

Comparative Connections

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U.S.-Japan Relations: A Dream of a Quarter

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The second quarter of 2006 went about as well for U.S.-Japan relations as could be imagined. The two governments agreed on a plan to restructure their military alliance; the ban on U.S. beef exports to Japan was lifted (again); the two countries' diplomacy appears to be well coordinated as they deal with vexing issues (Iran and North Korea); and the "Sayonara Summit" was a PR success (as anticipated). From all appearances, the foundation has been laid for a successful U.S.-Japan partnership that outlives the George Bush-Koizumi Junichiro "special relationship."

A roadmap emerges

The quarter began with the two governments still arguing over the particulars of the realignment of U.S. forces in Japan. As noted in last quarter's analysis, Washington and Tokyo failed to meet their self-imposed March deadline for finalizing the redeployments of U.S. (and some Japanese) forces. While applauding the draw down of U.S. Marines on Okinawa (despite some howls over the cost), communities elsewhere on the Japanese archipelago were reluctant to accept relocated forces. On April 23, Defense Secretary Donald Rumsfeld and Japan Defense Agency Director General Nukaga Fukushima agreed that Japan would pay \$6.09 billion, or 59 percent, of the estimated \$10.27 billion total costs to move 8,000 marines from Okinawa.

Celebration over the deal was short-lived. Three days later, Deputy Defense Undersecretary for Asia and Pacific Affairs Richard Lawless announced that Japan would be expected to pay at least \$26 billion (about ¥3 trillion) as its share of the cost of realigning all U.S. forces in Japan (a bill that would be paid over 6-7 years). His "rough estimate" stunned the Japanese public and many politicians; a public opinion poll a few days later showed 81 percent of respondents saying Japan should not pay the full amount. Even if the final bill isn't exactly that size, it is unclear how Japan will foot a bill of that magnitude.

Lawless' speculation about a price tag signaled that a deal on the overall package was imminent. And, sure enough, on May 1 the Security Consultative Committee (the SCC, sometimes referred to as the "2+2 meeting" because it is composed of the two countries' highest-ranking diplomatic and defense officials), released the "United States-Japan Roadmap for Realignment Implementation." The four-page document (available at www.state.gov/r/pa/prs/ps/2006/65517.html) contains details of the realignment.

Let's start with several guiding principles. First, "the individual realignment initiatives form a coherent package." In other words, there will be no *à la carte* itemizing of moves. This was a problem throughout the negotiations as the U.S. insisted that bases could be closed only when alternative facilities/locations were identified and made available. There could be no putting off tough decisions – where to relocate forces – until later. Second, Japan will pay construction and other costs of facilities development, while the U.S. will pay operational costs arising from implementation of the deal.

Key features of the roadmap regarding Okinawa include:

- The Futenma Replacement Facility (FRF) will consist of two 1,600 meter runways aligned in a V-shape, in the Camp Schwab area. The project's scheduled completion date is 2014.
- Some 8,000 III Marine Expeditionary Force (MEF) personnel and their approximately 9,000 dependents will relocate from Okinawa to Guam by 2014.
- A detailed plan for consolidation of remaining U.S. facilities will be completed by March 2007.
- All relocations will occur before facilities are returned, and all Okinawa-related realignment initiatives are interconnected.
- Consolidation and land returns south of Kadena depend on completing the relocation of III MEF personnel and dependents from Okinawa to Guam. That, in turn, is dependent on: (1) tangible progress toward completion of the FRF, and (2) Japan's financial contributions to fund development of required facilities and infrastructure on Guam.

Other key provisions include:

- The U.S. Army command and control structure at Camp Zama will be transformed by 2008. Headquarters of the Ground SDF Central Readiness Force will arrive at Camp Zama by 2012. A battle command training center and other support facilities will be constructed within Sagami General Depot using U.S. funding.
- Air Self-Defense Forces (ASDF) Air Defense Command and relevant units will relocate to Yokota Air Base in 2010. Both countries will develop a master plan for base use to accommodate facility and infrastructure requirements. A bilateral, joint operations coordination center will be established at Yokota, and will include a collocated air and missile defense coordination function. The two governments will study civilian-military dual use of the base.
- Carrier Air Wing Five squadrons from Atsugi Air Facility, consisting of *F/A-18*, *EA-6B*, *E-2C*, and *C-2* aircraft, will be relocated to Marine Corps Air Station Iwakuni by 2014.
- Both governments will step up ballistic missile defense capabilities. *PAC-3* capabilities will be deployed within existing U.S. facilities and areas within Japan as soon as possible.

