give up its nuclear weapons development program looked like the final straw for an alliance still reeling from the Gulf War debacle. This time, the two governments have shown no signs of disagreement and have spoken with almost one voice. They have demanded that Pyongyang honor its international obligations and dismantle its nuclear weapons development program, and have stressed the need for close consultations among the TCOG governments.

This agreement should put to rest suspicions that Washington and Tokyo were divided about dealing with North Korea in the wake of Prime Minister Koizumi's historic visit to Pyongyang in September. Although both governments denied reports of a split, pundits persisted in raising the specter of a gap. At this point, the Koizumi gambit appears to have been derailed, but the resumption of a Tokyo-Pyongyang discussion has served the U.S.-Japan alliance since it gives Tokyo a way to raise security concerns with North Korea. While Pyongyang is determined to deflect that pressure, arguing that security issues are a bilateral – U.S.-North Korea – concern, it still allows Japan to fulfill some of its obligations as a partner to the U.S.

### **2+2 =1?**

An important sign of the revitalized alliance was the resumption of the U.S.-Japan Security Consultative Committee (SCC), which met in Washington on Dec. 16, 2002. The SCC is known as the “2 + 2 talks” since it includes the two countries' foreign and defense ministers, although Under Secretary of Defense Paul Wolfowitz substituted for his boss Donald Rumsfeld because the secretary had a cold. The SCC hadn't convened for two years, so the December meeting was viewed as another sign of the two nations' commitment to enhanced security cooperation.

The statement released at the end of the meeting addressed all the key issues – North Korea, missile defense, the war on terrorism, and U.S. forces in Japan – with nary a hint of discord. When questioned about possible differences in approach to the North Korean situation, Japanese Foreign Minister Kawaguchi Yoriko was explicit: “Between our two governments there is no difference, no fundamental difference of position – absolutely none in that respect.” Secretary of State Colin Powell echoed her, saying “our positions are identical.”

### **Forward Looking on Missile Defense**

The following day, Dec. 17, during a meeting with U.S. Secretary of Defense Rumsfeld, Defense Agency Director General Ishiba Shigeru said that Japan “wanted to study the [joint missile defense] program with a future move to the development/deployment in mind.” His statement sparked a tempest in Japan, where it was interpreted as step forward from the December 1998 statement by the Japanese chief Cabinet secretary, which has been the benchmark for Japanese policy. At that time, he said “the government will make a separate decision on the development and deployment stages after looking into such factors as the program's technical feasibility and Japan's future options.” MD is sensitive for two reasons: first, there are fears that it will trigger an arms race, and second, as in the

Aegis deployment, it requires the integration of U.S. and Japanese militaries and hence raises again the question of “collective self defense.”

Reportedly, Prime Minister Koizumi and Chief Cabinet Secretary Fukuda Yasuo feared that Ishiba’s comment would be considered a pledge by Tokyo. In response, the prime minister stressed the next day that he did not know Ishiba would make such a comment, and added that the decision required additional research.

### **Godzilla in Pinstripes?**

While we’re looking ahead, let’s not forget spring training. This year, Matsui Hideki will don the pinstripes and play outfield for the New York Yankees. Matsui, known as “Godzilla” in Japan, played for the Yomiuri Giants, where he had a .304 career average with 332 homers and 889 RBIs in 1,268 games. He won the RBI and home run titles three times each (1998, 2000, and 2002), the batting title once (2001) and Central League (CL) MVP twice (1996, 2000). Last year, Matsui led the CL with 50 homers and 107 RBIs and batted .334, the second highest average in the league. Let’s hope he performs better than the Yankee’s last Japanese acquisition, pitcher Irabu Hideki.

### **The Jenkins problem**

No assessment of the bilateral relationship could ever be unblemished. Fortunately, today’s concerns are all potential problems; there are no looming difficulties. Take the case of Charles Robert Jenkins, the husband of Soga Hitomi, one of the 13 Japanese who was kidnapped by North Korean agents, and who was allowed to return to Japan to visit her family. Soga, along with the other four Japanese survivors, has declared that she does not want to go back to North Korea and wants Pyongyang to allow her family to join her in Japan. The problem is that Jenkins is a U.S. Army deserter, who left his South Korean post in 1965. If he leaves North Korea he would be subject to court martial. President Bush has to pardon Jenkins, and there is no indication that the U.S. is ready to make that move, despite Japanese requests that he do so. If the North were to show some flexibility and allow the families to be reunited in Japan, the U.S. would look like the villain. Fortunately, North Korea is being obstinate and Washington has avoided the spotlight.

