U.S-Japan Relations: Mr. Koizumi's Mandate

Brad Glosserman Pacific Forum CSIS

Prime Minister Koizumi Junichiro's "victory" in Japan's Nov. 7 ballot was the big event in U.S.-Japan relations this quarter. The ruling coalition's win was a stamp of approval for Tokyo's support of the United States-led invasion of Iraq and the controversial decision to send Self-Defense Forces (SDF) to assist the postwar reconstruction of that country. The Japanese public is less than enthusiastic about U.S. policy in the Middle East, but the election results seemingly validated the prime minister's support for President George W. Bush and Koizumi's efforts to keep pushing the envelope on security policy. Thus, this quarter saw the Japanese Cabinet approve the controversial SDF deployment, the departure of the advanced guard of that group, a decision to deploy theater missile defense systems, and agreement to forgo some of Iraq's debt to Japan.

Astute readers will note the qualifications in this assessment. Still, there are few signs that the cooperation and the partnership will be troubled in the near future. There are indications of potential long-term difficulties, however. Fatalities during the Iraqi deployment could have a powerful effect on public sentiment and erode support for the alliance. Rising tensions on the Korean Peninsula could have a similar effect. In both cases, the United States could be seen as having dragged an overly compliant Japanese government into harm's way or Koizumi could be charged with sacrificing Japanese national interests to protect the U.S.-Japan alliance. The solution is not to avoid difficult situations; rather Tokyo needs to do a better job of selling its policies to the Japanese public. The government needs to use the language of national interest instead of merely saying that is acting "as a good partner should." There are signs that Tokyo is learning.

Koizumi's Stamp of Approval

Japanese voters went to the ballot Nov. 7 to deliver a verdict on Prime Minister Koizumi and his government. The prime minister can claim vindication, but the results were a less than heartening endorsement for the ruling coalition. It maintained control of the Lower House, winning 275 seats in the 480-member chamber. The Liberal Democratic Party (LDP) won 237 seats in the vote – 10 less than it had held – although that number has increased as election-day winners (re)joined the party. More worrisome for Koizumi was the showing of the opposition Democratic Party of Japan (DPJ): it won 177 seats, an increase of 40 from the previous assembly. While the DPJ did not reach its goal of 200 seats, it has emerged as the leading opposition party in Japan and might even pose a credible alternative to an LDP-led government.

Pundits have gushed over Japan's evolution toward two-party politics. In truth, it's hard to say what distinguishes the two parties. The most obvious difference is security policy. The DPJ has been far more critical of U.S. leadership in the war on terror. In particular, it opposes the SDF dispatch to Iraq, at least without a UN mandate. Still, DPJ head Kan Naoto has said that he supports the alliance even though he would not send forces to Iraq and wants the Marines to leave Okinawa. The election results show that voters see the DJP as a suitable vehicle to register dissent against LDP policies, but they aren't upset enough or don't trust the party enough to give it the reins of power. (The low turnout rate suggests that the former is a better explanation – and lends itself to pessimism when talk turns to chances for reform.)

Standing Tall on Iraq

Tokyo continues to be one of Washington's best allies on Iraq. The Koizumi government agreed to send troops to Iraq last quarter, but avoided specifics given the controversy and the approaching election. The problems were three-fold. First, the deployment was not in response to any immediate security threat to Japan, thus leaving it open to constitutional challenge. Second, the fact that there were no "safe areas" in Iraq meant that the troops might be in danger, and the deployment itself violated rules that had guided previous dispatches. They specified that troops be sent to "noncombat zones." Unrealistic though it seems, Japanese forces are not authorized to transport other troops, protect them, or even fire except in self defense after being fired upon. The situation on the ground virtually guaranteed that they would be forced to break those rules. Finally, the absence of a UN resolution on Iraq denied the government some semblance of international or institutional legitimacy concerning the deployment. A UN vote could have given the government cover despite the first two objections, especially when previous deployments required UN approval to provide the veneer of "neutrality."

