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The U.S.-Japan Alliance

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Summary

The U.S.-Japan alliance has long been an anchor of the U.S. security role in Asia. Forged in the U.S. occupation of Japan after its defeat in World War II, the alliance provides a platform for U.S. military readiness in the Pacific. About 50,000 U.S. troops are stationed in Japan and have the exclusive use of 85 facilities. In exchange for the use of these bases, the United States guarantees Japan's security. Security challenges in the region, particularly nuclear and missile tests by North Korea and increased Chinese maritime activities, have reinforced U.S.-Japan cooperation in recent years. The vitality of the alliance is particularly salient as the Obama Administration renewed the U.S. focus on the Asia-Pacific region through a strategic "rebalancing." The U.S.-Japan alliance, missing a strategic anchor since the end of the Cold War, may have found a new guiding rationale in shaping the environment for China's rise.

Since the early 2000s, the United States and Japan have taken significant strides in improving the operational capability of the alliance as a combined force, despite constraints. In addition to serving as hub for forward-deployed U.S. forces, Japan fields its own advanced military assets, many of which complement U.S. forces in missions like anti-submarine operations. The joint response to a 2011 tsunami and earthquake in Japan demonstrated the interoperability of the two militaries. Cooperation on ballistic missile defense and new attention to the cyber and space domains has also been strong. Japan's own defense policy has evolved, and major strategic documents reflect a new attention to operational readiness and flexibility.

Steady progress on an initiative to realign U.S. forces based in Japan has been overshadowed by the failure to resolve difficult basing issues on Okinawa, the major U.S. forward logistics base in East Asia. About 40% of all facilities used by U.S. Forces Japan (USFJ) and half of USFJ military personnel are located in the prefecture, which comprises less than 1% of Japan's total land area. The sustainability of the U.S. military presence on Okinawa remains a critical challenge for the alliance. The long-delayed plan to relocate Marine Corps Air Station Futenma from a densely populated area of Okinawa encountered further obstacles in the first half of 2016.

Japanese Prime Minister Shinzo Abe is a strong supporter of the alliance and has had notable success on his ambitious agenda to increase the capability and flexibility of Japan's military. Abe's dominance over Japanese politics since his election in late 2012 has created opportunities for more predictable alliance planning. However, constitutional, legal, fiscal, and political barriers prevent a significant expansion of defense cooperation. Many of Abe's initiatives have faced opposition from the public and from political parties. In addition, leaders in China and South Korea distrust Abe because of his past statements on Japanese actions in the World War II era. Suspicion from Beijing and Seoul complicates Japan's efforts to expand its security role.

Japan faces a complex security landscape in the region. North Korea's increased asymmetric capabilities pose a direct threat to Japan. A territorial dispute with China over a set of islets in the East China Sea raises the risk of military escalation, a scenario that could trigger U.S. treaty obligations to defend Japan. Japan has pursued security cooperation with others in the region, including Australia, India, and several Southeast Asian countries. Of concern to the United States is the tense Japan-South Korea relationship, which has prevented effective trilateral coordination. Without cooperation among its allies, the United States may find itself less able to respond to North Korean missile threats and to influence China's behavior.

Both Japan and the United States face significant fiscal challenges. Limited resources could strain alliance capabilities as well as produce more contentious negotiations on cost-sharing. The Japanese government provides nearly $2 billion per year to offset the cost of stationing U.S. forces in Japan.

Contents

Introduction 1
A Rejuvenated Alliance Since 2012 2
Toward a More Equal Alliance Partnership 3
Collective Self-Defense 3
Challenges to a Deeper Alliance Partnership 4
Constitutional and Legal Constraints 5
Fiscal Constraints 5
Public Sentiment: How Far is Japan Willing to Go? 6
Regional Security Environment 7
North Korea 8
China 9
South Korea 10
Australia 11
India 12
Formation of a Quadrilateral Grouping? 12
Southeast Asia 12
U.S.-Japan Alliance: Bilateral Agreements and Cooperation 13
Major Outcomes from SCC ("2+2") Meetings 14
2015 Revision of Bilateral Defense Guidelines 15
Progress on Implementing the Defense Policy Review Initiative 15
International Operations 18
Maritime Defense Cooperation 19
Ballistic Missile Defense Cooperation 20
Extended Deterrence 20
U.S. Arms Sales to Japan 21
Defense Technology Cooperation and Co-production 22
Host Nation Support for U.S. Forces Japan 22
Okinawa-Guam Realignment and the Futenma Base Controversy 24
Deployment of MV-22 Osprey Aircraft 26
U.S.-Japan Co-basing Remains Elusive 26
Evolution of Japanese Defense Policy 27
"Dynamic Defense Force" Concept 27
Preparation for "Gray Zone" Contingencies 28
Attention to Amphibious, Space, and Cyber Capabilities 28

Figures

Figure 1. Map of Japan 7
Figure 2. Map of U.S. Military Facilities in Japan 17
Figure 3. Host Nation Support for USFJ 23
Figure 4. Exchange Rate Comparison for Host Nation Support 24

Tables

Table 1. Military Forces in Japan 13

Appendixes

Appendix. Historical Review of the Alliance 30

Contacts

Author Information 32

Introduction

The U.S.-Japan alliance, forged in the U.S. occupation of Japan after its defeat in World War II, provides a platform for U.S. military readiness in Asia. Under the Treaty of Mutual Cooperation and Security, about 50,000 U.S. troops are stationed in Japan. The United States has the exclusive use of 85 facilities throughout the archipelago, providing the major U.S. forward logistics base in the Asia-Pacific region;[1] Okinawa hosts 33 of the facilities. The U.S.-Japan alliance was originally constructed as a fundamentally asymmetric arrangement—Japan hosts U.S. military bases in exchange for a one-sided security guarantee—but this partnership has shifted toward more equality. (See the **Appendix** for historical background.) Japan boasts its own sophisticated defense assets and the two militaries have improved their bilateral capabilities as a combined force.

The phrase "U.S.-Japan alliance" can describe a wide range of cooperative activities and programs, but this report focuses on the political and military partnership between the United States and Japan. For information and analysis on the broader relationship, see CRS Report RL33436, *Japan-U.S. Relations: Issues for Congress*, coordinated by Emma Chanlett-Avery.

The U.S.-Japan alliance has endured several geopolitical transitions, at times flourishing and at other moments seeming adrift. After the collapse of the Soviet Union, the organizing principles of the Cold War became obsolete, forcing the United States and Japan to adjust the alliance. The shock of the terrorist attacks on the United States in September 2001 ushered in a period of rejuvenated military ties, raising expectations that Japan would move toward a more forward-leaning defense posture and shed the pacifist limitations that have at times frustrated U.S. defense officials. However, the partnership struggled to sustain itself politically in the late 2000s; a softening of U.S. policy toward North Korea by the George W. Bush Administration dismayed Tokyo, and the stalled implementation of a base relocation on Okinawa disappointed Washington. After the Democratic Party of Japan (DPJ) came to power in September 2009, Tokyo hinted that it might seek a more Asia-centric policy and resisted fulfilling the 1996 agreement to relocate the Futenma base in Okinawa.

A series of provocations by North Korea and increasingly aggressive maritime operations by China since 2010 appeared to have set the relationship back on course. From 2007 to 2012, unstable leadership and political paralysis in Tokyo slowed some bilateral security initiatives, but ultimately the turmoil that plagued Japanese politics may have reinforced Japan's commitment to the alliance. In the end, both the left-leaning DPJ and the conservative Liberal Democratic Party (LDP) reaffirmed the centrality of the partnership with the United States. The revision of the bilateral defense guidelines, which provide a framework for defense cooperation, in 2015 showed the enduring strength of the alliance and a vision for enhanced cooperation in the future.

Despite broad and increasing strategic alignment, both the United States and Japan face constraints on their ability to enhance the alliance. Fiscal conditions and sequestration-induced cuts put pressure on defense budgets. Hosting U.S. troops puts strain on Japanese communities, particularly in Okinawa. Despite Prime Minister Abe's drive to upgrade Japan's security capabilities, it remains unclear whether the Japanese public has the appetite to shift Japan's fundamental post-war military posture. Massive protests against the security legislation promoted by the Abe Administration in 2015 indicated the depth of opposition to even a moderate expansion of Japan's military capabilities. Budgetary, legal, normative, and political constraints

[1] Of the approximately 50,000 U.S. military personnel based in Japan, about 11,000 are afloat in nearby waters. Source: U.S. Forces Japan.

on Japan's military activities remain. As some analysts point out, Japan still places tighter restrictions on its use of military force than other U.S. allies do, including the Republic of Korea, Canada, and European nations.[2]

Meanwhile, China has continued to increase its defense budget and modernize its military. Emboldened by its own economic growth and a perception of U.S. decline, Beijing has asserted itself more forcefully in diplomatic and military arenas, including direct challenges to Japan's territorial rights over a set of islets in the East China Sea. As the United States extracted itself from wars in the Middle East in 2011, Washington's attention turned more toward the Asia-Pacific region. On the economic front, the United States is seeking to build trade and strategic connections to the Asia-Pacific through the proposed 12-country Trans-Pacific Partnership free trade agreement. The Obama Administration's "rebalance" to the Pacific was seen by many as a reaction to China's rise, despite insistence by U.S. leaders that the "pivot" is not a containment policy.[3] The U.S.-Japan alliance, missing a strategic anchor since the end of the Cold War, may have found a new guiding rationale in shaping the environment for China's rise.

Congress has expressed considerable interest in the U.S.-Japan alliance for a range of reasons. Some Members of Congress have focused on strategic issues, particularly China's military expansion into maritime and airspace domains, leading to congressional resolutions and letters that largely support Japan's position in territorial disputes. Section 1258 of the FY2015 National Defense Authorization Act (P.L. 113-291) expressed the Sense of Congress welcoming Japan's recent security reforms, including collective self-defense, and reaffirming the U.S. commitment to defend territories under the administration of Japan. Many of the concerns from Members of Congress center on the costs associated with the alliance, particularly the price tag on the realignment of marines from Okinawa to Guam. A 2013 Senate Armed Services Committee inquiry into the cost of the U.S. overseas military presence once again raised the issue of appropriate cost-sharing with Japan.

A Rejuvenated Alliance Since 2012

Prime Minister Abe's commitment to defense reform has dovetailed effectively with the Obama Administration's drive to upgrade bilateral alliances as party of the "strategic rebalancing" to the Asia-Pacific region.[4] Abe has shown a willingness to push for changes to Japan's security posture—at times with significant political risk—that U.S. officials have encouraged privately for decades. Repeated election victories for his party (the LDP), the lack of challengers for leadership of his party, and the disarray of the opposition gave him the political space to advance his long-standing agenda of increasing the flexibility and capabilities of the Japanese military. Although some of Abe's far-reaching aims, including amending Article 9 of Japan's constitution, appear to be out of grasp in the near term, he has accelerated Japan's incremental pattern of adopting more muscular security practices over the past several years.[5]

[2] Jeffrey W. Hornung and Mike Mochizuki, "Japan: Still an Exceptional U.S. Ally," *Washington Quarterly,* Issue 39, No. 1 (Spring 2016), pp. 95-116.

[3] For more information, see CRS Report R42448, *Pivot to the Pacific? The Obama Administration's "Rebalancing" Toward Asia,* coordinated by Mark E. Manyin.

[4] See, for example, Andrew Oros and Jeffrey Hornung, "Enhancing U.S.-Japan Defense Cooperation: New Strategies and the Challenges Ahead," *Challenges Facing Japan: Perspectives from the U.S.-Japan Network for the Future*, Maureen and Mike Mansfield Foundation, 2014.

[5] See Andrew L. Oros,"Japan's Strategic Culture: Security Identity in a Fourth Modern Incarnation?" *Contemporary Security Policy*, June 2014.