### **The Economy, as Always**

Japan’s economy continues to falter. The lost decade is now stretching into two, with no recovery in sight. The indicators are grim. Figures released at the end of the year show household spending fell 3.4 percent in November from a year ago; adjusting for deflation, the drop is actually 4.2 percent. Retail sales fell for the 20<sup>th</sup> consecutive month, industrial production fell for the third straight month, and even exports, the only remaining bright spot on the economic horizon, are tapering off as the U.S. economy slows. Unemployment fell in November, from 5.5 percent to 5.3 percent, but economists attribute the drop to a decline in the number of people seeking jobs, not any pick up in the economy. As 2003 began, the outlook is grim. Most forecasts are either negative or project less than 0.5 percent growth.

Faced with this dour outlook, policymakers are once again relying on exports and yen depreciation to boost the economy. In early December, Finance Minister Shiokawa Masajuro said that he thought an exchange rate of 150-160 yen to the U.S. dollar sounded right, a depreciation of about 20 percent. While he was subsequently forced to disavow that remark, two other Cabinet ministers later echoed that sentiment by noting that deflation in Japan would press the currency's value downward.

While the Bush administration continues to avoid any direct attempt to influence Japanese economic policy – believing such efforts will have no effect – that doesn't mean that Washington is not concerned. Relying on exports allows Japan to sidestep real reform, and while this administration isn't willing to push Tokyo on the economic front, decision makers believe structural change is needed. Moreover, Japanese devaluation could set off a chain reaction of competitive devaluations among other regional economies. Worse still is the chance that Japan's single-mindedness could push other Asian economies back into a hole after their heroic recoveries from the Asian financial crisis of 1997. In sum, Japan's continuing attempts to avoid hard choices will have implications for other economies. At some point, the failure to reform will become too much for Washington to ignore.

### **Background Anti-Americanism**

A confrontation over economic issues will not be pretty. One possible future is foreshadowed in the commentary that blames the U.S. for Japan's economic woes. This is admittedly a minority view, but even in the mainstream press, some analysts and politicians have fingered the U.S. A recent *Yomiuri Shimbun* article argues that Japan's problems stem from the 1985 Plaza accord, which was engineered by Washington to help the then struggling U.S. economy. Other comments are even more incendiary, asserting that the U.S. has foisted reform upon Japan to allow U.S. firms – “vultures” – to buy Japan on the cheap. (Crazy though some of these arguments are, Americans should take no comfort in their illogic; we were pretty good at blaming the Japanese for our difficulties a few decades ago.)

The economic strand of anti-Americanism is a thin one, but the danger is that it can combine with other, more traditional, strands to create a thick braid. Concerns about U.S. policy and international leadership seem to have abated in recent months; during a recent trip to Japan, no one seemed real excited about U.S. unilateralism. That could be because U.S. and Japanese policies are fairly well coordinated. If interests diverge – and a war with Iraq could be the trigger – then old concerns could re-emerge.

The U.S. military presence is another potential time bomb, and this quarter offered another reminder of how troublesome it can be. On Nov. 2, U.S. Marine Maj. Michael Brown allegedly raped a woman in Okinawa. The Okinawa police issued a warrant for Brown a month later, but the U.S. initially refused to hand him over. He was taken into custody two weeks after that, when a formal indictment was issued, as is required by the Status of Forces Agreement (SOFA).

The rape case reopened discussions over the SOFA. Okinawa Gov. Keiichi Inamine was “strongly indignant” at the decision not to hand over Brown, prompting him to call for revisions in the SOFA, rather than “improvement” in its implementation, which has been the mantra of U.S. and Japanese officials – and deflects calls for renegotiation. The subject came up at the SCC meeting and Secretary Powell reiterated the pledge that “American forces would be good neighbors, good guests in Japan, and especially in Okinawa.”

### **Ending the *Ehime Maru* Tragedy**

This quarter also witnessed, hopefully, the last chapter in the *Ehime Maru* tragedy. The *Ehime Maru* was the Japanese fisheries training vessel that sunk on Feb. 9, 2001, after colliding with a U.S. nuclear submarine off the coast of Hawaii, killing nine of the students and instructors that were onboard. In November, the U.S. Navy reached agreement on a \$13.9 million settlement with 33 of the 35 families on the ship. Negotiations are continuing with families of the other two victims.