Nonetheless, on Oct. 9, the government announced that 100 Ground SDF troops (since raised to 550) would be sent to Nasiriya, Iraq. Six days later, Tokyo said that it would provide \$1.5 billion in postwar reconstruction grants in 2004 as part of a \$5 billion, five-year package. Tokyo also promised to back U.S.-led initiatives at the UN and would try to marshal Asian support for Iraq's reconstruction. Almost a month later Koizumi won his mandate at the polls. Yet the next day the government said it would delay the planned December dispatch because of safety concerns. (It is more likely that political calculations were foremost: delaying deployment altered the timetable for debate in the Japanese Diet.) A terrorist attack that killed 26 people, 19 Italian peacekeepers among them, in the same area to which Japanese forces would be deployed, reinforced the government's caution.

The risks of deployment were driven home two weeks later when two Japanese diplomats were killed in an ambush in Iraq. Koizumi remained steadfast in his commitment to send troops, however. He insists that the deployment is not unconstitutional and is part of Japan's responsibility as a member of the international community; in one controversial speech he even said it was required by the constitution on just those grounds. At the end of December, Tokyo sent an advance team of 23 Air Self Defense Forces personnel to the region to prepare for the eventual full-scale deployment expected next year.

Just before the close of the year, Koizumi told U.S. special envoy James Baker that Japan – Iraq's single largest creditor – would forgive a "vast majority" of Iraq's prewar debt if other Paris Club members did the same. This policy flies in the face of Japan's usual debt forgiveness policy – it believes that such measures encourage irresponsibility on the part of debtor governments and is a misuse of taxpayer money – but officials recognize that they shouldn't block multilateral efforts to lighten Iraq's load.

Many Japanese are asking what they get in return for this support. There is no doubt that Washington greatly appreciates Tokyo's efforts. U.S. officials from President Bush on down have applauded Japan, even when Koizumi postponed plans. In concrete terms, Japan has been placed on the list of countries allowed to bid for Iraqi reconstruction contracts. Less tangibly, but equally important, some argue that Japanese support for the U.S. in Iraq is the price for U.S. support of Japan's position when dealing with North Korea.

Pushing Pyongyang

That linkage is fairly widespread in Japan – but the logic is flawed. The U.S. should support Tokyo in dealing with Pyongyang because that is what allies do. Attempts to link the two issues explicitly would undermine confidence in the alliance. (When South Koreans argued that their deployment to Iraq should give it more influence over U.S. policy toward the North, Washington responded that alliances don't work like that.)

U.S. support for Japan's diplomacy has been unflinching. When North Korea argued that Japan's demand to put the abductee issue on the agenda disqualified it from the six-party talks, State Department officials said that "Japan clearly must, and will, continue to be a participant" in the talks because of its "vital interests." U.S., Japanese, and South Korean officials met repeatedly throughout the quarter to coordinate positions on the talks. Efforts to formulate a plan that would meet North Korean demands without appearing to reward blackmail have been frustrating. Of particular concern to Japan is the idea that any security assurances to Pyongyang could somehow undermine the U.S.-Japan security alliance. During his November visit to Japan, Defense Secretary Donald Rumsfeld said Washington would not make arrangements with any other country that would undermine the alliance.

On another front, Tokyo has been an enthusiastic participant in the Proliferation Security Initiative (PSI), which is designed to halt the proliferation of weapons of mass destruction (WMD). Koizumi made the case for the PSI to ASEAN governments during the organization's summit in Bali, Indonesia. Tokyo has also been pushing export control initiatives with the U.S. and other Pacific Rim nations, and has emerged as a leader in the region on this front.

Missile Defense, at last

Supporters of missile defense (MD) took heart from Japan's December decision to spend \$1 billion on a theater missile defense system. The proposal calls for a two-layer system consisting of Standard Missile 3 interceptors deployed on AEGIS-equipped destroyers and ground-based advanced capability Patriot missiles. The Defense Agency estimates the system will cost \$700 billion (\$6.5 billion) over five years, with \$134 billion being set aside in the 2004 budget. The *Mainichi Shimbun* reported that the system is to be partially deployed in 2007 and fully operational by 2011, although the Defense Agency would not confirm the dates.

MD opponents object on several grounds. First, they worry that the move could set off an arms race in the region. Second, they claim the system is unconstitutional since shooting down a missile that isn't aimed at Japan constitutes participation in collective self-defense, which is not permitted under current interpretations of the constitution. Chief Cabinet Secretary Fukuda Yasuo defended the decision, arguing that missile defense "meets (Japan's) exclusively defense-oriented policy as the only effective method to counter attacks by ballistic missiles."