Specifically, Abe has adjusted Japan's interpretation of its constitution to allow for the exercise of the right of collective self-defense, passed a package of security legislation that provides a legal framework for the new interpretation, slightly increased Japan's defense budget, relaxed Japan's restrictions on arms exports, established a National Security Council to facilitate decisionmaking on foreign policy, passed a "State Secrets" bill that allows for more intelligence-sharing with the United States, and committed political capital and resources to advance the U.S.-Japan agreement to relocate a controversial U.S. Marine Corps airbase in Okinawa. (See sections below for details.)

Many of these initiatives still face considerable obstacles, but the momentum has created new energy in the alliance. In April 2015, the allies agreed upon a revision of the bilateral defense guidelines, the first such update since 1997. The agreement was a centerpiece of Prime Minister Abe's summit with President Obama that same month, after which Abe addressed a joint meeting of Congress, a first for a Japanese Prime Minister. The new guidelines deepen alliance cooperation in a way that more intricately intertwines U.S. and Japanese security, making it difficult to avoid involvement in each other's military engagements.

Toward a More Equal Alliance Partnership

The asymmetric arrangement of the U.S.-Japan alliance has moved toward a more balanced security partnership in the 21st century. Unlike 25 years ago, the Japan Self-Defense Forces (SDF; effectively, Japan's military) are now active in overseas missions, including efforts in the 2000s to support U.S.-led coalition operations in Afghanistan and the reconstruction of Iraq. Japanese military contributions to global operations like counter-piracy patrols relieve some of the burden on the U.S. military to manage diverse security challenges. Advances in SDF capabilities give Japan a potent deterrent force that complements the capabilities of U.S. forces, for example in anti-submarine warfare. Due to the co-location of U.S. and Japanese command facilities in recent years, coordination and communication have become more integrated. The United States and Japan have been steadily enhancing bilateral cooperation in many aspects of the alliance, such as ballistic missile defense, cybersecurity, and military use of space. As Japan sheds its self-imposed restrictions on the use of military force (in particular the constraints on collective self-defense) and the two countries implement their revised bilateral defense guidelines, the opportunities for the U.S. and Japanese militaries to operate as a combined force will grow. Alongside these alliance improvements, Japan continues to pay nearly $2 billion per year to defray the cost of stationing U.S. forces in Japan. In 2015, Japan and the United States agreed to maintain Japan's host nation support at approximately the same level for the next five years.

Collective Self-Defense

Perhaps the most symbolically significant—and controversial—security reform of the Abe Administration has been Japan's potential participation in collective self-defense. Dating back to his first term in 2006-2007, Prime Minister Abe exhibited a determination to adjust this highly asymmetric aspect of the alliance: legal barriers prevented Japan from defending U.S. forces or territory under attack. According to the previous interpretation of Japan's constitution, Japan possessed the right of collective self-defense, which is the right to defend another country that has been attacked by an aggressor, but exercising that right would have violated the constitution's

war-renouncing Article 9.[6] In early 2013, Abe reestablished an expert advisory panel (first created in 2007) to consider how Japan could adjust its stance on collective self-defense.

In July 2014, the Abe Cabinet announced a new interpretation, under which collective self-defense would be constitutional as long as it met certain conditions. The 2014 Cabinet Decision states that it would be constitutional for Japan to defend another country

- when an armed attack against a foreign country that is in a close relationship with Japan occurs and as a result threatens Japan's survival and poses a clear danger to fundamentally overturn people's right to life, liberty, and pursuit of happiness;
- when there is no other appropriate means available to repel the attack and ensure Japan's survival and protect its people; and
- if Japan limits the use of force to the minimum extent necessary.

These conditions, developed in consultation with the LDP's dovish coalition partner Komeito and in response to cautious public sentiment, are rather restrictive and could limit significantly the latitude for Japan to craft a military response to crises outside its borders. Prime Minister Abe, in a statement to the Japanese Parliament (known as the Diet) in January 2016, ruled out Japan's participation in a military campaign against the so-called Islamic State.[7]

The security legislation package that the Diet passed in September 2015 provides a legal framework for the new SDF missions, including collective self-defense, but institutional obstacles in Japan may inhibit full implementation in the near term. However, the removal of the blanket prohibition on collective self-defense will enable Japan to engage in more cooperative security activities. For example, Japanese Maritime Self-Defense Force (MSDF, the naval branch of Japan's military) vessels can defend U.S. Navy vessels or other countries' ships that come under attack on the high seas; Japanese minesweepers can operate in a warzone; and the SDF can conduct logistical support operations for U.S. troops fighting on the front lines of an overseas conflict. A main focus of U.S.-Japan security cooperation in the near term will be to determine the practical applications of the expanded scope for SDF operations. Reportedly, the United States and Japan are adjusting their war plans to account for collective self-defense, and future military exercises will refine the new types of cooperation enabled by the Abe Administration security reforms.

Challenges to a Deeper Alliance Partnership

The United States and Japan face practical, policy, and strategic challenges to deepening their defense partnership. At the broadest strategic level, the two allies share perceptions of the Asia-Pacific security environment, including on the threats of North Korea's nuclear weapons program and some aspects of China's military modernization; the value of advancing defense exercises and exchanges with South Korea, Australia, and India; and the goal of developing stronger security partnerships with Southeast Asian countries, particularly the Philippines and Vietnam. There are, however, divergences that could hamper further integration of the alliance. The overlap in views of China is not complete. Japanese media and officials portray Chinese military activities near Japanese territory in hostile terms, whereas U.S. officials are not inclined to criticize China's actions that are considered in line with international laws and norms. Although

[6] Article 51 of the U.N. Charter provides that member nations may exercise the rights of both individual and collective self-defense if an armed attack occurs.

[7] "Abe Denies Possibility of Japan Participating in Military Campaign against IS," *Mainichi Shimbun*, January 26, 2016.

U.S. defense officials are wary of China's increasingly assertive activities in the maritime domain, Washington also is cognizant of entrapment risks (based on its treaty commitment to defend Japan) and does not want to escalate the situation by provoking Beijing. The Obama Administration has been clear that it wants to work cooperatively with China on a number of global issues, including climate change and nuclear non-proliferation. The United States also has much broader security interests than Japan in every region of the world, which affects U.S. strategy in Asia.

Constitutional and Legal Constraints

Despite the passage of new security legislation in September 2015, several legal factors restrict Japan's ability to cooperate more robustly with the United States. The most prominent and fundamental is Article 9 of the Japanese constitution, drafted by American officials during the post-war occupation, which outlaws war as a "sovereign right" of Japan and prohibits "the right of belligerency." It stipulates that "land, sea, and air forces, as well as other war potential, will never be maintained." However, Japan has interpreted the article to mean that it can maintain a military for self-defense purposes and, since 1991, has allowed the SDF to participate in noncombat roles overseas in a number of U.N. peacekeeping operations (PKO) and in the U.S.-led coalition in Iraq. The new security legislation adjusts the SDF rules of engagement (ROE) to allow more proactive missions and expands the scope for the SDF to operate in theaters where there is ongoing conflict, but not on the front lines. The direct participation of the SDF in combat operations is considered to be unconstitutional, unless there is a threat to Japan's existence. The overseas dispatch of the SDF still requires Diet approval.

For years, Prime Minister Abe has spoken of his desire to amend the security provisions of Japan's constitution. Although that goal is somewhat more attainable following his coalition's victory in the July 2016 parliamentary elections, significant procedural and political obstacles remain.

Fiscal Constraints

Both Japan and the United States face serious fiscal constraints in their ability to maintain, let alone increase, defense budgets. Funding for new, expensive alliance initiatives appears to be limited; increased investments in new dimensions of alliance cooperation may come with trade-offs in existing or planned defense capabilities. In recent years, Members of Congress voiced concern about the costs of troop realignment plans and imposed restrictions on U.S. funding. Yet, U.S. and Japanese leaders have made rhetorical commitments to allocating a greater share of resources to bolstering the alliance.

Over the decade 2004-2013, Japan's defense budget decreased by 5%, while China's grew by 270%, South Korea's by 45%, and Taiwan's by 14%.[8] After 10 consecutive years of defense spending reductions, the Japanese government grew its defense budget by 0.8% in FY2013, then increased it by an average of 1.7% annually over the three years FY2014-FY2016. Prime Minister Abe has boosted defense spending, but past administrations have established a strong normative (not legally binding) ceiling of 1% of GDP. Thus, over the long term, Japan's defense budget will likely be tied to economic growth and the overall fiscal environment. With gross public debt at roughly 250% of GDP and rising costs of the social safety net, some analysts believe that it will be politically impossible for Japan to significantly increase defense spending.

[8] Philippe de Koning and Phillip Lipscy, "The Land of the Sinking Sun," *Foreign Policy*, July 30, 2013, http://www.foreignpolicy.com/articles/2013/07/30/the_land_of_the_sinking_sun_japan_military_weakness.

Since FY2013, the United States has implemented cuts to planned programs in its defense budget, partly through the sequestration mechanism established in the 2011 Budget Control Act. Since 2012, however, U.S. officials have repeatedly stressed that, as one aspect of the rebalancing strategy, U.S. military deployments to the Asia-Pacific region will not decrease and may even be enhanced in certain areas. Nevertheless, U.S. allies are concerned about the impact of these budget cuts. In testimony to Congress in March 2013, PACOM Commander Samuel Locklear stated, "[The sequestration budget cuts] also will ultimately, if allowed to, undermine the rebalance."[9]

Public Sentiment: How Far is Japan Willing to Go?

Japanese voters have given the LDP three consecutive victories in parliamentary elections, but polls indicate that the electorate's approval of Prime Minister Abe is based primarily on his efforts to revive the Japanese economy and not on security-related issues. Since World War II ended, the Japanese public has gradually changed from its pacifist stance to being more accepting of the need for a more forward-leaning defense posture.[10] This adjustment, however, has been largely incremental rather than fundamental. Observers caution that there is still deep-seated reluctance among the public to shift away from the tenets of the "peace constitution." Even as Japan's defense establishment moves to become more "normal," in the sense of shedding self-imposed limitations on military activities, it is unclear whether the Japanese people are ready for fundamental change. Periodic proposals to amend Article 9 of the constitution have met with resistance from many quarters. The LDP's junior coalition partner Komeito has also hesitated to embrace far-reaching defense reforms.

The passage of security legislation in September 2015 displayed the challenges of adjusting Japan's security posture. The LDP's push to pass the legislation generated intense opposition, both in the Diet and among the general public. The campaign galvanized widespread protest: local assemblies passed resolutions and nearly 10,000 scholars and public intellectuals signed petitions opposing the legislation. Media outlets in Japan claimed that over 100,000 people protested outside the Diet buildings after the bills were introduced. Demonstrators criticized the laws as unconstitutional and claimed that they risked pulling Japan into U.S.-led wars overseas. Particularly as U.S. military engagement in the Middle East attempts to contain and defeat the so-called Islamic State organization, Japanese citizens are concerned that their military could be drawn into foreign engagements.

Chinese and South Korean media also have criticized Japan's new security policies, based on claims that exercising collective self-defense represents an aggressive security policy for Japan and a step toward "re-militarization."[11]

In the 10 months after the Diet enacted the controversial new security legislation, the Abe Administration has moved cautiously to implement defense reforms. This slow pace of change reflects the complex nature of the changes to the SDF's roles and missions, but it may also reflect the administration's reluctance to put security issues back in the public spotlight and revive the criticisms that erupted in the summer and fall of 2015.