Just as important, Scott Waddle, the captain of the *Greeneville*, who was honorably discharged after receiving a letter of reprimand from a navy court of inquiry, visited Japan in December. There, he went to the memorial to the victims at their high school and met with four of the student survivors and their families. Reaction was mixed. Some were angry that Waddle had waited 22 months after the accident to convey his apologies in person (he had already apologized through the press). Others expressed relief and a willingness to move on.

The U.S.’s handling of the *Ehime Maru* tragedy was exemplary. There were a few difficulties, but that is only natural when dealing with an accident of this magnitude. The two governments’ ability to work together and ensure that this horrible incident did not cripple the bilateral relationship is proof that the alliance has deep roots and, when properly tended, can withstand incredible strain. The events of this quarter have provided more evidence of the strength of the ties that underlie the U.S.-Japan relationship.

### **Chronology of U.S.-Japan Relations<sup>\*</sup>** **October-December 2002**

**Oct. 1, 2002:** *Bungeishunju* magazine features a 100-page issue on anti-Americanism titled “Disbelief in America.” Contributors include Tokyo Gov. Ishihara Shintaro.

**Oct. 3, 2002:** *Nihon Keizei Shimbun* reports Prime Minister Koizumi Junichiro’s Cabinet has a 61 percent approval rating after the Sept. 31 reshuffle, while Koizumi’s disapproval rate dropped to 20 percent.

**Oct. 6, 2002:** U.S. Assistant Secretary of State for East Asian and Pacific Affairs James Kelly visits Japan on his return from North Korea. Kelly meets Foreign Minister Kawaguchi Yoriko and Cabinet Secretary Fukuda Yasuo.

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\* Chronology compiled by Vasey Fellow Nakagawa Yumiko.

**Oct. 6-12, 2002:** Tokyo Gov. Ishihara visits U.S. to discuss Yokota Air Base issues including possible commercial use and the return of the base.

**Oct. 19, 2002:** Kyodo News reports that U.S. Navy and families of *Ehime Maru* victims agree to \$13 million compensation.

**Oct. 21, 2002:** U.S. Deputy Secretary of State Richard Armitage requests extension of Japanese Self-Defense Forces' logistical support to U.S. war on Afghanistan in talks with Japanese Senior Vice Foreign Minister Motegi Toshimitsu in Washington.

**Oct. 21, 2002:** Defense Agency chief Ishiba Shigeru says that he supports use of Aegis-equipped Maritime Self Defense Forces ships in the antiterror effort and a shift from "joint research" to "development" of missile defense during talks with Assistant Secretary Kelly.

**Oct. 26, 2002:** At APEC Leaders' Meeting in Los Cabos, Mexico, President Bush, PM Koizumi, and ROK President Kim Dae-jung meet and issue a joint statement on North Korea policy.

**Oct. 29, 2002:** *Yomiuri* reports that Koizumi Cabinet support rate remains high at 65.9 percent and the disapproval rate is 23.9 percent.

**Oct. 29-31, 2002:** North Korea-Japan normalization talks resume in Kuala Lumpur.

**Oct. 29, 2002:** *Nihon Keizai* reports that about 200 people living near Futenma marine air station in Okinawa filed suit to stop night flights by helicopters, and demand ¥300 million in compensation.

**Oct. 30, 2002:** U.S. State Department spokesman Richard Boucher notes Japan's efforts to bring nuclear issues into normalization talks with North Korea.

**Oct. 31, 2002:** U.S. Army shows reluctance to accede to Japan's request to pardon Sgt. Charles Jenkins, husband of abductee Soga Hitomi, who deserted from the U.S. Army in 1965.

**Nov. 1, 2002:** Japan's top baseball player Matsui Hideki announces that he will join the U.S. major leagues as a free agent.

**Nov. 2, 3, 2002:** U.S. Under Secretary of Defense Douglas Feith meets Defense Agency head Ishiba and Vice Foreign Minister Takeuchi Yukio in Japan.

**Nov. 9, 2002:** Trilateral Coordination and Oversight Group (TCOG) meets in Tokyo. U.S. Assistant Secretary Kelly, Asian and Oceania Affairs Bureau Director General Tanaka Hitoshi, and ROK Deputy Minister of Foreign Affairs and Trade Lee Tae-shik discuss fuel oil shipments for North Korea.