The roadmap was approved by the Japanese Cabinet at the end of May. A month later, the two governments established a U.S. Force Realignment Council, a consultative panel that will map out plans for specific features of the roadmap and confirm progress as it is implemented.

U.S. beef back on the menu

The other big issue hanging over the bilateral relationship this quarter was the continuing ban on Japanese imports of U.S. beef. Rhetoric had been escalating as Tokyo refused to bow to U.S. pressure and readmit U.S. beef. On April 13, U.S. Agriculture Secretary Mike Johanns warned of rising impatience among U.S. legislators and the very real possibility of retaliation. Yet, at a series of Japanese-government sponsored panels to explain progress in the bilateral beef talks to Japanese consumers and hear their views on the matter, members of the public had expressed concern about the safety of U.S. beef. Opposition politicians called for maintenance of the ban, charging that the government was acting for political reasons and playing with the safety of Japanese consumers as a result.

The protests were for naught as Tokyo announced June 20 that it was lifting the ban. Japan pledged to send inspectors to 35 meatpacking plants in 16 states to ensure that no diseased beef would be imported. Those inspectors would prepare a report upon their return and that would be used to guide thinking on how the ban would be lifted. President Bush played up the decision in his June 29 summit with Koizumi, explaining that his guest had eaten beef the night before and predicted that “the Japanese people are going to like the taste of U.S. beef.” Public opinion polls show that it will be an uphill battle for U.S. producers to regain the confidence of Japanese consumers.

Kudos in Iraq and goodbye

Conspiracy-minded types noted that the announcement of the resumption of beef imports was virtually simultaneous with Koizumi’s announcement that Ground Self-Defense Forces (GSDF) would be withdrawing from Iraq after a two and a half year deployment. The move had been debated in the press for months, with the general tenor suggesting that it was only a matter of time.

During their stay, a grand total of 5,500 GSDF members participated in three-month rotations, making it the largest overseas deployment of the GSDF in history. None have been killed, nor a single bullet fired. The withdrawal, which should be completed later in the summer, will be coordinated with the redeployment of Australian and British forces, which have been providing protection for the SDF. Koizumi also announced that while ground forces will be removed, ASDF units will increase activities in support of multinational forces and the United Nations. Currently, three ASDF *C-130* air transports are based in Kuwait, mainly transporting goods to an airport near Samawah; new airlift support will be provided to Baghdad and the north of Iraq.

U.S. National Security Advisor Stephen Hadley put a positive spin on the withdrawal. After applauding Japanese support for the reconstruction of Iraq, he noted that Tokyo was continuing to aid Iraq and was actually expanding its role. At his June 29 summit with Koizumi, President Bush noted that “Japanese defense forces did a really good job when they were in Iraq. And they’re able to leave because they did such a good job.”

One voice on Iran

Iraq wasn’t the only Middle East country that figured in the U.S.-Japan relationship. The continuing failure to resolve the uncertainties surrounding Iran’s nuclear program absorbed time and attention from the two countries’ leaders. In June, Foreign Minister Aso Taro had a 25-minute phone conversation with his Iranian counterpart Manouchehr Mottaki during which Aso urged him to take up the offers by the U.S. and the EU to deal with the situation. Meanwhile, U.S. officials pressed Japan to consider financial sanctions on Iran in the event of a failure of diplomacy. By the end of the quarter, the *Financial Times* was reporting that Japan was prepared to sign on to financial sanctions. The topic was on the agenda at the June summit between Bush and Koizumi. Meeting the press after their session, Koizumi reported that “Japan certainly supports that U.S. stance of seeking resolution through a dialogue regarding the nuclear proliferation issue. The Iranian issue remains a grave issue for the entire world economy, and Japan wishes to cooperate with the United States and other countries concerned on this matter, as well.”