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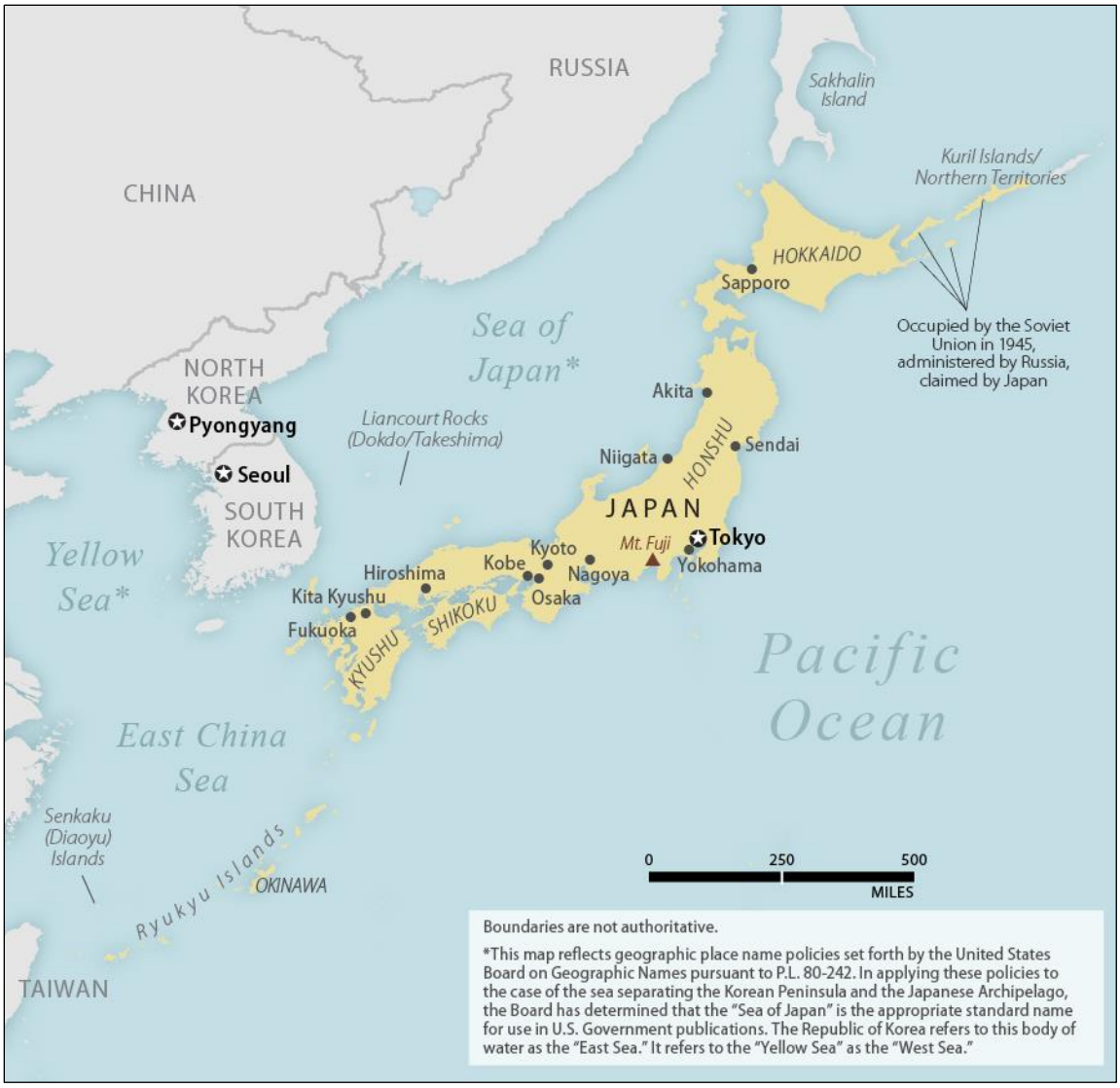
[9] "House Armed Services Committee Holds Hearing on the Proposed Fiscal 2014 Defense Authorization as it Relates to the U.S. Pacific Command and U.S. Strategic Command," CQ Congressional Transcripts, March 5, 2013.

[10] Paul Midford, *Rethinking Japanese Public Opinion and Security: From Pacifism to Realism?* (Stanford, CA: Stanford University Press, 2011).

[11] See, for example, Danielle F. S. Cohen, "Chinese Interpretations of Japan and Its Role in the Indo-Pacific Region in 2016," Asan Forum, Open Forum blog, June 3, 2016, http://www.theasanforum.org/chinese-interpretations-of-japan-and-its-role-in-the-indo-pacific-region-in-2016.

Figure 1. Map of Japan



Source: Map Resources. Adapted by CRS.

Regional Security Environment

Changes in the East Asian security landscape have shaped Japan's defense approach and apparatus. North Korea's belligerent rhetoric and repeated ballistic missile tests have heightened the sense of threat in Japan. China's military advances and increasingly bold maritime activities have also exacerbated Japan's sense of vulnerability, particularly since confrontation over the disputed Senkaku/Diaoyu islets in the East China Sea began to escalate in late 2010.

Aside from such threats, Japan has also developed defense partnerships in the region, often working through the U.S.-Japan alliance. The strong ties and habits of cooperation between the American and Japanese defense establishments complement existing and emerging security partnerships. The April 2015 joint statement released by the U.S. Secretaries of State and Defense and their Japanese counterparts (the so-called 2+2 meeting) praised progress in developing trilateral and multilateral cooperation, specifically with Australia, the Republic of Korea, and

Association of Southeast Asian Nations (ASEAN) countries.[12] The U.S.-Japan alliance has been a vehicle for enhancing security ties with Southeast Asian countries, especially since maritime territorial disputes in the East and South China Seas began to intensify in the late 2000s. Some analysts see these bilateral and multilateral links among U.S. allies and partners as beneficial to U.S. security interests by both enhancing deterrence and perhaps lessening the sense of direct rivalry with potential adversaries.[13]

The two main mechanisms for U.S.-Japan regional security cooperation are high-level trilateral dialogues and multilateral military exercises. There is no comprehensive multilateral institution for managing security problems in the Asia-Pacific, although young forums such as the ASEAN Regional Forum, the ASEAN Defense Ministers Meeting Plus, and the East Asia Summit have shown potential in this regard. Therefore, the established trilateral dialogues between U.S. allies are an important mechanism for coordinating regional security activities. Training exercises that allow the militaries of Asia-Pacific nations to interact and cooperate are another means to improve trust and transparency. The United States and Japan have participated in multilateral exercises with Australia, India, Mongolia, the Philippines, Singapore, South Korea, Thailand, Vietnam, and several other countries in recent years, indicating the breadth of these activities.

A complicating factor for U.S. defense officials is the dissonance between Tokyo and Seoul that thwarts robust trilateral defense cooperation. Japan-South Korea relations were particularly poor from 2012 until 2015. Although the two countries have begun to overcome some of their mutual antipathy, they lack formal security agreements to establish more effective defense cooperation. Without cooperation among its allies, the United States may find itself less able to respond to North Korean nuclear and missile threats and to influence China's behavior.

Although the U.S. "strategic rebalancing" to the Asia-Pacific region in many ways makes Japan more central to U.S. foreign policy, the renewed attention to the region may also open up new defense partnerships that could displace elements of Japan's strategic importance. The United States has pursued new basing arrangements with countries in Southeast Asia that could host rotations of troops or other assets: Singapore, the Philippines, Australia, and Malaysia have, to varying degrees, allowed or indicated a willingness to provide expanded access to the United States, although the vast majority of U.S. military assets in Asia will remain in Japan and South Korea for the foreseeable future.

North Korea

North Korea has played a singular role in driving Japan's security policy, usually pushing Japanese leaders to pursue, and the public to accept, a more forward-leaning defense posture. After the Cold War threat from the Soviet Union receded, many analysts questioned whether the pacifist-leaning Japanese public would support a sustained military alliance with the United States. The shared threat from North Korea—particularly acute to the geographically proximate Japanese—appeared to shore up the alliance in the late 1990s and into the next century. North Korea's 1998 test of a Taepodong missile over Japan consolidated support for development of ballistic missile defense (BMD) with the United States. In 2001, the Japanese Coast Guard's sinking of a North Korean spy ship that had entered Japan's exclusive economic zone again publicly raised the specter of the threat from Pyongyang. Perhaps most importantly, the admission by Kim Jong-il in 2002 that North Korea had abducted several Japanese citizens in the 1970s and

[12] "Joint Statement of the Security Consultative Committee: A Stronger Alliance for a Dynamic Security Environment," April 27, 2015.

[13] "The Emerging Asia Power Web: The Rise of Bilateral Intra-Asian Security Ties," Center for a New American Security, June 2013, http://www.cnas.org/publications/emerging-asia-power-web.

1980s shocked the Japanese public and led to popular support for a hard-line stance on North Korea, which in turn gave rise to hawkish political figures, including Shinzo Abe when he served as Chief Cabinet Secretary to Prime Minister Junichiro Koizumi. In 2003, Japan launched its first spy satellite in order to track North Korean threats without relying on other countries' intelligence collection.

In the past several years, North Korea's behavior—repeated missile launches, four tests of nuclear devices, and its sinking of a South Korean warship and artillery attack on Yeonpyeong Island in 2010—have spurred Japanese leaders to pursue more robust missile defense cooperation with the United States. Japanese territory is well within the range of North Korean Nodong ballistic missiles, which are potentially capable of delivering a nuclear warhead.[14] Given that U.S. military bases in Japan would play an important supporting role in a conflict on the Korean peninsula, many experts expect that Japan would be a target of North Korean missile attacks in a major crisis situation. Pyongyang's provocations have also driven Seoul, Tokyo, and Washington to closer defense cooperation, including combined military exercises and high-level trilateral dialogues.

China

Despite normalizing bilateral relations in 1972 and despite the huge volume of two-way trade between them, China and Japan have long been wary of one another. Since 2010, that suspicion has solidified into muted hostility over a set of uninhabited islets known as the Senkakus to Japan and the Diaoyu to China. The islets, located between Taiwan and Okinawa in the East China Sea and reportedly rich in energy deposits, are administered by Japan but claimed by Tokyo, Beijing, and Taipei. Japanese security officials have been deeply concerned about Beijing's intentions and growing capabilities for years, but the Senkakus dispute appears to have convinced politicians and the broader public that Japan needs to adjust its defense posture to counter China.

Starting in the fall of 2012, China began regularly deploying maritime law enforcement vessels near the islets and stepped up what it called "routine" patrols to assert jurisdiction in "China's territorial waters." Chinese military surveillance planes reportedly entered airspace that Japan considers its own, in what Japan's Defense Ministry has called the first such incursion in 50 years. In 2013, near-daily encounters escalated: both countries scrambled fighter jets, Japan drafted plans to shoot down unmanned aerial vehicles (UAVs) that do not respond to warnings, and, according to the Japanese government, a Chinese navy ship locked its fire-control radar on a Japanese destroyer and helicopter on two separate occasions.[15]

In November 2013, China announced a new air defense identification zone (ADIZ) that includes airspace over the islets, a move that Japan and the United States condemned as a destabilizing move that alters the already delicate status-quo. The leadership of the Senate Foreign Relations Committee sent a letter to the Chinese Ambassador expressing deep concerns about the area covered by the Chinese ADIZ and the potentially dangerous procedures for enforcement that China had announced. As of February 2016, China has not enforced its ADIZ provisions to the extent that some had feared, but the overlapping zones create the potential for a crisis. For more information and analysis, see CRS Report R43894, *China's Air Defense Identification Zone (ADIZ)*, by Ian E. Rinehart and Bart Elias.

[14] David Albright, "North Korean Miniaturization," 38North blog, US-Korea Institute at SAIS, February 22, 2013, http://38north.org/2013/02/albright021313.

[15] "Japan to Shoot Down Foreign Drones That Invade Its Airspace," *Kyodo News Service*, October 20, 2013.

The intermingling of fishing vessels, military assets, and maritime law-enforcement patrols creates a crowded and potentially combustible situation. Without effective crisis management tools and a political agreement, China and Japan are at risk of escalating into direct conflict, which in turn involves the U.S. commitment to defend Japan. As the Senkaku/Diaoyu dispute surfaced anew multiple times since 2010, the United States reasserted its position that it would not take a position on sovereignty but that the islets are subject to Article 5 of the U.S.-Japan security treaty, which stipulates that the United States is bound to protect "the territories under the Administration of Japan." Congress inserted in the FY2013 National Defense Authorization Act (P.L. 112-239) a resolution that would appear to bolster the U.S. commitment by stating that "the unilateral action of a third party will not affect the United States' acknowledgment of the administration of Japan over the Senkaku Islands." President Obama used similar language when describing the U.S. alliance commitment in April 2014, "The policy of the United States is clear—the Senkaku Islands are administered by Japan and therefore fall within the scope of Article 5 of the U.S.-Japan Treaty of Mutual Cooperation and Security. And we oppose any unilateral attempts to undermine Japan's administration of these islands."[16] For more information and analysis, see CRS Report R42761, *Senkaku (Diaoyu/Diaoyutai) Islands Dispute: U.S. Treaty Obligations*, by Mark E. Manyin.