Japan will continue to work with the U.S. to develop a larger ballistic missile defense system. As one indication of the seriousness of that effort, Japanese officials now stress that the country will have to rethink its arms exports policy, which has banned the export of any materials that could be use for weapons. Since that could be used to block cooperation with the U.S. – Defense Agency head Ishiba Shigeru has called it a "key obstacle" – the policy is likely to be amended or revised.

The Southeast Asian Mirror

Another indication of the alliance's solidity is the U.S. attitude toward Japan's reinvigorated relationship with ASEAN. On Dec.11-12, Tokyo hosted the Japan-ASEAN Commemorative Summit. The meeting, which marked 30 years of Japan's relations with ASEAN, was the first ASEAN summit to be held outside the ASEAN region. Apart from the financial aid Japan pledged and the promise of a rejuvenated economic relationship, one of the highlights of the meeting was Tokyo's agreement to join ASEAN's Treaty of Amity and Cooperation (TAC).

A decade ago, Tokyo's courting of ASEAN would have been viewed through a different prism. In the zero-sum thinking that prevailed then, the summit would have been taken as a sign of a reorientation of Japanese foreign policy toward Asia and away from the U.S. In particular, the readiness to join the TAC would have been seen as a willingness to subordinate U.S. strategic concerns to Japan's relations with Southeast Asia. There would have been cries about the creation of an East Asian bloc and the exclusion of the U.S. from an area of vital national interest.

Not this time. I could find no comment by a U.S. official on the meeting, even though some Japanese questioned whether joining the TAC would inhibit Japan's ability to cooperate with the U.S. on security contingencies in East Asia. From a U.S. perspective, the summit is a welcome development. It signals Japan's readiness to re-engage with the region, despite its own economic difficulties, and to match China's aggressive "smile diplomacy." While there are plenty of questions about the effectiveness of Tokyo's initiative, the activist mindset is welcome in Washington.

Southeast Asia knows how much it has benefited during three decades of relations with Japan. The country has been an important source of capital, trade, know-how, and aid. That has created a substantial reservoir of goodwill that can be used to advance Japanese national interests as well as those of its partner, the United States. Indeed, one of the main challenges for the U.S.-Japan relationship is coming up with creative ways to share burdens and responsibilities. Southeast Asia is probably the most important arena for this bilateral cooperation.

Rumsfeld's Earful

The only real unpleasantry this month occurred during the visit of Defense Secretary Rumsfeld to Japan. His Tokyo stopover went well. Although Koizumi announced the delay of the dispatch of SDF forces only days before Rumsfeld's arrival, it was reported that the subject did not come up directly in their discussions.

The big issue during his visit was the much-discussed possibility of U.S. troop redeployments in the region. Rumsfeld, like all other U.S. officials, has stressed that no decisions have yet been made and that any plans will be developed in full consultation with allies. Japanese officials are of two minds: while they would appreciate any moves that lighten the load on Okinawa, which bears a disproportionate share of the U.S. military presence in Japan, they also worry that sudden changes might destabilize the region.

Okinawa's officials are apparently less burdened by the second concern. Rumsfeld's encounter with Okinawa Gov. Inamine Keiichi was uniformly reported to have been unpleasant, and with reporters present during much of the meeting, those reports are accurate. The governor's list of demands was long. It included consolidation of U.S. bases and a reduction in U.S. forces, a 15-year time limit on the marine air station that will be moved to Nago City, a review of the Status of Forces Agreement, a reduction in military aircraft noise, and a reduction in crime. (The governor didn't know then, but newly released statistics show that the number of crimes committed by U.S. service personnel topped 100 for the first time in nine years, and those figures don't include December.) By all accounts, the defense secretary did not enjoy being lectured to and ended the meeting abruptly.

Where's the Beef?

This quarter also marked the return of economic issues to the bilateral agenda. Although the problems were not major, they provided some friction. The most contentious was probably the tariffs that the U.S. had imposed on steel imports nearly two years ago to protect domestic producers and shore up electoral support for the administration. The World Trade Organization ruled the tariffs illegal and after some initial hesitations – and the threat of reprisals against equally politically sensitive U.S. exports – President Bush withdrew the tariffs. Japan had threatened to impose a 30 percent tariff on U.S. steel exports and gasoline products, but retreated when the U.S. eliminated the tariffs.