One voice on North Korea

If dealing with Tehran proved frustrating, then relations with Pyongyang are best described as maddening. The Six-Party Talks to resolve that nuclear crisis remained in suspension while North Korea ratcheted up tension at quarter’s end with signals that it was prepared to test-fire missiles, including a long-range *Taepodong 2*. (The launch occurred early in July; the two countries’ response will be taken up in the next issue of *Comparative Connections*.) Throughout the quarter, Washington and Tokyo remained in close contact, coordinating policy and presenting a united front to Pyongyang. Tokyo’s position is closest to that of Washington among the six parties in the multilateral talks.

The U.S., alone among the other parties to the Six-Party Talks, has backed Japan’s demand that Pyongyang resolve the cases of the abductees – Japanese citizens that North Korea has admitted to kidnapping. This quarter, President Bush met Mrs. Yokota Sakie, mother of Yokota Megumi, abducted in 1977 when she was 13. (This meeting followed a March visit by U.S. Ambassador to Japan Thomas Schieffer to the beach where Yokota was kidnapped; he pledged to raise the issue with Bush.) Bush called his April 28 meeting with Yokota “one of the most moving meetings” he has had since being president and promised to push North Korea to return abductees and respect human rights. In addition to meeting the president, Yokota and other members of a Japanese delegation testified in a House of Representatives subcommittee hearing about the abduction issue, met high-ranking government officials and lawmakers, and held a press conference.

As the quarter drew to a close, the world focused on signs the North was preparing to test launch a long-range missile. Following a mid-June meeting with Foreign Minister Aso, Schieffer said the two countries were considering economic sanctions in the event of a launch. The UN ambassadors of both countries were also coordinating a response in the event of a test. Both governments issued public warnings; the topic was one of the highest on the June 29 summit agenda.

One voice on missile defense

The prospect of a North Korean test vindicated those on both sides of the Pacific who had been calling for closer cooperation on ballistic missile defense (BMD). The U.S. and Japan are working together on various aspects of missile defense. They are jointly developing a new version of the interceptor that a BMD would use to shoot down long-range missiles. Early in the quarter, *Kyodo* reported that the two governments had agreed on the initiation of a two-year joint research project to develop advanced technologies for a sea-based radar system and a combat command system. Subsequent reports that the Pentagon had approved the sale to Japan of new interceptors (the deal still requires Congressional approval) triggered a typically belligerent response from Pyongyang, which cautioned that “overseas aggression is the invariable ambition.”

On June 22, the Japanese *Aegis*-equipped destroyer *Kirishima* took part in a U.S. missile defense test, the first time that a U.S. ally joined such an exercise. The *Kirishima* contributed long-range surveillance and tracking with the *USS Shiloh*, another *Aegis*-equipped vessel that will be stationed in Japan from August. They succeeded in intercepting a mock warhead with a standard interceptor fired from an *Aegis*-equipped ship.

A day after the test, Ambassador Schieffer and Foreign Minister Aso signed documents agreeing to strengthen BMD cooperation. The Japan Defense Agency announced the same day that a high-resolution radar to detect missiles had been deployed within Japan and the two governments confirmed that they would deploy Patriot missiles on U.S. bases. The prospect of a North Korean test firing prompted the *Kirishima* to return home ahead of schedule and has prodded Washington and Tokyo to speed up deployment of the various elements of a BMD system in Japan.

A sensational ‘Sayonara Summit’

On June 29, President Bush and Prime Minister Koizumi met in Washington for their 13th summit. The visit was a fitting cap to the extraordinary personal relationship the two men have forged during their five years in office together. The “summit-cum-road trip,” with a 19-gun salute, a White House dinner, and visit to Graceland, set a new standard for intimacy on the diplomatic circuit.

The speeches hit all the right notes, with the two men celebrating a bilateral alliance that sets the foundation for cooperation on global issues. They applauded their two countries’ shared values – “democracy, free enterprise, and a deep and abiding respect for human

rights” – and their cooperative efforts to deal with such problems as Iraq, North Korea, and the war on terror. The comments highlighted the personal nature of the relationship: Bush explained that the visit was to “honor the leadership of Japan’s Prime Minister Koizumi, a man of vision, a man of integrity, and I’m proud to call him my friend.” The prime minister responded by noting that, “over the past five years, there has been no world leader, alongside Mr. Bush . . . with whom I have felt so much heart-to-heart, felt so deep a friendship.”