Chinese officials regularly raise complaints when the United States and Japan move to strengthen alliance capabilities, calling the alliance a "relic of the Cold War" and accusing Japan of "remilitarizing." Reportedly, U.S. diplomats and defense officials have warned Beijing that Pyongyang's repeated missile and nuclear tests provide ample justification for improving U.S. and allied BMD capabilities in the region. At the same time, defense planners in the United States and Japan are concerned about the quantitative and qualitative increases in Chinese military acquisitions, particularly cruise and ballistic missiles. China already has the ability to severely degrade U.S. and Japanese combat strength through conventional missile attacks on facilities in Japan, and the Chinese military fields anti-ship ballistic missiles that may be capable of destroying an aircraft carrier at sea.

South Korea

For Japan, South Korea occupies an odd place between competitor and partner. On the one hand, South Korea, a fellow free-market democracy and U.S. treaty ally, faces nearly identical security challenges: the armed, hostile, and unpredictable North Korea and the uncertain intentions of the Communist Party regime in Beijing. Both Japan and South Korea have a shortage of natural resources and depend heavily on shipping lanes to fuel their economies. Both share a desire for strong international bodies that set trade standards and protect intellectual property rights. The countries normalized relations in 1965 and are among each other's top trade partners.

Yet sensitive historical and territorial issues stemming from Japan's 35-year annexation of the Korean Peninsula in the early 20th century have dogged the relationship and derailed attempts to cooperate in the security realm. In 2012, Seoul and Tokyo came to the verge of signing two landmark agreements that would have allowed for more military cooperation: a General Security of Military Information Agreement (GSOMIA) and an Acquisition and Cross-Servicing Agreement (ACSA). The GSOMIA would have allowed the two countries to more easily share classified information regarding common security issues like North Korea's nuclear and missile program. The ACSA provides a framework for logistical cooperation in situations like disaster relief and peacekeeping operations. The agreements, modest in scope, fell apart at the last moment amid public outcry in South Korea.

[16] Atsuko Matsumoto, "Obama: Senkakus 'Within Scope' of U.S.-Japan Treaty," *Yomiuri Shimbun*, April 23, 2014.

Both pacts would have allowed for more effective cooperation with the United States. U.S. officials have for years expressed their frustration at Japan and South Korea's failure to forge a meaningful trilateral defense relationship. As the United States has encouraged Japan to upgrade its defense capability, public sentiment in South Korea sees the moves as an indication that Japan is reverting to militarism. Japanese officials argue that South Koreans show insufficient appreciation for past apologies and Japanese restraint from venerating Imperial-era symbols, while South Korean officials argue that Japanese politicians have not learned and accepted the lessons of Japan's troubled past and that their apologies lack sincerity. Under Abe and South Korean President Park Geun-hye, the relationship has been marked by mutual distrust, prompting Washington to quietly pressure both capitals to overcome (or put aside) their discord for the sake of trilateral security cooperation. In late 2014 and 2015, the Abe and Park Administrations took some steps toward improving bilateral cooperation, but the relationship remains tense. In one modest step, in December 2014 Japan, South Korea, and the United States signed on to a trilateral intelligence-sharing agreement that enables Japan and South Korea to exchange information regarding North Korea's missile and nuclear threats. The United States acts as the intermediary because direct Japan-South Korea intelligence connections remain controversial.

Australia

Besides the United States, Japan's closest security partner is Australia. Tokyo's defense relationship with Canberra has continued to build both bilaterally and trilaterally through each country's treaty alliance with the United States.[17] Tokyo and Canberra signed an ACSA in 2010 and a GSOMIA in 2012 to facilitate deeper military cooperation, and in 2014 the two countries concluded an agreement on the transfer of defense equipment and technology, particularly Japan's cutting-edge submarine propulsion technologies. However, this promising cooperation on development of Australia's next-generation submarines faltered due to political and bureaucratic factors. The Japanese side encountered problems coordinating the submarine contract bid between government officials and businessmen in part due to Japan's lack of experience with arms exports, according to reports.[18]

Notably, even as Australia's leadership has changed hands, Australia has consistently supported an expanded regional security role for Japan, despite concerns that such firm support might irritate China. Over the years, the Australian and Japanese militaries have worked side by side in overseas deployments (Iraq), peacekeeping operations (Cambodia, Timor-Leste, and elsewhere), and humanitarian assistance/disaster relief (HA/DR) operations, including the use of Royal Australian Air Force (RAAF) aircraft to transport SDF troops and supplies after the March 2011 disasters in northeast Japan.

The Trilateral Strategic Dialogue, inaugurated in 2006, provides a framework for the United States, Australia, and Japan to cooperate on security priorities. The arrangement serves multiple purposes: it allows the United States to build up regional security architecture that supports its rebalance strategy, it offers training and exercise opportunities for militaries with similar equipment, and, many analysts say, for Australia and Japan, it offers a degree of strategic flexibility to assuage fears that the United States' hegemony in the region could wane.[19] The three

[17] Thomas S. Wilkins, "From Strategic Partnership to Strategic Alliance? Australia-Japan Security Ties and the Asia-Pacific," *Asia Policy 20*, National Bureau of Asia Research, July 2015.

[18] For more discussion of this episode, see the section "Japan's Bid Fails in Australian Submarine Contract Competition" in CRS Report RL33436, *Japan-U.S. Relations: Issues for Congress*, coordinated by Emma Chanlett-Avery.

[19] Mina Pollmann, "US-Japan-Australia Security Cooperation: Beyond Containment," *The Diplomat*. April 21, 2015.

militaries have conducted military exercises together on a regular basis. For example, the RAAF and Japanese Air Self-Defense Force (ASDF) train together with the U.S. Air Force in the Cope North and Red Flag exercises.

India

Japan's security relations with India have strengthened since 2013 with an emphasis on maritime security in the Indo-Pacific region. Abe and Indian Prime Minister Narendra Modi have forged close political ties, building on Abe's interest in developing a partnership with New Delhi during his first stint as Prime Minister in 2006-2007. In December 2015, Japan and India signed a GSOMIA and an agreement on defense technology transfer. Both agreements appear to be laying the groundwork for further defense industry integration and capacity for intelligence sharing between the two militaries. Japan became a permanent participant in the previously bilateral U.S.-India Malabar naval exercises in 2015.

Formation of a Quadrilateral Grouping?

Nations concerned about China's intentions and rising power have demonstrated interest in establishing new security networks. Different combinations of Japan, Australia, India, and the United States are among the nascent possibilities for members of a regional security group. Japan, Australia, and India held trilateral talks at the vice-ministerial level for the first time in June 2015, and followed up with another meeting in February 2016. Abe has been a proponent of working toward a security "diamond" comprising the four countries, noting the shared democratic values and commitment to preserving freedom of navigation in the region.[20] Critics of formalizing such arrangements say that it could appear to be an effort to contain China, which risks counter-moves by Beijing. In 2007, the convening of a quadrilateral security dialogue provoked sharp criticism from China and later lapsed because of Australia's reluctance to antagonize Beijing, according to reports.

Southeast Asia

As the disputes over territory and administrative rights in the South China Sea became more volatile during the 2000s and 2010s, the United States and Japan have made efforts to increase their contributions to security and stability in Southeast Asia. These security contributions are rarely conducted in the context of the bilateral alliance, but the alliance may be a platform for more security engagement in the future. Building the security capacity of Southeast Asian countries, especially in the maritime domain, is an area of joint effort for the alliance. In recent years, Japan has donated dozens of used and new patrol boats to the coast guards in the region. Maritime domain awareness—perhaps even multilateral patrols involving the United States, Japan, and Southeast Asian countries—appears to be another promising area for cooperation in the near term. The level of cooperation with individual Southeast Asian countries varies widely, but generally Japan and the United States have been most engaged with the Philippines, Singapore, and Vietnam. In February 2016, Japan signed an agreement with the Philippines that establishes procedures for Japan to sell new military hardware, transfer defense technology, donate used military equipment, and provide training to the Philippine armed forces.

HA/DR operations, in which the U.S. and Japanese militaries have extensive experience, are another area of emphasis in disaster-prone Southeast Asia. Japan and the United States were two of the four non-Southeast Asian countries whose armed forces provided disaster relief following

[20] Shinzo Abe, "Asia's Democratic Security Diamond," *Project Syndicate*, December 27, 2012.

the December 2004 Indian Ocean tsunami. The U.S. military and the SDF each sent approximately 1,000 troops and dozens of vessels and aircraft to assist the Philippines' recovery from Typhoon Haiyan (Yolanda) in late 2013.[21] From 2010 to 2013, Japan co-chaired the military medicine working group of the ASEAN Defense Ministers Meeting Plus and helped to organize a multilateral HA/DR military exercise in Brunei in June 2013.

U.S.-Japan Alliance: Bilateral Agreements and Cooperation

The U.S.-Japan alliance is built on a foundation of bilateral agreements that define the scope and form of security cooperation. The 1960 Mutual Defense Treaty is the bedrock of the alliance, covering the basic rights and responsibilities of each party, and the accompanying 1960 Status of Forces Agreement governs the treatment of U.S. defense personnel stationed in Japan. The bilateral defense guidelines, first codified in 1978 and then updated in 1997 and 2015, provide the policy guidance to direct alliance cooperation. The guidelines outline how the U.S. and Japanese militaries will interact in peacetime and in war as the basic parameters for defense cooperation based on a division of labor. The U.S.-Japan dialogue on the roles, missions, and capabilities (RMC) of the two militaries provides more concrete directives deriving from the policy guidelines.

Within that policy framework of bilateral agreements, Tokyo and Washington chart the course for alliance cooperation at regular meetings of the Cabinet-level Security Consultative Committee (SCC). Composed of the U.S. Secretaries of Defense and State and their Japanese counterparts, and thus known as the "2+2", the SCC meets roughly annually and issues joint statements that reflect present alliance concerns and provide concrete guidance for the near term.[22] Some SCC meetings have been more far-reaching, elaborating on alliance priorities and common strategic objectives.

Table 1. Military Forces in Japan

Figures are approximate

Japan Self-Defense Forces (SDF) 2015 defense budget: 5.05 trillion yen ($42 billion)	**U.S. Forces Japan (USFJ)**
Maritime Self-Defense Forces (MSDF) 45,500 sailors 47 surface combatants (6 Aegis BMD-equipped) including 3 helicopter carriers 18 submarines, 165 maritime patrol aircraft	**U.S. Navy** 19,600 sailors ashore and afloat 1 aircraft carrier, 3 cruisers and 8 destroyers (8 Aegis-equipped), 70 aircraft 4 amphibious transport ships, 1 command ship, 4 mine countermeasures ships

[21] The SDF deployed three CH-47 helicopters, three UH-1 helicopters, the amphibious transport vessel *Osumi*, helicopter carrier *Ise*, supply vessel *Towada*, two KC-767 supply aircraft, seven C-130 supply aircraft, and one U-4 aircraft. Source: Embassy of Japan in the United States, November 2013.

[22] The SCC convened nine times in the 12-year period 2002-2013. A complete record of joint statements is available at http://www.mofa.go.jp/region/n-america/us/security/scc/index.html.