The U.S. decision was eased by the dollar's tumble against foreign currencies. The U.S. currency closed the year by reaching record lows against the euro, and depreciated about 10 percent in value against the yen during 2003. As the dollar declined in strength, the prospects for U.S. exporters picked up. That is a critical development in the leadup to an election.

The yen's rise has been slowed by massive intervention by the Japanese government. According to year-end figures, the Ministry of Finance (MOF) spent \$20.057 trillion on intervention in 2003, almost three times as much as the previous high of \$7.641 trillion reached in 1999. The MOF has indicated that it will continue to intervene to halt the yen's climb, which punishes exporters, one of the few bright spots in the Japanese economy. (MOF has said that it is prepared to use some \$240 trillion, an amount equal to the size of the U.S. current account deficit, to defend the yen in 2004.)

Plainly, the intervention is of limited effectiveness since the dollar has continued to slide and no one is expecting a reversal. But it does present a problem for the Bush administration. The U.S. has complained about Chinese attempts to artificially undervalue its currency (by way of a peg rather than overt intervention), and Japan has joined the chorus. It is difficult for Washington to demand that China relent and turn a blind eye to Tokyo's maneuvers. Prior to his October visit to Asia, President Bush criticized both governments for trying to manipulate exchange rates, but Tokyo has received considerably less heat than Beijing. (The consistency of Tokyo's position is even worse, but it doesn't seem to bother the Japanese.) Fortunately, U.S. trade problems with China overshadow America's trade relations with Japan, so Tokyo is spared serious scrutiny. Here too the goodwill created by support for U.S. policy in Iraq could be paying off.

The final economic issue – and one that might become serious – concerns Japan's ban on U.S. beef exports following the report of the first case of "mad cow" disease in the U.S. More than 30 countries banned U.S. beef after the news, but Japan is the number one market for U.S. beef exports, importing 122,142 metric tons of beef from the U.S. in the first five months of 2003, a 22 percent increase from the same time period the year before. The market is worth over \$1 billion annually. Despite quick U.S. moves to reassure consumers, the Japanese ban is likely to be lengthy. That is always bad news, but even more so for a government that is preparing to go to the polls. Still, there is little reason for economic matters to get out of hand.

Celluloid and Shortstops

A lot of the real work in solidifying the bilateral relationship occurs at the grassroots level. This quarter, several items reinforced positive images on both sides of the Pacific. While "Lost in Translation," Sophia Coppola's amusing portrait of cultural disorientation in Japan, was released in September, it acquired its buzz during the last quarter and garnered a Golden Globe nomination for best film. This reviewer gives it two thumbs up.

For those who wanted a more historical perspective and more of a hunk than Bill Murray, "The Last Samurai" opened with Tom Cruise in December. This film has generated heated controversy among Japan scholars who challenge its accuracy on just about every important detail. The general public is a lot less concerned: the film is set to take in \$100 million by the time this goes to print.

And ever seeking for balance, the New York Mets have their own Matsui now. The perennial heartbreakers signed Matsui Kazuo, former Seibu Lions shortstop, to a three-year, \$20.1 million contract. Matsui, the first Japanese to sign as an major league infielder, won his fourth Japanese Gold Glove award just before his press debut in New York. Last year, he hit .305 with 33 home runs and 84 RBIs. He may be not enough to make the Mets contenders, but Japanese baseball fans will now have two New York City teams to watch on a regular basis throughout the season.

Selling the Alliance

Everything is going well and is likely to stay that way for some time. The U.S. administration is full of people who believe in the U.S.-Japan alliance and see too much going right to focus on the trouble spots. And, given the troubles U.S. diplomacy has elsewhere in the world, those friends are worth protecting – especially when there are so many other potential trouble spots in the region. (See any of the other chapters in this issue for details ...)

In Tokyo, similar considerations are likely to prevail. Koizumi appears to genuinely believe in the alliance; if nothing else, it has given him an opportunity to push an equally important security agenda. With economic reforms stalled, he has to stick with the U.S. to show that his administration is doing something to safeguard Japan's national interest. Given Japan's relative lack of options in security matters, the alliance card is his only bet.

The question then is whether the Japanese public shares that view. Do they see the alliance as enhancing Japanese security or diminishing it? In November, a reported al-Qaeda tape said that Japanese SDF deployment to Iraq would make it a target. The killing of the two diplomats shortly after only underscored the risks involved.