The official agenda of their meeting covered all the topics identified in this assessment. In their comments after the meeting, both men called on North Korea to abandon plans to conduct a missile test, and said it vindicated their strategy to pursue missile defense. Another item that received considerable attention in their comments after the summit was energy. President Bush noted that the two countries “can help provide technologies that will improve the climate, as well as reduce our dependence on hydrocarbons.” He identified nuclear energy as one option. In his comments, Prime Minister Koizumi highlighted Japan’s interest in UN reform, especially the Security Council.

During the press availability, Koizumi was asked about his foreign policy priorities. The prime minister used the question to respond to charges that he has given too much attention to relations with the U.S. and should pay more attention to Asia. He explained some in the mass media “misinterpreted my position. . . . that I was saying to the extent Japan-U.S. relations remain good, I couldn’t care less what Japan’s relations would be with other countries. That is not at all what I said.” Rather, he believes that Japan-U.S. relations are the most important for Japan. But that does not mean that better relations with the United States are at the expense of relations with other countries.

More than just friendship

Much of the press coverage of the meeting focused on the personal: the road trip to Graceland, where Koizumi got a guided tour of his idol Elvis Presley’s mansion and where he crooned “Love me tender” to Priscilla and Lisa Marie Presley and President and Mrs. Bush. But as Chief Cabinet Secretary Abe Shinzo was quick to note after the summit, “The importance of the Japan-U.S. alliance is not just between the top leaders of the two countries but is a shared understanding of the two countries.” Anticipating the concern over the scheduled departure of Koizumi in September, he continued “It is important to firmly recognize that the two countries’ maintenance of their strong bond will contribute to the national interests of the two countries as well as to world peace and stability, and we believe there will be no change in this basic understanding even when there are changes in government.”

Charting a future

To keep the relationship on its current course, Bush and Koizumi released after their summit a document heralding a new U.S.-Japan Alliance of Global Cooperation for the 21st Century. The alliance identifies the “universal values and common interests” that provide the foundation of the alliance. The values include freedom, human dignity and

human rights, democracy, market economy, and rule of law. The two countries share interests in: “winning the war on terrorism; maintaining regional stability and prosperity; promoting free market ideals and institutions; upholding human rights; securing freedom of navigation and commerce, including sea lanes; and enhancing global energy security.”

Their statement applauded the remarkable progress in bilateral security cooperation achieved since the two men took office. These changes “constitute historic steps forward that make the U.S. military presence more enduring and effective, and ensure the capabilities necessary for the alliance to cope with diverse challenges in the evolving security environments. ... full and prompt implementation of these agreements is necessary, not only for Japan and the United States, but also for peace and stability of the Asia-Pacific region.”

The declaration mentions all the usual topics, including those examined above. It also highlights capacity building for natural disaster response and prevention and response to pandemic diseases, pushing for a successful conclusion to the Doha Round of world trade talks, and strengthening the Asia Pacific Economic Cooperation (APEC) forum.

The declaration also notes “the two leaders agreed to explore ways to further deepen the mutually-beneficial bilateral economic relationship. ... Such an expanded partnership would include: promoting growth and economic reform; promoting and maintaining open markets; ensuring efficient movement of legitimate goods, services, people, and investments, while tackling threats from terrorism; strengthening intellectual property rights protection and enforcement; enhancing global energy security; and fostering transparent and favorable business climates in both countries.”

The call for strengthening the economic relationship is worthy of note. There is some unease (or perhaps more accurately, jealousy) in Japan about the decision of the U.S. and South Korea to move forward with a free trade agreement. Off the record, U.S. officials admit they are not unhappy with that response. While Japan continues to reform its economy, there is frustration in the U.S. (and in the U.S. business community in Japan) about its pace and about Japanese contributions to global trade talks. The noisy public debate about growing inequality in Japanese society and the readiness of financial police to go after fund manager Murakami Yoshiaki and Horie Takafumi, president of Livedoor Co., suggest that the reform process will continue to be contested and unsteady. The nail that sticks up will continue to be hammered down – especially if it resembles the fin of a U.S.-style corporate shark. The language of the declaration suggests, at least, that alliance managers have recognized an imbalance in the U.S.-Japan relationship: after devoting considerable attention to the security dimension, it is time to spend more time on economic issues.

A relationship on hold?