Japan Self-Defense Forces (SDF) 2015 defense budget: 5.05 trillion yen ($42 billion)	U.S. Forces Japan (USFJ)
Air Self-Defense Forces (ASDF) 47,100 airmen 557 combat capable aircraft: 201 F-15J fighters, 17 AEW&C aircraft, 62 transport aircraft 17 PAC-3 BMD units	**U.S. Air Force** 12,400 airmen 1 fighter wing at Misawa AB with 22 F-16C/D 1 fighter wing at Kadena AB 54 F-15C/D, 2 AEW&C aircraft, 15 refueling tankers 1 airlift wing, total of 12 transport aircraft; 1 special ops group; 10 SAR helicopters
Ground Self-Defense Forces (GSDF) 151,000 soldiers 1 tank division, 3 armored infantry divisions, 5 light infantry divisions, 1 airborne brigade, 1 helicopter brigade, 3 artillery brigades, 2 air defense brigades, 1 special ops unit	**U.S. Army** 2,300 soldiers 1 special forces group, 1 aviation battalion, 1 air defense regiment Forward operational headquarters
SDF Amphibious Assets GSDF is building up an Amphibious Rapid Deployment Brigade of 3,000 personnel 3 landing ships (LST), 20 landing craft	**U.S. Marine Corps** 15,700 marines 1 Marine division, 12 F/A-18D aircraft, 24 MV-22 transport aircraft, 12 refueling aircraft
Reserve 54,200 soldiers, 1,100 sailors, 800 airmen	**U.S. Strategic Command** 2 AN/TPY-2 X-band radars

Source: *The Military Balance 2016*, (London, UK: International Institute for Strategic Studies, 2016), and Seth Robson, "Boost in Aircraft, Personnel Part of Pacific Pivot for Yokota," *Stars and Stripes*, January 19, 2016.

Notes: The totals for the USFJ column account for U.S. forces stationed in Japan. The U.S. military is capable of rapidly augmenting these forces with reinforcements from elsewhere in the region, and around the world.

Major Outcomes from SCC ("2+2") Meetings

The 2002 SCC meeting established a working-level Defense Policy Review Initiative (DPRI) to review alliance force posture and develop a common security view between the two sides. Following on this initiative, SCC meetings in the period 2005-2007 provided high-level guidance for many significant changes in the alliance, even as resolution of the Okinawa base conundrums remained elusive. At the strategic level, the 2005 SCC explicitly identified the stability of the Taiwan Strait and the Korean Peninsula as common priorities for the first time and called on China to make its military modernization more transparent. At the operational level, the United States and Japan sought greater integration of the two militaries and outlined a new alliance approach both to enhance the defense of Japan and to move beyond traditional realms of cooperation.

The SCC meeting in May 2010 was significant because it reaffirmed the centrality of the alliance to Japan's overall foreign policy, even under the DPJ government, and because it committed Japan to implement the bilateral 2006 Realignment Roadmap for relocating the Futenma air base to another part of Okinawa (see "Okinawa-Guam Realignment and the Futenma Base Controversy" section for further discussion). The 2011 SCC meeting, taking place just three months after Japan's March 11 earthquake and tsunami, took stock of recent alliance progress and outlined a broad vision for bilateral cooperation. The great extent of common strategic objectives demonstrated the strategic alignment of the two allies, although the depth of agreement on, and relative prioritization of, these many issues remains unclear. In contrast, the 2012 SCC meeting focused on the Okinawa-Guam realignment of U.S. forces. The joint statement attempted to

facilitate a resolution by removing the strict linkage between the transfer of marines off of Okinawa and the construction of a replacement facility for the Futenma base.

Following the return of the LDP to power in December 2012, the 2013 SCC joint statement outlined an agenda for enhanced U.S.-Japan defense cooperation. The two countries agreed to revise the bilateral guidelines to adjust the alliance in response to changing threats, emerging technologies, and Japan's defense reforms. The United States expressed support for Japan's initiatives to establish a National Security Council and to consider exercising the right of collective self-defense.

2015 Revision of Bilateral Defense Guidelines

In late April 2015, the United States and Japan released a major revision to their bilateral defense guidelines, a process that began in late 2013. The new guidelines account for developments in military technology, improvements in interoperability of the U.S. and Japanese militaries, and the complex nature of security threats in the 21st century. For example, the guidelines address bilateral cooperation on cybersecurity, the use of space for defense purposes, and ballistic missile defense, none of which were mentioned in the 1997 version. The new guidelines lay out a framework for bilateral, whole-of-government cooperation in defending Japan's outlying islands. The guidelines also significantly expand the scope of U.S.-Japan security cooperation to include defense of sea lanes and, potentially, Japanese contributions to U.S. military operations outside East Asia.

As of July 2016, over one year after the revision of the guidelines and nine months after the Diet passed new security legislation, overall implementation has been slow. Some defense cooperation activities are new for the SDF and for the alliance, such as "mutual asset protection" (e.g., a Japanese naval vessel defending a U.S. naval vessel that has been attacked on the high seas). In other areas where the two allies are expanding their institutional infrastructure for cooperation, such as logistical support and military use of outer space, faster progress is possible. Japan's slow pace of developing new military operational practices has delayed implementation of the new bilateral war-planning process. Development of the "flexible deterrent options" mentioned in the new guidelines is also a work in progress.

The new guidelines also improve alliance coordination by facilitating quicker inter-agency communication between the key U.S. and Japanese officials, both military and civilian. The guidelines establish a standing Alliance Coordination Mechanism (ACM), which involves participants from all the relevant agencies in the U.S. and Japanese governments, as the main body for coordinating a bilateral response to any contingency. The previous Bilateral Coordination Mechanism only would have assembled if there were a state of war, meaning that it could have been a trigger of further escalation in a crisis and that there was no formal organization to coordinate military activities in peacetime, such as during the disaster relief response to the March 2011 earthquake and tsunami in northeast Japan.

Progress on Implementing the Defense Policy Review Initiative

The relocation of Futenma Marine Corps Air Station is the largest and most controversial part of a broad overhaul of U.S. force posture in Japan and bilateral military activities, but it is not the only element. With the exception of the Futenma base relocation, DPRI has largely succeeded in improving the political sustainability, interoperability, and scope of the alliance. A training relocation program allows U.S. aircraft to conduct training away from crowded base areas to reduce noise pollution for local residents. U.S. Carrier Air Wing Five is being relocated from Atsugi Naval Air base to the Marine Corps base at Iwakuni to reduce safety risks and noise. The

Japanese government built a new, offshore runway at the Iwakuni base, which began handling civilian flights in December 2012. In Okinawa, the U.S. military has turned several plots of land over to the Japanese government. Several more areas of present-day U.S. military facilities are approved for expedited return in the near future.

The co-location of service headquarters has improved coordination between the U.S. and Japanese militaries. The SDF Air Defense Command constructed a new facility at the U.S. Yokota Air Base, where since 2006 a Bilateral Joint Operations Command Center at Yokota has enabled data-sharing and coordination between the Japanese and U.S. air and missile defense command elements. In 2010, U.S. Army Japan established at Camp Zama (about 25 miles southwest of Tokyo) a forward operational headquarters, which can act as a bilateral joint headquarters to take command of theater operations in the event of a contingency. The Japanese Ground Self-Defense Force (GSDF) Central Readiness Force moved its headquarters to Camp Zama in early 2013. The MSDF headquarters and the Commander of U.S. Naval Forces, Japan, have shared the naval base at Yokosuka for decades.

Increased joint training activities and shared use of facilities has improved the interoperability of the U.S.-Japan alliance. The SDF conducted its first joint drill overseas in a large amphibious assault exercise with the U.S. military in California in June 2013. Japan will have access to new training facilities on Guam and the Northern Mariana Islands as a result of a 2009 bilateral agreement. The two allies continue to discuss the potential costs and benefits of increasing the number of shared-use military facilities, which some observers believe would change the image of American troops as foreign occupiers (see later section “U.S.-Japan Co-basing Remains Elusive”).

Figure 2. Map of U.S. Military Facilities in Japan

Source: Map Resources. Adapted by CRS.

Notes: MCAS is the abbreviation for Marine Corps Air Station. NAF is Naval Air Facility.

March 2011 Earthquake and Tsunami: U.S.-Japan Alliance Performance

Appreciation for the U.S.-Japan alliance among the Japanese public increased after the two militaries worked effectively together to respond to a devastating natural disaster. On March 11, a magnitude 9.0 earthquake jolted a wide swath of Honshu, Japan's largest island. The quake, with an epicenter located about 230 miles northeast of Tokyo, generated a tsunami that pounded Honshu's northeastern coast, causing widespread destruction and killing over 16,000 people. Years of joint training and many interoperable assets facilitated a large-scale, integrated alliance effort. "Operation Tomodachi," using the Japanese word for "friend," was the first time that SDF helicopters used U.S. aircraft carriers to respond to a crisis. The USS *Ronald Reagan* aircraft carrier provided a platform for air operations as well as a refueling base for SDF and Japan Coast Guard helicopters. Other U.S. vessels transported SDF troops and equipment to the disaster-stricken areas. Communication between the allied forces functioned adequately, according to military observers. For the first time, U.S. military units operated under Japanese command in actual operations. Specifically dedicated liaison officers helped to smooth communication. Although the U.S. military played a critical role, the Americans were careful to emphasize that the Japanese authorities were in the lead. The Department of Defense committed an estimated $88.5 million in assistance for the disasters, out of a total of over $95 million from the U.S. government.

Within 8 days of the earthquake, the SDF had deployed 106,200 personnel, 200 rotary and 322 fixed-wing aircraft, and 60 ships. Nearly all of the MSDF ships were transferred to the affected area, and forces from distant provinces were mobilized. After rescuing nearly 20,000 individuals in the first week, the troops turned to a humanitarian relief mission in the displaced communities, in addition to supporting activities at the troubled nuclear reactors. U.S. military troops and assets were deployed to the affected areas within 24 hours of the earthquake. At the peak, approximately 24,000 U.S. personnel, 189 aircraft, and 24 Navy vessels were involved in the humanitarian assistance and relief efforts. Major assets in the region were redirected to the quake zone, including the USS *Ronald Reagan* Carrier Strike group.

The successful bilateral effort had several important consequences. First, it reinforced alliance solidarity after a somewhat difficult period of public disagreement over the Futenma base issue. It was also very well received by the Japanese public, leading to exceptionally high approval ratings of both the SDF performance and the U.S. relief efforts. The operation demonstrated to other countries the capability of the alliance. It also illuminated challenges that the two militaries might face if responding to a contingency in the defense of Japan in which an adversary were involved, including having more secure means of communication as multiple agencies and services mobilized resources.[23]

International Operations

The 1997 guidelines outlined rear-area support roles that Japanese forces could play to assist U.S. operations in the event of a conflict in areas surrounding Japan. The passage of special legislation since 2001 has allowed Japanese forces to take on roles in Iraq and in the Indian Ocean under the category of international peace cooperation activities. Because of the dispatch of Japanese troops to Iraq in 2004-2007, to Indonesia in the wake of the 2004 tsunami, to Haiti after the 2010 earthquake, and to several U.N. missions around the world, the SDF has gained experience in peacekeeping, humanitarian relief and reconstruction, anti-piracy, and disaster relief operations. Some prominent Japanese defense specialists have argued that noncombat missions—considered more politically acceptable to the Japanese public—are the most promising areas for development. Japan's security cooperation in Southeast Asia has focused on these activities, offering technical assistance and training to military personnel in ASEAN countries.

The MSDF has been engaged in counter-piracy activities in the Gulf of Aden since March 2009. Japanese vessels and P-3C patrol aircraft have escorted over 3,600 commercial ships and conducted over 1,300 surveillance flights.[24] Roughly 200 SDF support and headquarters personnel are stationed at a base constructed in 2011 in Djibouti. Although the Djibouti facility is

[23] Jim McNerny, Michael Green, Kiyoaki Aburaki, and Nicholas Szechenyi, "Partnership for Recovery and a Stronger Future; Standing with Japan after 3-11," Center for Strategic and International Studies, October 2011, http://csis.org/files/publication/111026_Green_PartnershipforRecovery_Web.pdf.

[24] Japan Ministry of Defense, *Defense of Japan 2015*, White paper, October 2015, p. 293.

Japan's first overseas base since World War II, the move has sparked little controversy among the Japanese public.