It is unlikely that casualties will get the Japanese to cut and run. It could however play out in Japanese domestic politics. An Upper House election is scheduled for July. The House of Councilors is the weaker of Japan's two chambers; its elections thus serve as a forum for protest votes against the government. A strong showing by the DPJ would signal increasing discontent with Koizumi: whether for domestic or foreign policy reasons is almost irrelevant. Either way the prime minister would be weakened; a particular grim showing could encourage his own party, already bitterly divided, to dump him.

The prospect is not beyond reason. On the official level, relations between the two governments are good; things are different at the grassroots. According to a Yomiuri-Gallup poll, only 41 percent of Japanese think that U.S.-Japan relations are in good shape, down 13 percent from the previous year. If the U.S. is seen as putting Japanese soldiers and citizens in harm's way in Iraq or elsewhere in the world – by mismanaging crises on the Korean Peninsula or in the Taiwan Strait – the alliance could suffer.

The solution is not for Japan to back away from the alliance. Rather, the trick is for Japanese policymakers to convince the public that the alliance, even with its difficulties, is worth supporting. That means using the language of national interest. Too many Japanese officials explain tough decisions by saying they are required to help the U.S. That is *gaiatsu*, and its time has passed. The alliance is merely a means to an end – the realization of Japanese and U.S. national interests. Japanese need to think in those terms and justify their actions that way. Don't expect a turnaround in the quarter ahead, but keep an eye for signs of that kind of thinking in Tokyo.

Chronology of U.S.-Japan Relations^{*} October-December 2003

Oct. 5, 2003: Defense Agency chief Shigeru Ishiba states that Japan is not dispatching Self-Defense Forces (SDF) to Iraq because it was requested to do so by the U.S., but because Japan's interests are involved.

Oct. 6, 2003: U.S. Supreme Court rejects appeals from former prisoners of war seeking compensation from Japanese companies for World War II forced labor.

Oct. 7, 2003: Ambassador to Japan Howard Baker states the U.S. would carry out a "cautious" review of the U.S. military presence in Japan.

Oct. 7, 2003: PM Koizumi asks South Korea, China, and ASEAN neighbors to cooperate with the U.S.-led Proliferation Security Initiative (PSI) during ASEAN meetings in Bali, Indonesia.

Oct. 8, 2003: State Dept. spokesman Richard Boucher, in response to North Korea's decision to exclude Japan from nuclear talks, states that "Japan clearly must, and will, continue to be a participant" because it has "vital interests at stake."

Oct. 9, 2003: Japan announces that 100 Ground Self-Defense Forces (GSDF) will be deployed to Nasiriya, Iraq.

^{*} Chronology compiled by Vasey Fellow Ah-Young Kim

Oct. 10, 2003: Japan's Lower House clears a bill to extend noncombat support for U.S. antiterrorism efforts until November 2005.

Oct. 14, 2003: President Bush states that China and Japan should stop intervening in the currency markets to give themselves an unfair trade advantage during a press conference on his nine-day Asian trip.

Oct. 15, 2003: Japan announces \$1.5 billion in grants in 2004 for Iraq's postwar reconstruction; PM Koizumi states, "We just cannot afford to see Iraq's reconstruction end in failure." President Bush applauds Japan's "bold step" in a written statement.

Oct. 15, 2003: Japanese FM Kawaguchi tells Secretary of State Powell via telephone that Japan will support the new U.S.-drafted U.N. resolution on Iraq and urges other Asia-Pacific nations to cooperate in Iraq's postwar reconstruction.

Oct. 17-18, 2003: President Bush meets with PM Koizumi in Tokyo to discuss North Korean nuclear issue, Iraq's reconstruction, and foreign exchange rates.

Oct. 17, 2003: U.S. Trade Representative Zoellick and Japanese Trade Minister Nakagawa meet in Bangkok on the APEC sidelines to discuss joint efforts to urge China to enforce intellectual property rights.

Oct. 27, 2003: Suzuki Takashi, director general of METI's Trade and Economic Cooperation Bureau, chairs first meeting on export controls in Asia in Tokyo; Japan, U.S., China, South Korea, and other Pacific Rim nations agree to implement measures that prevent indirect exports of illegal products to North Korea.

Oct. 27, 2003: DPJ Leader Kan Naoto states that the U.S.-Japan alliance would remain firm, even if his party opposes the dispatch of SDF to Iraq.