**Nov. 12-22, 2002:** U.S. and Japan hold bilateral exercises off Kyushu, Japan.

**Nov. 14, 2002:** KEDO decides to continue oil shipments for North Korea for this month, but announces the suspension of shipments from December unless North Korea stops its nuclear weapons program.

**Nov. 18, 2002:** Two bombs explode near Camp Zama, Japan.

**Nov. 19, 2002:** Japanese Cabinet decides to extend Japan's SDF logistical support for the U.S. war on Afghanistan until May 19, 2003.

**Nov. 20, 2002:** The Seattle Mariners and the Oakland Athletics announce their 2003 opening game will be held in Tokyo.

**Nov. 21, 2002:** *Yomiuri* and *Nihon Keizai* report that the Bush administration sent a formal request to the Japanese government to cooperate in the U.S.-led war on Iraq.

**Nov. 13, 2002:** Agriculture Ministry's Fisheries Agency, the Foreign Ministry, and the Shimane and Tottori prefecture governments request that the U.S. Navy cancel scheduled drills, saying it might disturb crab fishing.

**Nov. 27, 2002:** Japanese Deputy Cabinet Secretary Abe Shinzo is reported to have told Soga Hitomi, an abducted Japanese, that talks between Tokyo and Washington on the status of her husband Charles Jenkins are in the "delicate" stage. Japanese Foreign Ministry spokesman urges the U.S. government to "consider special treatment" of Jenkins.

**Dec. 1, 2002:** Japanese Finance Minister Shiokawa Masajuro says the yen is over evaluated and an exchange rate between 150 to 160 to the dollar "should be appropriate."

**Dec. 3, 2002:** Okinawa police issue warrant for U.S. Marine Maj. Michael Brown for an alleged rape on Nov. 2.

**Dec. 4, 2002:** Defense Agency chief Ishiba announces Japan's dispatch of Aegis-equipped naval vessels to Indian Ocean in mid-December.

**Dec. 4, 2002:** Deputy Secretary of State Richard Armitage and White House spokesman Fisher say "the U.S. government appreciates Japan's Aegis-equipped vessel dispatch."

**Dec 4, 2002:** Japanese Prime Minister Koizumi Junichiro calls on the U.S. military to take steps to crack down on crimes by servicemen.

**Dec. 5, 2002:** *Yomiuri* reports that Japanese government is planning to provide economic and humanitarian assistance to Iraq after Saddam Hussein is overthrown.



**Dec. 5, 2002:** U.S. Embassy in Tokyo reveals that the U.S. government has refused to hand over Maj. Brown.

**Dec. 6, 2002:** Finance Minister Shiokawa clarifies statement of five days earlier, stating that yen exchange value should be “evaluated on the basis of its purchasing-power parity.”

**Dec. 8, 2002:** Defense Agency chief Ishiba hints at possible dispatch of Japanese troops to help Iraq’s reconstruction.

**Dec. 8-10, 2002:** Deputy Secretary of State Armitage meets Chief Cabinet Secretary Fukuda, FM Kawaguchi, and Defense Agency chief Ishiba to discuss Japan’s assistance in a U.S. war against Iraq.

**Dec. 15, 2002:** Former captain of the *USS Greeneville* Scott Waddle visits Uwajima to apologize to *Ehime Maru* victims and their families.

**Dec. 16, 2002:** Aegis-equipped *Kirishima* departs from Yokosuka to the Indian Ocean.

**Dec. 16, 2002:** FM Kawaguchi and Defense Agency chief Ishiba meet Secretary of State Colin Powell and Deputy Defense Secretary Paul Wolfowitz (substituting for a sick Donald Rumsfeld) at the U.S.-Japan Security Consultative Committee, the “2-+-2” meeting in Washington.

**Dec. 19, 2002:** Rape suspect Maj. Michael Brown is taken into custody in Naha.

**Dec. 19, 2002:** Japanese abductees agree to make clear statement to Pyongyang that they are willingly staying in Japan to prompt the DPRK to send their families to Japan.

**Dec. 19, 2002:** New York Yankees reach preliminary agreement on a \$21 million, three-year contract with former Yomiuri Giants slugger Matsui Hideki.