Maritime Defense Cooperation

The Japanese Maritime Self-Defense Force (MDSF) is one of the most capable navies in the world and cooperates closely with its U.S. counterparts. U.S. Navy officials have claimed that they have a closer daily relationship with the MSDF than with any other navy, conducting over 100 joint exercises annually. During the Cold War, the U.S. Navy and MSDF developed strong combined anti-submarine warfare cooperation that played a key role in countering the Soviet threat in the Pacific. The navies also protect key sea lines of communication (SLOCs), and the new policy on collective self-defense enables the MSDF to defend allied vessels in international waters. The most significant help extended by Japan in support of U.S. operations has come from the MSDF: refueling coalition vessels in the Indian Ocean active in Operation Enduring Freedom and, at times, an Aegis destroyer escort; the dispatch of several ships, helicopters, and transport aircraft to assist in disaster relief after the December 2004 Indian Ocean tsunami; participation in the Proliferation Security Initiative (PSI) multinational exercises; and the deployment of MSDF vessels for anti-piracy missions off the coast of Somalia.

The Japanese Coast Guard (JCG) plays an important role in strengthening Japan's maritime capabilities and has primary responsibility for effecting Japanese administrative control over the disputed Senkaku/Diaoyu islets. Along with rescue and environmental protection, the JCG includes "securing the safety of the sea lanes" and "maintaining order in the seas" among its core missions. JCG protection of Japanese waters and participation in exercises overseas is more politically palatable compared to MSDF participation, both to the Japanese public and to foreign countries.[25] As the maritime standoff with China over the disputed islets became more intense after 2010, coordination between the MSDF and JCG improved markedly.

Proposals to Base a Second U.S. Aircraft Carrier in Japan

Since the early 1970s, one of the U.S. Navy's aircraft carriers has been forward homeported (i.e., forward based) at Yokosuka, Japan, near Tokyo, along with the other ships that constitute its strike group. Two recent studies by U.S. think tanks have proposed forward homeporting a second Navy carrier in the Western Pacific, either in Japan or another location. A November 2015 report by the Center for Strategic and Budgetary Assessments (CSBA) that examined options for Navy force posture and shipbuilding stated that forward deploying an additional carrier in the Western Pacific could reduce the Navy's overall carrier force-level requirement from 11 to 9, or increase U.S. naval presence across all Navy operating areas.[26] A congressionally mandated report by the Center for Strategic and International Studies (CSIS) on U.S. defense strategy in the Asia-Pacific region also recommended forward homeporting a second carrier west of the international date line. The January 2016 CSIS report notes that homeporting a carrier would send a strong signal of U.S. commitment to Asia-Pacific security, but that benefit should be balanced with the risk of deploying the carrier "inside increasingly contested areas of the Western Pacific."[27]

The Department of Defense has from time to time studied the option of homeporting a second carrier somewhere in the Western Pacific, and to date has decided against doing so. Japan is not the only possible location for homeporting a second carrier in the Western Pacific (other possible locations include Hawaii, Guam, Australia, and perhaps Singapore), and the Western Pacific is not the only region where a second Navy carrier could be forward-homeported. There are numerous military, budgetary, and political factors that may be considered in

[25] Richard J. Samuels, "'New Fighting Power!' for Japan?" *MIT Center for International Studies*, September 2007.

[26] Bryan Clark and Jesse Sloman, *Deploying Beyond Their Means: America's Navy and Marine Corps at a Tipping Point*, Center for Strategic and Budgetary Assessments, November 18, 2015.

[27] Michael Green, Kathleen Hicks, and Mark Cancian, et al., *Asia-Pacific Rebalance 2025: Capabilities, Presence, and Partnerships*, Center for Strategic and International Studies, January 2016, p. 203.

assessing whether to homeport a second carrier in Japan or some other location. The issue of carrier forward homeporting was examined by CRS in two reports in the early 1990s; the general considerations discussed in those reports remain valid.[28] For a proposal to homeport a second carrier in Japan, specific factors to consider would include support for the idea among Japanese political leaders and the Japanese public, and the question of where in Japan the carrier's air wing would be based.

Ballistic Missile Defense Cooperation

Many analysts see U.S.-Japan efforts on ballistic missile defense (BMD) as the most robust aspect of bilateral security cooperation. (For more information and analysis, see CRS Report R43116, *Ballistic Missile Defense in the Asia-Pacific Region: Cooperation and Opposition*, by Ian E. Rinehart, Steven A. Hildreth, and Susan V. Lawrence.) The two countries have cooperated closely on BMD technology development since the earliest programs, conducting joint research projects as far back as the 1980s. Largely in response to the growing ballistic missile threat from North Korea, the Cabinet of Prime Minister Junichiro Koizumi decided in December 2003 to acquire BMD systems for national defense. Japan's purchases of U.S.-developed technologies and interceptors after 2003 give it the second-most potent BMD capability in the world. The SDF has 17 PAC-3 units deployed across the Japanese archipelago and six vessels with Aegis air/missile defense software and SM-3 Block IA interceptors. The U.S. military has also deployed PAC-3 units at its bases in Japan and Aegis BMD-capable vessels in the surrounding seas. To complement the array of advanced Japanese radars, the United States has two AN/TPY-2 X-band radars in Japan.

The mature U.S.-Japan partnership in BMD has already served as a key driver of improvements to alliance interoperability. A Center for Strategic and International Studies (CSIS) report stated in June 2012 that the United States and Japan "have essentially created a joint command relationship ... from the perspective of any possible adversary."[29] Both nations feed information from a variety of sensors to create a common operating picture at the Bilateral Joint Operating Command Center at Yokota Air Base, located outside Tokyo. This information-sharing arrangement improves the effectiveness of each nation's target identification, tracking, and interceptor cueing. North Korea's long-range missile launches have provided opportunities for the United States and Japan to test their BMD systems in real-life circumstances.

Extended Deterrence

The growing concerns in Tokyo about North Korean nuclear weapons development and China's modernization of its nuclear arsenal spurred renewed attention to the U.S. policy of extended deterrence, commonly known as the "nuclear umbrella." The United States and Japan initiated the bilateral Extended Deterrence Dialogue in 2010, recognizing that Japanese perceptions of the credibility of U.S. extended deterrence were critical to its effectiveness. The dialogue is a forum for the United States to assure its ally and for both sides to exchange assessments of the strategic environment. The views of Japanese policymakers (among others) influenced the development of

[28] See CRS Report 92-744 F, *Aircraft Carrier Forward Homeporting*, October 2, 1992, by Ronald O'Rourke, and CRS Report 91-516 F, *Aircraft Carrier Force Levels and Deployment Patterns: Issues and Options*, June 28, 1991, by Ronald O'Rourke. See also CRS Report 92-803 F, *Naval Forward Deployments and the Size of the Navy*, November 13, 1992, by Ronald O'Rourke. These reports are available to congressional clients from the author upon request.

[29] David J. Berteau and Michael J. Green, *U.S. Force Posture Strategy in the Asia Pacific Region: An Independent Assessment*, Center for Strategic and International Studies, Washington, DC, June 27, 2012, p. 26.

the 2010 U.S. Nuclear Posture Review.[30] Reportedly, Tokyo discouraged a proposal to declare that the "sole purpose" of U.S. nuclear weapons is to deter nuclear attack.

A lack of confidence in the U.S. security guarantee could lead Tokyo to reconsider its own status as a non-nuclear weapons state. Presidential candidate Donald Trump in spring 2016 stated that he was open to Japan (and South Korea) developing its own nuclear arsenal to counter the North Korean nuclear threat.[31] Analysts point to the potentially negative consequences for Japan if it were to develop its own nuclear weapons, including significant costs; reduced international standing in the campaign to denuclearize North Korea; the possible imposition of economic sanctions that would be triggered by leaving the global non-proliferation regime; and potentially encouraging South Korea to develop nuclear weapons capability. For the United States, analysts note that encouraging Japan to develop nuclear weapons could mean diminished U.S. influence in Asia, the unraveling of the U.S. alliance system, and the possibility of creating a destabilizing nuclear arms race in Asia.[32] Japanese leaders have repeatedly rejected developing their own nuclear weapon arsenal.

Japan also plays an active role in extended deterrence through its BMD capabilities. The number of U.S. and Japanese BMD interceptors is judged to be sufficient for deterring North Korea without affecting strategic stability with China. In the future, Japan may develop a conventional strike capability with the intent to augment extended deterrence.[33] Japanese diplomatic support for nuclear nonproliferation is another element of cooperation to reduce nuclear threats over the long term.

U.S. Arms Sales to Japan

Japan has been a major purchaser of U.S.-produced defense equipment and has the status of a NATO Plus Five country.[34] Over the five years FY2011-FY2015, U.S. foreign military sales (FMS) of defense equipment to Japan averaged $1.47 billion per year. The SDF has more equipment in common with the U.S. military than does any other allied military, according to U.S. defense officials in Japan. In June 2016, the United States and Japan signed a Reciprocal Defense Procurement Agreement, which allows foreign and domestic companies to compete for defense contracts in both countries on equal terms, by removing protectionist conditions. Japanese companies domestically produce some equipment under license, including sophisticated systems like the F-15 fighter aircraft, and other equipment is purchased "off the shelf" from U.S. companies. In recent years, Japan has made numerous high-profile purchases of U.S. defense equipment, such as

- 42 F-35 Joint Strike Fighters, $10 billion;

[30] Brad Roberts, "Extended Deterrence and Strategic Stability in Northeast Asia," National Institute of Defense Studies (Japan), Visiting Scholar Paper Series, No. 1, August 9, 2013, p. 24.

[31] For example, Trump stated, "And, would I rather have North Korea have [nuclear weapons] with Japan sitting there having them also? You may very well be better off if that's the case. In other words, where Japan is defending itself against North Korea, which is a real problem." "Transcript: Donald Trump Expounds on His Foreign Policy Views," *New York Times*, March 26, 2016.

[32] See, for example, Robert Manning, "Trump's 'Sopranos' Worldview Would Undo Asian Alliances," *New Atlanticist* blog post, March 29, 2016.

[33] Ibid., p. 20.

[34] With NATO Plus-Five status, a country may bid on certain Department of Defense (DOD) contracts; engage in certain research and development programs with DOD and the Department of State; receive certain DOD loan guarantees; receive preferential treatment for U.S. exports of excess defense articles; and participate in certain NATO-related training programs. The other countries are Australia, Israel, New Zealand, and South Korea.

- 3 RQ-4 "Global Hawk" unmanned aerial vehicles (UAVs), $1.2 billion;
- 17 V-22 "Osprey" tilt-rotor aircraft, $3 billion;
- 3 KC-46A "Pegasus" aerial refueling tankers, $518 million;
- 4 E-2D "Hawkeye" airborne early warning and control aircraft, $1.7 billion; and
- 2 upgrades for BMD-capable Aegis combat systems to Japanese destroyers, $1.5 billion.

Japan has also expressed interest in potential purchases of two other U.S. BMD systems, Aegis Ashore and the Theater High Altitude Area Defense (THAAD) system.

Defense Technology Cooperation and Co-production

In recent years, the United States and Japan have begun to explore deeper defense industry cooperation and co-production of weapons systems. The 2015 revised defense guidelines feature a section titled "Bilateral Enterprise," which describes the two allies' intention to "cooperate in joint research, development, production, and test and evaluation of equipment and in mutual provision of components of common equipment and services."[35]

Technological cooperation on BMD in the 1990s and 2000s led to an agreement to jointly produce the next generation of missile interceptors, the SM-3 Block IIA. This cooperative development program completed its preliminary design review in early 2012, and the interceptors are slated to begin testing in the near future. The Japanese government committed to allowing transfers of the SM-3 Block IIA to third parties in the June 2011 SCC Joint Statement, an important concession that Washington had requested. In December 2011, the Japanese government relaxed its self-imposed restrictions on arms exports, which date back to the 1960s, paving the way for other co-production arrangements. The "Three Principles on Arms Exports" (the so-called 3Ps) prevented arms transfers to Communist countries, those sanctioned by the U.N., and countries "involved or likely to be involved in international conflicts."