While there is clearly a need for the two countries to look at their economic relationship, it is unclear how that re-examination will finish. There won't be an answer next quarter; in fact, it is unlikely that there will be progress on any issue in the bilateral relationship,

perhaps for the rest of the year. Japan's focus is turning inward as the country prepares for the post-Koizumi era. Important political decisions regarding the alliance – security and economic – are not likely to be made. That is unfortunate: the June 29 summit demonstrated that Prime Minister Koizumi has put the pieces in place as the two countries contemplate taking their alliance to the next level. No one knows how long they will remain there.

Chronology of U.S.-Japan Relations **April–June 2006***

April 5, 2006: *Kyodo* reports that Japan and the U.S. agree to begin two-year joint research projects in developing advance technologies for a sea-based radar system and combat command system as part of bilateral cooperation in ballistic missile defense.

April 7, 2006: Japanese Defense Agency (JDA) chief Nukaga Fukushima and Nago Mayor Shimabukuro Yoshikazu agree to build two runways at the site of a U.S. military airfield to be constructed in Nago, Okinawa Prefecture.

April 10, 2006: Okinawa Gov. Inamine Keiji voices opposition to a government plan to relocate a U.S. Marine Corp Air Station, including provisions to build two large runways.

April 13, 2006: U.S. Agriculture Secretary Mike Johanns repeats request that the Japanese ban on U.S. beef be lifted early, warning that Congress will likely reach the limit of its patience with Japan by the end of the month.

April 14, 2006: *Yomiuri Shimbun* reports that Japanese and U.S. defense and foreign ministry officials agree to move KC-130 midair refueling planes to Iwakuni Air Base in Yamaguchi Prefecture, and to use a U.S. base in Guam or the Maritime Self-Defense Force's Kanoya Naval Base in Kagoshima Prefecture during prolonged training maneuvers involving the planes.

April 23, 2006: Japan and the U.S. strike a deal on sharing the cost of relocating 8,000 U.S. Marines from Okinawa to Guam, with Tokyo paying 59 percent, or \$6.09 billion, of the estimated \$10.27 billion total cost through grants, investment and loans. JDA Director Gen. Nukaga and Defense Secretary Rumsfeld announce the agreement, paving the way for implementation of the package to realign the U.S. military presence in Japan.

April 26, 2006: Deputy Defense Undersecretary for Asia and Pacific Affairs Richard Lawless reports that Japan will pay an estimated \$26 billion or more to help implement the U.S. military realignment in Japan over six to seven years.

* Compiled by Claire Bai, 2005 Vasey Fellow and Corrine Thompson, Visiting Fellow Pacific Forum CSIS.

April 26, 2006: *Yomiuri Shimbun* reports that the U.S. will return four military facilities in Okinawa to Japan. Marine Corps' Futenma Air Station, Naha Military Port, Makiminato Service Area in Urasoe, and Camp Kuwae in Chatancho will all be returned by the end of fiscal 2013.

April 27, 2006: *Japan Times* reports that the Japanese government plans to slash defense spending to come up with the ¥2.71 trillion needed to shoulder the cost of realigning the U.S. military presence. It also plans to ask the U.S. for an overhaul of Japan's payments hosting U.S. forces, including abolishing the practice of Tokyo paying utility bills for bases.

May 1, 2006: The U.S. and Japan release a joint statement confirming a bilateral deal to realign U.S. Forces in Japan by 2014. Major features include the integration of USFJ command structures with the headquarters of several branches on the U.S. mainland. Under the deal, Japan will pay for infrastructure costs and the U.S. for operational moves.

May 3, 2006: *Yomiuri Shimbun* reports that JDA head Nukaga proposed a new framework for security cooperation to replace the 1997 Guidelines for Japan-U.S. Defense Cooperation during "2+2" meeting in Washington.

May 4, 2006: Okinawa Gov. Inamine officially announces opposition to a plan to relocate the U.S. Marine Corps' Futenma Air Station within Okinawa.

May 11, 2006: Gov. Inamine agrees to continue discussions on the Japan-U.S. accord to transfer the airfield of Futenma Air Station to the coastal area of Camp Schwab in Nago, Okinawa.

May 11, 2006: Kadena Municipal Assembly in Okinawa adopts a resolution and a statement of opinion on a recent mishap involving a U.S. *F-15* fighter jet at Kadena Air Base. The assembly demands that the U.S. military take measures to prevent accidents and that they remove the *F-15* squadron from Kadena.

