

## **Eiichi Katahara**

Good morning, ladies and gentlemen. My topic is Regional Security and U.S.-Japan Alliance. The views I present here do not represent the views of the NIDS, my institution, and the government of Japan, so my personal views only.

In my presentation today, I want to do three things. First, I will provide a strategic context by highlighting four major challenges confronting the international community. Second, I will make some observations about Japan's security policy and the U.S.-Japan alliance. Third, I will conclude by discussing future challenges confronting the U.S. and Japan.

The first is the strategic context. The evolving strategic environment presents an array of security issues - regional and global. First, the Afghanistan and Pakistan challenge, the so-called Af-Pak challenge. The situation in Afghanistan and Pakistan presents a difficult challenge not only for America but also for the international community at large, given the danger of international terrorists acquiring nuclear weapons, thus representing perhaps the most serious security threat to the world today. Al-Qaeda and its extremist allies are operating most ominously and actively in an increasingly unstable Pakistan which is armed with approximately 60 to 100 nuclear weapons.

The United States, along with the international community, have so far failed to build good governance in Afghanistan and Pakistan; also failed to secure the Afghan people, failed to deal effectively with the Pakistan FATA (Federally Administered Tribal Areas), the tribal region, and also failed to defeat Al-Qaeda and its extremist allies. The Af-Pak challenge would test not only the U.S.'s leadership role but also U.S. allies' roles, including NATO and Japan. This is a global security problem and therefore requires a global response.

Second, a nuclear-armed North Korea or the Korean Peninsula armed with nuclear weapons and ballistic missiles would pose direct military threats to Japan and the region. It would seriously destabilize the region balance of power, possibly sparking an arms race in the region. It would also test the validity of multilateral diplomacy centering on the Six-party Talks, and also the credibility of the U.S.-Japan alliance. When it comes to our efforts in pursuing denuclearization of the Korean Peninsula, our track record is not good at all. The current situation may not constitute a crisis yet, but no doubt, the Japanese people increasingly feel insecure in the face of a belligerent and inherently unstable Pyongyang that appears to be determined to accelerate nuclear and ballistic missile program.

And third, there are a host of the so-called non-traditional security challenges facing the world today, including climate change, proliferation of weapons of mass destruction (WMD), international terrorism, energy problems, natural disasters and problems associated with failed states. It has been widely recognized even in China that the military has a critical role to play in responding to these challenges.

Finally, and perhaps most importantly, the emergence of China as a global actor presents an inevitable long-term challenge especially for policymakers in the region, given the ongoing power shift driven by China's growing comprehensive national power and influence, not just in the region but also in the world at large, including Africa and space and cyberspace. Japan is seriously concerned about China's rapid increases in defense spending, its relentless buildup of air and space power, submarine capability, ballistic missiles, anti-satellite capability and nuclear forces.

As Andrew Krepinevich argues in his recent *Foreign Affairs* article, China's efforts at developing and fielding what strategists refer to as "anti-access/denial (A2/AD)" capabilities would mean that, "China has the means to put at risk the forward bases from which most U.S. strike aircraft must operate". In his words, "East Asian waters are slowly but surely becoming (a) potential no-go zone for U.S. ships, particularly for aircraft carriers," thus risking the forward deployment of U.S. military forces becoming wasting assets". Managing the growing Chinese power and influence and shaping China's strategic decisions and policies would be critical if a new security order in the region is to be open, safe and stable.

Now I want to make some brief observations about Japan's security policy and the U.S.-Japan alliance. I would like to begin with the fundamentals of Japan's geostrategic conditions, and then make some observations. First, we all know that Japan is a major economic and technological power with global interests. Japan is a stable and strong democracy allied with the United States. It is located in a geo-strategically important Northeast Asia where major powers' interests intersect, and major power such as China and Russia are all nuclear armed with significant conventional power-projection capabilities.

Japan's physical vulnerabilities manifest in a small nation with densely populated cities, disaster-prone conditions and its total dependence on international trade and imported energy resources for survival are extremely profound. Given these conditions, there seems to be no first best, independent defense strategy available for Japan. Only the second best defense strategy is available, and that is a combination of Japan's limited defense capability and an alliance with a great power, and that great power has been the United States for the last 50 or 60 years, the strongest nation in the

world. The history of the U.S.-Japan alliance in the postwar era, in my view, is a great success story.

Japan's security policy has been transformed since the 1990s. Consequently, Japan's security roles and missions have been expanded and its defense capabilities enhanced so that Japan will likely become more relevant and effective in meeting the new threats and diverse contingencies of the 21<sup>st</sup> century world, including international peace cooperation activities.

Defense policy debate in recent years clearly points to the need for Japan to reinterpret the constitution, thereby enabling Japan to execute the right of collective self defense in certain situations, and also to facilitate the Self-Defense Forces (SDF)'s participation in international peace cooperation activities. But these issues remain politically controversial.

Japan's commitment to the U.S.-Japan alliance ensures a robust U.S. military presence in the region, thus contributing to peace and stability in the Asia-Pacific region. What has been taking place in recent years on this front is a gradual transformation of the U.S.-Japan alliance in the sense that the roles and missions and capabilities of the alliance are expanding so that we can meet new security threats and diverse contingencies of the 21<sup>st</sup> century. Significantly, there has been a convergence of strategic interests between the two countries.