The Abe Cabinet in 2013 decided to further extend the exceptions to the 3Ps, in order to allow Japanese firms to participate in the production of parts for the F-35 Joint Strike Fighter and to enable defense equipment exports. Tokyo concluded that the restrictions unduly limited Japan's participation in co-production of arms (e.g., the F-35) and prevented arms transfers that were expected to contribute to international security. The new exceptions to the 3Ps allow Japan to export defense equipment for "peace contribution and international cooperation" and jointly produced arms, as long as the receiving country agrees not to re-export the arms without Japan's consent.

Host Nation Support for U.S. Forces Japan

The Japanese government provides nearly $2 billion per year to offset the cost of stationing U.S. forces in Japan (see **Figure 3**). The United States spends an additional $2.7 billion per year (on top of the Japanese contribution) on non-personnel costs for troops stationed in Japan, according to a rough estimate by the DOD Comptroller.[36] At the current exchange rate, therefore, Japan is paying about 40% of the non-personnel costs of the U.S. military presence. Japanese host nation support is composed of two funding sources: Special Measures Agreements (SMAs) and the

[35] U.S. Department of Defense, "The Guidelines for Japan-U.S. Defense Cooperation," April 27, 2015.

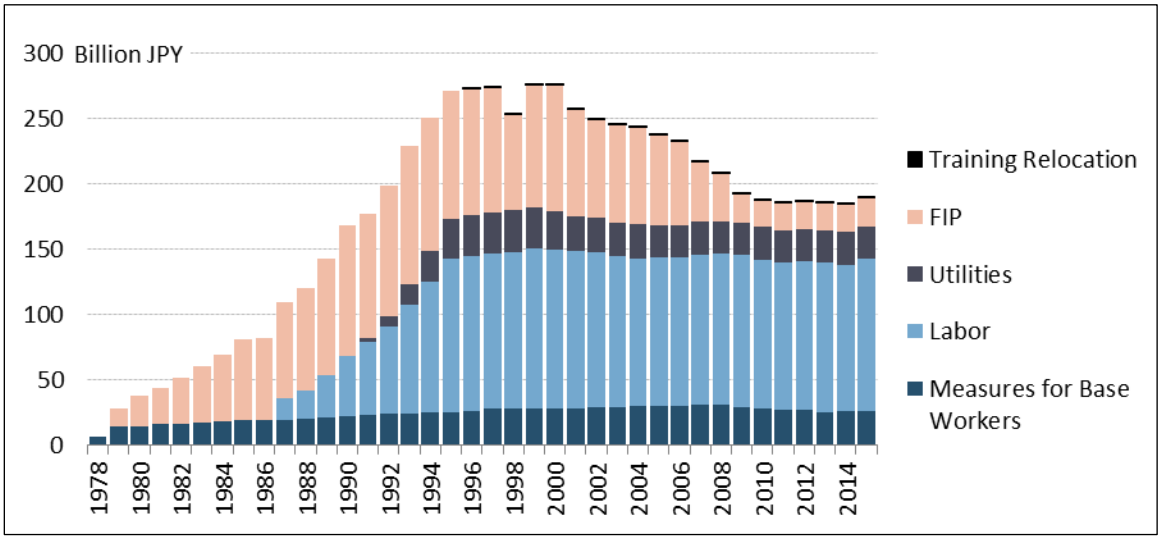
[36] Office of the Under Secretary of Defense, Comptroller, *Operation and Maintenance Overview: Fiscal Year 2017 Budget Estimates*, Washington, DC, February 2016, pp. 225-228.

Facilities Improvement Program (FIP). Each SMA is a bilateral agreement, generally covering five years, that obligates Japan to pay a certain amount for utility and labor costs of U.S. bases and for relocating training exercises away from populated areas. Under the current SMA, covering 2016-2020, the United States and Japan agreed to keep Japan's host nation support at roughly the same level as it had been paying in the past. Japan will contribute ¥189 billion ($1.8 billion) per year under the SMA and contribute at least ¥20.6 billion ($195 million) per year for the FIP. Depending on the yen-to-dollar exchange rate, Japan's host nation support likely will be in the range of $1.7-2.1 billion per year. The amount of FIP funding is not strictly defined, other than the agreed minimum, and thus the Japanese government adjusts the total at its discretion. Tokyo also decides which projects receive FIP funding, taking into account, but not necessarily deferring to, U.S. priorities. During the course of the 2016 U.S. presidential election campaign, Republican presidential candidate Donald Trump contended that Japan (like other U.S. allies) should pay more host nation support or face a drawback of U.S. defense commitments, comments that spurred debate on the proper burden sharing arrangement and costs and benefits of U.S. alliances.[37]

In addition to host nation support, which offsets costs that the U.S. government would otherwise have to pay, Japan spends approximately ¥128 billion ($1.2 billion) annually on measures to subsidize or compensate base-hosting communities.[38] Based on its obligations defined in the U.S.-Japan Mutual Security Treaty, Japan also pays the cost of relocating U.S. bases within Japan and rent to any landowners of U.S. military facilities in Japan.

Figure 3. Host Nation Support for USFJ

in billions of Japanese yen



Source: Japanese Ministry of Defense, http://www.mod.go.jp/j/approach/zaibeigun/us_keihi/suii_img.pdf.

[37] For example, in response to the question "Would you be willing to withdraw U.S. forces from places like Japan and South Korea if they don't increase their contribution significantly?" Trump responded, "Yes, I would. I would not do so happily, but I would be willing to do it." "Transcript: Donald Trump Expounds on His Foreign Policy Views," *New York Times*, March 26, 2016; "Transcript: Donald Trump on NATO, Turkey's Coup Attempt and the World," *New York Times*, July 21, 2016.

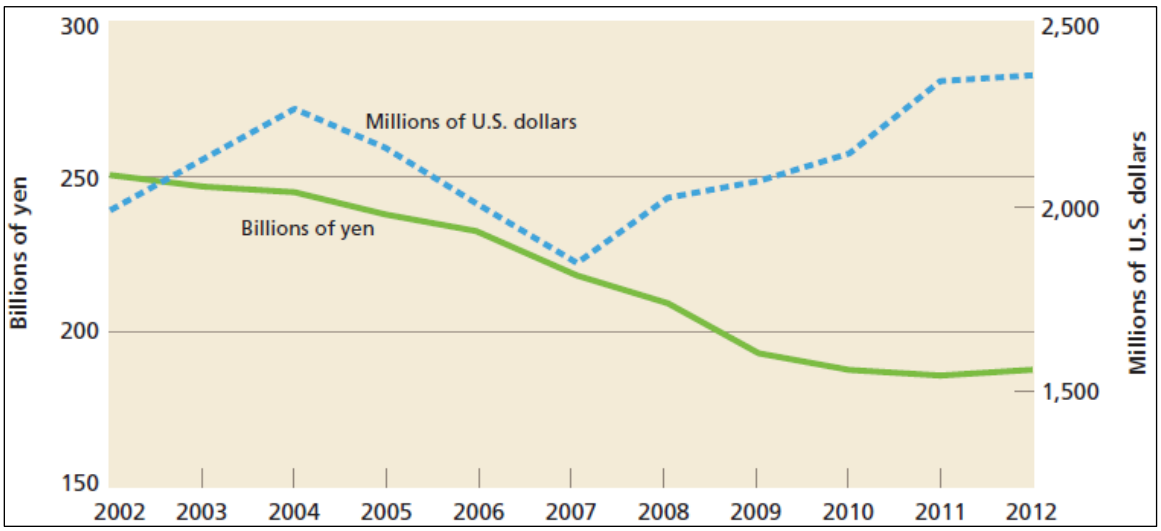
[38] Japanese Ministry of Foreign Affairs, "U.S. Forces in Japan-Related Costs Borne by Japan (JFY2015)," http://www.mofa.go.jp/mofaj/files/000098651.pdf.

Notes: This graph uses data for expenditures, not contracts. Training relocation contributions are less than JPY 1 billion per year, much smaller than other categories. "Measures for Base Workers" encompasses welfare costs, benefits, and other expenses not included in the base salary of Japanese employees on U.S. bases.

The value of Japan's host nation support in dollar terms fluctuates based on the dollar-to-yen exchange rate. As **Figure 4** demonstrates, the value in U.S. dollars of Japan's contributions was higher in 2012 than in 2005, despite a notable drop in the yen-denominated contributions.

Figure 4. Exchange Rate Comparison for Host Nation Support

Based on Japanese fiscal year estimates in nominal currency values



Source: Michael Lostumbo, Michael McNerney, and Eric Peltz, et al., *Overseas Basing of U.S. Military Forces: An Assessment of Relative Costs and Strategic Benefits*, RAND Corporation, Santa Monica, CA, 2013, p. 150.

Okinawa-Guam Realignment and the Futenma Base Controversy

Due to the legacy of the U.S. occupation and the island's key strategic location, Okinawa hosts a disproportionate share of the U.S. military presence in Japan. About 40% of all facilities used by U.S. Forces Japan (USFJ) and half of USFJ military personnel are located in the prefecture, which comprises less than 1% of Japan's total land area. The attitudes of native Okinawans toward U.S. military bases are generally characterized as negative, reflecting a tumultuous history and complex relationships with "mainland" Japan and with the United States. Because of these widespread concerns among Okinawans, the sustainability of the U.S. military presence in Okinawa remains a challenge for the alliance. For more information and analysis, see CRS Report R42645, *The U.S. Military Presence in Okinawa and the Futenma Base Controversy*, by Emma Chanlett-Avery and Ian E. Rinehart.

In the last days of 2013, the United States and Japan cleared an important political hurdle in their long-delayed plan to relocate a major U.S. military base on the island of Okinawa.[39] Hirokazu

[39] The relocation of the Futenma base is part of a larger bilateral agreement developed by the U.S.-Japan Special Action Committee on Okinawa (SACO) in 1996. In the SACO Final Report, the United States agreed to return approximately 20% of land used for U.S. facilities on Okinawa, including all or parts of a dozen sites. Handover of MCAS Futenma

Nakaima, then-governor of Okinawa, approved construction of an offshore landfill necessary to build the replacement facility. This new facility, located on the shoreline of Camp Schwab in the sparsely populated Henoko area of Nago City, would replace the functions of Marine Corps Air Station (MCAS) Futenma, located in the center of a crowded town in southern Okinawa. The encroachment of residential areas around the Futenma base over decades has raised the risks of a fatal aircraft accident, which could create a major backlash on Okinawa and threaten to disrupt the alliance. Nakaima's approval of the landfill permit gave hope to Washington and Tokyo that, after decades of delay, they could consummate their agreement to return the land occupied by MCAS Futenma to local authorities, while retaining a similar level of military capability on Okinawa. A U.S.-Japan joint planning document in April 2013 indicated that the new base at Henoko would be completed no earlier than 2022.

Alongside the relocation of MCAS Futenma, the Marine Corps realignment plans calls for about 9,000 marines and their dependents to be transferred from Okinawa to locations outside of Japan: to Guam, Australia (on a rotational basis), Hawaii, and potentially the continental United States. U.S. defense officials described the realignment as in line with their goal of making U.S. force posture in Asia "more geographically distributed, operationally resilient, and politically sustainable."[40] Concern about the ballooning costs of construction on Guam and uncertainty about the future U.S. force posture in the Asia-Pacific region led Congress in 2011 to prohibit the Department of Defense (DOD) from obligating authorized funds, as well as funds provided by the Japanese government for military construction, to implement the planned realignment of Marine Corps forces. The National Defense Authorization Acts (NDAAs) for FY2012, FY2013, and FY2014 sustained this freeze on realignment-related spending with certain small exceptions, until DOD in 2014 provided more concrete plans for the Marine Corps footprint on Guam. The FY2015 NDAA allows DOD to proceed with its planned military construction for the realignment on Guam, including the expenditure of Japanese government funds allocated for that purpose. Although challenges remain, especially those related to civilian infrastructure on Guam, Congress's removal of previous restrictions on military construction could facilitate the Marine Corps realignment and the reduction of the U.S. military presence on Okinawa.