May 30, 2006: Japanese Cabinet approves plans for the realignment of U.S. troops. 8,000 Marines will move from Okinawa to Guam. Japan will cover 60 percent of the \$10.3 billion cost of relocation. Okinawa Prefecture has yet to consent to the plan.

Jun 2, 2006: Yokohama District Court convicts and sentences U.S. sailor William Reese to life in prison for fatally beating a Japanese woman during a robbery near Tokyo.

June 2, 2006: Japanese officials say the LDP will seek to end a decades-old ban on military involvement in space development. The proposed bill relaxes regulations and allows for non-aggressive military use of space. The bill is expected to be submitted to the Diet later this year.

June 4, 2006: U.S. move to have Myanmar (Burma) formally discussed at the UN Security Council for the first time is opposed by Russia, China, and Japan. Japan states that Myanmar's political crisis did not pose a threat to international peace and security. State Department spokesman announces that the U.S. will discuss the issue with Japan.

June 5, 2006: Treasury Department official announces that a U.S. foreign investment review panel cleared a bid for Toshiba to take control of Westinghouse, the U.S. power plant arm of British Nuclear Fuels. The merger will create the world's largest nuclear reactor maker.

June 6, 2006: Department of Defense approves sale of nine interceptor missiles with BMD upgrades to Japan in a potential \$458 million deal. The deal still has to be approved by Congress.

June 6, 2006: During a 25-minute phone call, Japanese Foreign Minister Aso Taro urges Iranian Foreign Minister Manouchehr Mottaki to hold talks with the United States and to seriously consider European proposals to resolve the nuclear standoff.

June 5, 2006: U.S.-Japan Investment Initiative in Tokyo meets. U.S. ambassador to APEC Michael Michalak urges Japan to facilitate foreign mergers and acquisitions.

June 9, 2006: Japanese Cabinet endorses and submits a bill to the Diet that would elevate the Defense Agency to a full government ministry and would make SDF overseas activities one of its main functions. The bill aims to upgrade the SDF's role to include participation in international relief efforts, UNPKO and to assist U.S. forces during emergencies in areas surrounding Japan.

June 9, 2006: Treasury Secretary John Snow asks Japan to consider joining Washington's plan to impose financial sanctions on Iran. Japanese Finance Minister Sadakazu Tanigaki replies that Japan and the U.S. would need to consider the plan further while talking with European countries. Tanigaki and Snow also discussed foreign exchange rates, efforts to reform the International Monetary Fund's voting-share system, and Japan's efforts to overhaul revenues and expenditures to address its debt.

June 12, 2006: *Kyodo News* reports that FM Aso and Secretary of State Condoleezza Rice agree to continue cooperation to resolve the nuclear crisis in Iran. Aso says Japan will continue to play an active role and the U.S. pledged to keep in close contact with Japan on the issue.

June 13, 2006: *Kyodo News* reports that the heads and high-ranking officials of the Democratic Party of Japan, the Social Democratic Party, the Japanese Communist Party, and the People's New Party are firmly against lifting the ban on U.S. beef imports, saying the move is politically motivated and compromises food safety.

June 14, 2006: *Kyodo News* reports that at Japanese government-sponsored meetings, many Japanese consumers express concerns about the safety of U.S. beef.

Jun 14, 2006: Kabaya Ryoichi, mayor of Yokosuka, says his city would accept the first U.S. nuclear-powered aircraft carrier to be stationed in Japan. Kabaya says he has no choice because there is no possibility that a conventional aircraft carrier will be sent.

June 14, 2006: Danny Valerie, a Navy petty officer second class, is arrested in Yokosuka on suspicion of molesting a 15-year-old girl.

June 17, 2006: U.S. Ambassador Thomas Schieffer meets FM Aso and says the U.S. and Japan will consider economic sanctions if North Korea launches a ballistic missile.

June 19, 2006: U.S. UN Ambassador John Bolton and his Japanese counterpart Oshima Kenzo meet to discuss North Korean preparations for test firing a ballistic missile, agreeing to seek an immediate convening of the UNSC should North Korea test a missile.