In December 2002, Japan and the United States embarked on the Defense Policy Review Initiative (DPRI) in which the two governments worked together to determine how roles, missions and capabilities should be shared between the SDF and the U.S. forces and how best to facilitate the alignment of U.S. forces and military facilities and areas in Japan. The outcome of the DPRI process resulted in a series of important policy documents beginning with the February 2005 U.S.-Japan Security Consultative Committee (SCC) document which for the first time in the history of the U.S.-Japan alliance articulated "common strategic objectives" shared by Japan and the United States both at the regional and global levels. In October 2005, the SCC meeting launched a follow-up document titled, *U.S.-Japan Alliance: Transformation and Realignment for the Future*. The U.S.-Japan realignment initiatives were finalized in the May 2006 SCC meeting document titled *U.S.-Japan Roadmap for Realignment Implementation*. I will not get into the nuts and bolts of the alignment and base issues, as these will be dealt with in the next session.

And finally, what are the future challenges for the U.S.-Japan alliance? At a time when the center of gravity of international politics is shifting to the Asia Pacific region, along with its unforeseen consequences, and especially with the emergence of

China and India as great powers, and a host of global and regional non-traditional security challenges, the traditional U.S.-centered hub-and-spoke system may prove to be insufficient, if not inadequate, and hence require thorough rethinking and reassessment.

With respect to the future of East Asian security, I want to make three brief observations. First, Japan. For Japan, there will be further developments in terms of the roles and missions and capabilities of the U.S.-Japan alliance so as to make them more effective and relevant to the changing security environment. The scope of the alliance would likely be global and regional, not just the defense of Japan proper and its surrounding areas only.

In this new security environment, Japan would be expected to play a larger and more proactive role for regional and global security on the one hand and on the other, Japan would be primarily responsible for the mission of the defense of Japan, and this is my personal view. In certain situations and contingencies in the region where the United States could not be counted upon to come to our assistance, Japan would be expected to assume primacy in the defense of Japan. And I would argue that Japan's primary responsibility in the defense of Japan would mean "burden-sharing by devolution" so as to transform the U.S.-Japan alliance of the last 50 or 60 years which has been viewed by many as "lopsided" or "unequal" into a more matured and "equal" alliance, thus adjusting to changing strategic conditions. Burden-sharing by devolution would mean not only Japan's primary role and responsibilities in the defense of Japan but also sharing the responsibilities for the maintenance of a stable international order. This would mean a far more self-reliant Japan security posture and a gradual shift in Japan's defense capability toward the power projection's end of the force spectrum, and Japan's more proactive involvement in international security affairs, both regional and global.

I think the time has come for Japan to formulate its national security strategy, articulating its national interests and the means to protect and enhance them. The centrality of the U.S.-Japan alliance in Japan's strategic policy will remain intact for the foreseeable future, but in the longer term, the U.S. alone will not be counted on as the dominant power capable of tackling all the security challenges in the region. East Asia therefore will require not just the alliance centered on U.S. presence but also viable security architecture by strengthening multi-layered mechanisms for international cooperation.

Here I would like to make three points. First, it would be critical for U.S. and Japan to meet the China challenge jointly, while stabilizing the U.S.-China relations. In this endeavor, we would need both engagement and "hedging" strategies. It would

be essential for the countries in the region to engage China in strategic dialogue, confidence-building measures, joint disaster relief exercises, international humanitarian activities, and energy and maritime security. Yet, it would also be prudent for the countries in the region to hedge against a China that might aim to dominate the region not just economically but also politically and militarily, thus challenging the time honored regional security order underpinned by U.S. strategic primacy.

I would argue further that both engagement and hedging would be insufficient to meet the China challenge. It would be crucial to strategically and proactively co-opt China in architecture building in the region. One attractive policy idea in this regard that has been looming large on Japan's policy agenda is the idea of a U.S.-Japan-China trilateral security framework for comprehensive strategic dialogues and consultations at the official level on wide-ranging security issues encompassing terrorism, the proliferation of weapons of mass destruction, international peacekeeping and a host of "human security" issues including climate change, pandemics and natural disasters. A U.S.-Japan-China trilateral security architecture could also involve trilateral mechanisms for cooperation in the fields of defense exchanges, military training and exercises. In times of international crises, there would be hot-line channels of communication among the defense establishments of the three countries so that they could coordinate policy measures in timely and effective ways.

Another attractive idea in terms of regional architectural building is the proposal of an East Asian community. In my view, this is an idea whose time has not come yet, but the idea should be taken seriously and is worth pursuing in a serious and cautious and constructive way. In January 2002 in Singapore, then Prime Minister Koizumi proposed the creation of an East Asian community with ASEAN countries, Japan, China, South Korea, Australia and New Zealand as its "core members". More recently, Prime Minister Hatoyama expressed his aspiration to build an East Asian community as a long-term vision based upon such principles as "openness, transparency and inclusiveness" and functional cooperation. Some commentators in Japan suggest that in addition to these principles, "anti-hegemony" should also be included as a principle of an East Asian community so that no country should seek hegemony in the region. Given the inevitable power shift driven by the rise of China and India, it would be vitally important for great powers in the region to seek to build regional architecture by strengthening multi-layered mechanisms for international cooperation, while maintaining a stable balance of power in the region. Let me conclude by saying that a robust U.S.-Japan alliance, a harmonious U.S.-Japan-China partnership, and an

emerging East Asian community would be essential ingredients of peace and stability in the Asia-Pacific region of the 21<sup>st</sup> century. Thank you for your attention.