Oct. 30, 2003: *Nihon Keizai Shimbun* reports that U.S. and Japan are revising a bilateral tax treaty that will go into effect 2005 – the first revision in 30 years.

Nov. 1, 2003: DPJ head Kan states that "security in the Far East can be maintained without U.S. bases in Okinawa and the marines stationed there," and will urge the marines to leave Okinawa if his party wins the Nov. 9 election.

Nov. 2, 2003: PM Koizumi says Japan's SDF in Iraq will need to be protected by U.S. and British coalition forces; he also indicated the need to review the country's constitution to "legitimize" the SDF as a "National Military."

Nov. 2-3, 2003: 40th Annual U.S.-Japan Business conference opens in Washington. Talks revolve around bilateral economic conditions, promotion of foreign direct investment, and economic recovery in Japan.

Nov. 5, 2003: U.S. supports PM Koizumi's "bold action" pledge of doubling Japan's foreign direct investment in five years.

Nov. 6, 2003: Maritime Self Defense Forces announces a 10-day, joint exercise drill with the U.S. Navy in the Sea of Japan, Pacific Ocean, and East China Sea.

Nov. 7, 2003: PM Koizumi's foreign policy advisor, Okamoto Yukio, meets with U.S. and Iraqi officials in Baghdad, Iraq to discuss Japan's role in postwar reconstruction efforts. Okamoto states "Japan cannot avoid becoming a target of terrorism unless we pull out of Iraq completely."

Nov. 9, 2003: In Lower House elections, DPJ raises its total by 40 seats to 177 while the LDP loses 10 seats from 247 to 237 seats. Koizumi's ruling coalition maintains control with 275 seats in the 480-member chamber.

Nov. 10, 2003: Japan decides to postpone December 2003 deployment of SDF to Iraq citing security concerns.

Nov. 11, 2003: Ministry of Economy, Trade, and Industry's head Nakagawa calls for the U.S. to "immediately terminate its steel safeguard measures in accordance with the recommendations of the (WTO) panel, and as upheld by the appellate body."

Nov. 13, 2003: National Security Advisor Condoleezza Rice states that the U.S. understands Japan's delay in sending its troops to Iraq and appreciates Japan's financial contribution to Iraqi reconstruction efforts.

Nov. 14, 2003: Secretary of Defense Rumsfeld meets with PM Koizumi in Tokyo to discuss Japan's troop dispatch to Iraq, while hundreds of demonstrators in Okinawa protest outside the U.S. Marine base calling for a withdrawal of U.S. forces in Iraq.

Nov. 15, 2003: Tokyo District Court sentences U.S. Navy serviceman Rick Miller to eight years in prison after being found guilty for robbery and battery.

Nov. 15, 2003: Secretary Rumsfeld meets with FM Kawaguchi to discuss North Korea, the U.S.-Japan security alliance, and criminal procedures under the U.S.-Japan SOFA.

Nov. 16, 2003: Secretary Rumsfeld visits U.S. troops in Okinawa and meets with Okinawa Gov. Inamine, who strongly urges that U.S. bases and troops in Okinawa be realigned and reduced.

Nov. 16-18, 2003: Assistant Secretary of State James Kelly meets with Japan's FM Asia chief Yabunaka Mitoji and FM Kawaguchi in Tokyo to discuss North Korea's nuclear arms program; Kelly also endorses Japan's plan to bring up the issue of abductions at the next round of six-party talks.

Nov. 19, 2003: Koizumi Junichiro re-elected PM of Japan, wining 281 votes from the 479 votes cast at the 480-seat House of Representatives; 186 votes went to DPJ head Kan, and nine to Shii Kazuo, head of the Japanese Communist Party, while 3 votes were left blank.

Nov. 20, 2003: U.S., Japanese, and Australian ambassadors for counterterrorism meet in Canberra, Australia to informally discuss a regional strategy against terrorism.

Nov. 21, 2003: Japan announces a 30 percent rise in tariffs on U.S. steel products and gasoline as retaliatory measures if the U.S. does not retract its steel import curbs that were declared "illegal" by the WTO.

Nov. 22, 2003: Hawaiian Gov. Linda Lingle and Ehime Gov. Moriyuki Kato sign a sister-state agreement in Honolulu to increase exchanges.