June 20, 2006: In Tokyo nearly 100 demonstrators and opposition lawmakers gather to oppose lifting the ban on U.S. beef imports.

June 20, 2006: Prime Minister Koizumi announces Japan will withdraw ground troops from Iraq. The ASDF will remain to transport goods and personnel for the coalition.

June 21, 2006: Japan and the U.S. exchange ratification documents for a mutual legal assistance treaty that will expedite criminal investigations and trial proceedings on cross-border crimes. The treaty scheduled to take effect July 21, is the first mutual legal assistance treaty for Japan.

June 21, 2006: *Kyodo News* reports that the U.S. calls Japan's decision to withdraw ground troops from Iraq and increase airlift support as a "positive" example of progress in transferring the security role to the Iraqi people. U.S. National Security Advisor Hadley states that Japan is staying in the mission and actually expanding its air role.

June 21, 2006: Japan agrees to resume buying U.S. beef after Japan sends inspectors to the U.S. to monitor meat-packing facilities. Imports will be restricted to cattle younger than 20-months old with risky parts of the body removed.

June 22, 2006: Japanese *Aegis*-equipped destroyer *Kirishima* takes part in a U.S. missile defense test, performing long-range surveillance and tracking drills with the *USS Shiloh*.

June 23, 2006: FM Aso and Ambassador Schieffer sign agreements to strengthen cooperation on ballistic missile defense development. JDA announces that a high-resolution radar that can detect a ballistic missile has been deployed in northern Japan. The two countries confirm plans for the U.S. to deploy *Patriot* missiles on U.S. bases in Japan. Pentagon spokesman says the *PAC-3* missiles have not been sent to Japan and the locations and timetable for deployment have not been announced.

June 24, 2006: *Financial Times* reports Japanese officials tell the U.S. that Japan is prepared to freeze Iranian bank accounts if Iran does not suspend uranium enrichment and accept a package of incentives from the international community.

June 24, 2006: Japanese government team visits designated U.S. meatpacking facilities. Inspectors will inspect 35 plants in 16 states to ensure that Japan-bound beef is free of mad cow disease. Upon returning, the ministries will analyze their findings and authorize beef shipments.

June 26, 2006: Financial Services Agency of Japan and the U.S. Securities and Exchange Commission hold second dialogue in Washington. Issues include accounting and auditing standards, corporate governance and internal controls, facilitating technological advances in securities markets, and crossborder enforcement cooperation.

June 27, 2006: A joint survey shows 60 percent of respondents say they do not want to eat U.S. beef when imports resume, and 61 percent say they will not, or try not to eat U.S. beef. 60 percent have doubts about the safety of U.S. meat processing, and 52 percent are concerned about the U.S. meat inspection system. 71 percent of respondents say they are either “opposed” or “fairly opposed” to lifting the ban.

June 28, 2006: *Kyodo News* reports that Japanese destroyer *Kirishima* returns home, cutting short participation in naval exercises off Hawaii. Some attribute the return to the need to monitor and track a possible North Korean missile launch.

June 28-30, 2006: Prime Minister Koizumi makes final visit to the U.S. as prime minister. A White House Dinner, Oval Office summit, and Graceland visit are planned.

June 29, 2006: PM Koizumi and President Bush issue joint statement declaring a new alliance for the 21st century based on “common values and interests.” Bush agrees to step up cooperation on reforming the UN to realize Japan’s bid for a permanent UNSC seat.

June 30, 2006: *Kyodo News* reports that Chief Cabinet Secretary Abe says that the U.S. has no worries over the relationship between Japan and China and that the U.S. finds it odd for China to refuse holding summit talks with Japan over the Yasukuni Shrine issue.

June 30, 2006: *Kyodo News* reports that Japan urged the U.S. to implement border security measures that minimize the negative impact on Japanese visa applicants by asking Washington to resume visa revalidation within the U.S. and expand the number of locations within Japan that accept visa applications. Japan also expresses concern over the U.S. Defense Production Act of 1950, which contains a provision for the president to suspend or prohibit any foreign acquisition, merger, or takeover of a U.S. corporation that is determined to threaten national security, saying it lacks transparency and predictability. The U.S. requests Japan to secure equal treatment for foreign and Japanese stocks and for Japan to prepare fair taxation measures for the “triangle merger” scheme scheduled to start next May.