Nov. 25, 2003: FM Kawaguchi criticizes U.S. plan to develop small, low-yield nuclear weapons, saying that the program "must not interfere" with nonproliferation efforts.

Nov. 26, 2003: Chief Cabinet Secretary Fukuda welcomes the U.S. decision to revise its military posture in Japan "so that an envisaged new alignment will help improve peace and stability in the world."

Nov. 27, 2003: Japanese Supreme Court dismisses an appeal by Okinawa landowners of a lower court ruling, which stated damages can't be collected from the government, which forced them to lease their land to the U.S. military.

Nov. 29, 2003: Two Japanese diplomats killed in an ambush in Tikrit, Iraq.

Nov. 30, 2003: FM Kawaguchi tells Secretary Powell via telephone that Japan will continue to help the U.S.-led coalition on Iraqi reconstruction efforts, despite the death of two Japanese diplomats.

Dec. 2, 2003: A Ginowan city sponsored symposium adopts declaration calling for the return of land used by the U.S. Marine Corps' Futemma Air Station to commemorate the spirit of the 1996 Japan-U.S. Special Action Committee on Okinawa.

Dec. 3-4, 2003: U.S., Japan, and South Korea meet in Washington, D.C. to prepare for the next round of six-party talks.

Dec. 4, 2003: Ambassador Baker praises PM Koizumi's commitment to send Japanese troops to Iraq despite the recent deaths of two Japanese diplomats.

Dec. 5, 2003: Chief Cabinet Secretary Fukuda welcomes complete removal of U.S. steel tariffs, stating that Japan will withdraw its retaliation against \$100 million worth of U.S. goods on Dec. 17.

Dec. 5, 2003: *The Last Samurai*, a movie about 19th century Japan starring Tom Cruise, opens in U.S. theaters.

Dec. 9, 2003: U.S. Department of Defense announces that Japan and other countries that support U.S. efforts in postwar Iraq can bid for \$18.6 billion worth of 26 reconstruction projects in Iraq as prime contractors.

Dec. 9, 2003: Japanese Cabinet approves sending troops to Iraq.

Dec. 10, 2003: Matsui Kazuo, former Seibu Lions baseball shortstop, signs a three-year, \$20.1 million contract with the New York Mets.

Dec. 12, 2003: According to a *Yomiuri*-Gallup poll on U.S.-Japan relations, 54 percent of Americans and 41 percent of Japanese think relations are in good shape, a drop of 13 percent from a year ago in both countries. 71 percent of Americans think Japan can be trusted, down 7 percent from 2002 and 41 percent of Japanese trust the U.S., down 8 percent.

Dec. 17, 2003: Tokyo will spend nearly \$1 billion on missile defense in 2004. The proposed system will utilize Patriot missiles and intercept missiles deployed aboard Aegis-equipped destroyers.

Dec. 18, 2003: *Lost in Translation*, a film about two Americans visiting Japan, is nominated for best picture for the 2003 Golden Globe Awards.

Dec. 19, 2003: Japan announces plans to buy an American-made missile defense system and continued participation with the U.S. in the joint-development of a missile defense system. Partial introduction of the system will begin in early 2007 and be fully operational by 2011.

Dec. 24, 2003: Japan halts all U.S. beef imports after the U.S. Department of Agriculture (USDA) announced its first case of "mad cow" disease in the U.S.

Dec. 24, 2003: Okinawa Prefectural police announce that the number of crimes committed by U.S. military personnel or members of their families reached 103 from January through November, exceeding 100 for the first time in nine years.

Dec. 25, 2003: The U.S. Embassy in Tokyo announces that all U.S. beef imports to Japan are safe; Japan's Vice Minister of Agriculture, Forestry and Fisheries, Watanabe Yoshiaki, states that a team will be sent in January to gather information on mad cow disease.

Dec. 26, 2003: Japan sends advance team of 23 Japanese air force personnel to the Middle East to prepare for the deployment of about 1,000 noncombat personnel in Iraq.

Dec. 29, 2003: PM Koizumi tells U.S. special envoy James Baker that Japan will forgive a "vast majority" of Iraq's \$4.1 billion debt on the condition that other nations from the Paris Club do the same.

Dec. 29, 2003: USDA officials convene with their Japanese counterparts to discuss the first case of "mad cow" disease in the U.S.; the Japanese government rejects U.S. request to lift import ban on beef.