Despite the decision by Nakaima, most Okinawans oppose the construction of a new U.S. base for a mix of political, environmental, and quality-of-life reasons. Politicians opposed to the Futenma relocation have won nearly all recent elections and hold key positions: governor of Okinawa, mayor of Nago City, all four Okinawan districts in the Lower House of the Diet, and the Okinawan seat in the Upper House. In October 2015, current Okinawa Governor Takeshi Onaga revoked the landfill permit issued by his predecessor, setting the stage for a protracted legal battle with the Japanese central government. Observers believe that it is likely that the central government eventually will be able to override Governor Onaga's objections, but the administrative and legal processes could create significant delays for the project and dredge up doubts about the viability of the plan. Okinawan anti-base civic groups have ramped up their

was contingent on "maintaining the airfield's critical military functions and capabilities." The plan for implementing the SACO agreement evolved over the late 1990s and early 2000s until Washington and Tokyo settled on a "roadmap" in 2006: once Japan constructed the Futenma replacement facility at the Henoko site, the United States would relocate roughly 8,000 marines from Okinawa to Guam, about half of the U.S. Marine Corps (USMC) presence then on Okinawa. In 2012, the allies revised the implementation plan to "de-link" the Futenma relocation and the realignment of marines to Guam. The 2012 agreement also revised the USMC realignment: 9,000 marines would be relocated from Okinawa; 4,700 to Guam; 2,500 to Australia (on a rotational basis); and the remainder to Hawaii and the continental United States.

[40] "Joint Statement of the Security Consultative Committee," State Department Media Note, April 26, 2012, http://www.state.gov/r/pa/prs/ps/2012/04/188586.htm.

protest activities recently, and some groups may take extreme measures to prevent construction of the facility at Henoko.

The Abe Administration, having invested significant time and money in gaining Nakaima's consent, will likely need to invest additional political capital to ensure that the base construction proceeds without significant delays and without further alienating the Okinawan public. Failure to implement the Futenma relocation could solidify an impression among some American observers that the Japanese political system struggles to follow through with difficult tasks. On the other hand, the risk remains that heavy-handed actions by Tokyo or Washington could lead to more intense anti-base protests.

Deployment of MV-22 Osprey Aircraft

The U.S. Marine Corps replaced the 24 CH-46E "Sea Knight" helicopters stationed at the Futenma base with 24 MV-22 "Osprey" tilt-rotor aircraft in 2012 and 2013. The deployment of the first 12 Osprey aircraft to Japan in mid-2012 caused a public outcry in Okinawa and mainland base-hosting communities. Japanese politicians and civil society groups opposed introduction of the MV-22 to Japan due to the aircraft's safety record.[41] However, the arrival of the second batch of 12 Ospreys in 2013 was greeted by substantially smaller protests in Okinawa, and the public's concerns appear to have diminished over time. Yet, observers warn that a crash involving an MV-22 Osprey on Okinawa could galvanize the anti-base movement and create serious problems for the alliance. To mitigate this risk and to reduce the noise experienced by Okinawan base-hosting communities, the United States and Japan since 2015 have held a significant portion of Osprey training flights on mainland Japan and Guam. The advanced tilt-rotor aircraft in Okinawa reportedly enhance the operational capability of the Marines based there, particularly in a rapid response scenario. Beginning in 2017, the U.S. Air Force will deploy a special operations squadron with CV-22 Ospreys at Yokota Air Base.

U.S.-Japan Co-basing Remains Elusive

Although the U.S. military and SDF have some co-located command facilities, such as at the Bilateral Joint Operations Command Center at Yokota Air Base, the two militaries do not share base facilities in Japan on a large scale. Various commentators have recommended that the joint use of military bases could more fully integrate operations, ease some of the burden on hosting communities, and build more popular support for the alliance.[42] Shared use of facilities on Okinawa, where the U.S. military presence is particularly controversial, could be one of the ways the alliance addresses that enduring issue.[43] Other analysts point out, however, that co-location would introduce difficult problems for the two forces, particularly in terms of understanding each other's different rules of engagement. Japan's constitutional restrictions on use of force contrast starkly with the U.S. military's more flexible doctrine, including the use of preemptive force.[44] In addition, Japanese officials would need to reconcile the fact that U.S. military forces operate

[41] During its development phase, the Osprey suffered several highly publicized crashes. Since the aircraft achieved initial operational capability in 2007, the Class-A mishap rate has been around the Marine Corps average. See the CRS Report RL31384, *V-22 Osprey Tilt-Rotor Aircraft Program*, by Jeremiah Gertler, for background information.

[42] See, for example, "Nye Suggests Rotating U.S. Forces in Japan Around SDF Bases," *Jiji Wire Service*, December 25, 2014.

[43] Dennis C. Blair and James R. Kendall, "U.S. Bases in Okinawa: What Must Be Done, And Quickly," Sasakawa Peace Foundation Report, January 14, 2016.

[44] Jeffrey W. Hornung, "Modeling a Stronger U.S.-Japan Alliance: Assessing U.S. Alliance Structures," Center for Strategic and International Studies, November 2015.

under the terms of the Status of Forces Agreement (SOFA), whereas SDF troops are subject to domestic laws.

Evolution of Japanese Defense Policy

Since the end of the Cold War, Japanese defense policy has become more assertive, flexible, and realistic as a result of the changing security environment, enabled by gradual shifts in public opinion. Although some policy changes were sudden and unexpected, the long-run direction of movement has consistently been toward a more capable SDF and deeper cooperation with the U.S. military. Some of the main causes of this evolution are a growing sense of insecurity among Japanese elites; the gradual erosion of anti-militarist norms; positive experiences of SDF participation in international security and HA/DR missions; strong, conservative political leaders focused on defense policies; and mutual Japanese and American desire to share the burden of maintaining regional security and stability. The defense reforms initiated by the Abe Administration in 2013-2015 have encouraged Japanese officials to be less cautious and more proactive in developing and carrying out Japan's security policies.[45]

During the Cold War, Japanese defense posture was based on resisting a Soviet invasion from the north. The collapse of the Soviet Union in 1991 removed the basic logic of this position, but Japan's static defense posture was slow to evolve during the 1990s. (See the **Appendix** for historical background.) The SDF acquired new missions such as U.N. peacekeeping operations (PKO) and rear-area support for the United States in regional contingencies, but Japanese strategic culture remained reactive and risk-averse. It was not until 2010 that national defense policy moved beyond the "basic defense force" concept.

As part of its efforts to improve its own capabilities as well as to work more closely with U.S. forces, Japan established a Joint Staff Office in 2007 that puts all the ground, maritime, and air self-defense forces under a single command. Under the previous organization, a joint command was authorized only if operations required multiple service participation, which had never occurred in the history of the SDF. The need for smoother coordination with the U.S. joint command was one of the primary reasons for adopting the new organization. However, a 2016 study by CSIS found that Japanese command and control mechanisms were insufficient for waging complex, high-intensity warfare alongside U.S. forces.[46]

"Dynamic Defense Force" Concept

The 2010 National Defense Program Guidelines (NDPG) signaled a definitive shift away from the Cold War framework, which had called for strong bulwarks in the northern areas of Japan, to a focus on the southwestern islands of the Japanese archipelago, where Japanese forces have encountered Chinese military activities and incursions. The document outlined a new "dynamic defense force" concept that emphasizes operational readiness and mobility to enhance deterrence. The 2010 NDPG explicitly mentioned the need to advance cooperation with other countries, including South Korea, Australia, India, and Southeast Asian nations. Whereas the 2004 NDPG leaned toward a global perspective that viewed the security of Japan and the region as linked with international stability, the 2010 guidelines shifted the focus back to the Asia-Pacific region. The NDPG also explicitly identified China's military modernization and lack of transparency as

[45] CRS interview with senior official in the Japanese Cabinet Office, June 2016.

[46] Michael Green, Kathleen Hicks, and Mark Cancian, et al., *Asia-Pacific Rebalance 2025: Capabilities, Presence, and Partnerships*, Center for Strategic and International Studies, January 2016, p. 200.

concerns for the region. Japan's subsequent defense white papers have gone further in calling attention to potential military threats from China, prompting the Chinese Foreign Ministry to accuse Japan of "hyping the so-called China threat and creating regional tensions to mislead international opinion."[47]

Building on the 2010 NDPG, the 2013 NDPG added jointness—operational cooperation among the air, naval, and ground forces—as a core element of the "dynamic joint defense force" approach. The 2013 NDPG intensified the trend of the SDF toward more mobility and resilience. Japan will invest more in amphibious capabilities to defend its remote islands as well as in BMD to protect itself from missiles. The SDF will seek to accelerate reforms to become more joint, strengthen ISR (intelligence, surveillance, and reconnaissance), and develop more capabilities in the domains of outer space and cyberspace. The SDF continues to bolster its force posture in Japan's southwest island chain, notably with an additional ASDF air wing on the main island of Okinawa, a new radar base on Yonaguni Island, and plans for surface-to-surface and surface-to-air missile batteries at multiple sites.

The reaction to this more dynamic posture has been positive among many U.S. experts. Allocation of resources from ground defense to air and naval power projection assets more accurately reflects the nature of Japan's security environment. The transformation away from a passive defense posture augments the capabilities of the U.S.-Japan alliance to manage regional and global security challenges. Other countries in the Asia-Pacific region that face potential confrontation with China over territorial disputes have largely welcomed the return of Japan as a more active presence in regional security. On the other hand, many South Koreans have voiced concern over what some see as the "remilitarization" of Japan.

Preparation for "Gray Zone" Contingencies

Japanese leaders have become concerned that China could attempt to act on its claim to the disputed Senkaku/Diaoyu Islands by using nonmilitary agents, such as the China Coast Guard, to wrest control of the islets. To address this type of "gray zone" contingency—meaning the use of force between a state of war and a state of peace—the United States and Japan have developed more "seamless" alliance functions, and Japan has boosted its own rapid response capabilities (see next section). One focus for bilateral cooperation has been improving ISR in volatile areas during peacetime, to prevent an adversary from surprising U.S. and Japanese leaders and achieving a fait accompli. The Alliance Coordination Mechanism, which was established through the new bilateral defense guidelines (see "2015 Revision of Bilateral Defense Guidelines"), provides an organization for the two allies to coordinate actions of their militaries using a whole-of-government approach without escalating a crisis to a state of war.

Attention to Amphibious, Space, and Cyber Capabilities

Amphibious warfare (projecting military force from the sea onto land) has rapidly become a major emphasis of the SDF. Prior to the 2010s, amphibious capabilities were not considered important for defending Japan and were negatively associated with offensive strategies. The territorial dispute over the Senkaku/Diaoyu islets now presents a plausible scenario in which Japan would want to *retake* its outlying islands from an occupying force: offensive tactics married to a defensive strategy. The challenge of delivering disaster relief to devastated areas after the March 2011 earthquake and tsunami provided another motivation for developing these

[47] Paul Kallender-Umezu, "Japan's Blunt Stance Riles China, S.Korea," *Defense News*, July 14, 2013.

capabilities. Japan has therefore increased GSDF training exercises with the U.S. Marine Corps, as it begins to develop a Marine Corps-like function within the GSDF.[48] The GSDF is building up an Amphibious Rapid Deployment Brigade of 3,000 personnel to be the main response force for attacks on Japan's remote islands. Japan also recognizes the need to improve inter-service jointness in order to carry out amphibious operations. For several years, the SDF has sent warships, combat helicopters and fixed-wing aircaft, and thousands of infantry to the annual Dawn Blitz exercise held in California. The newest MSDF flat-top destroyer *Izumo* reportedly can carry up to 14 helicopters, with 9 in operation at the same time. In the near future, the SDF will acquire amphibious assault vehicles, V-22 Osprey tiltrotor aircraft, and other air- and sea-lift assets to boost mobile deployment capabilities.

Japan has made strides in extending its defense policies to activity in outer space and cyberspace, but it lags far behind the United States in both domains. The 2008 Basic Space Law for the first time allowed Japan to make use of outer space for military purposes, although Japanese scientific and commercial endeavors had been developing space technology for decades. Japan has since launched imagery satellites with relatively low resolution while developing higher-resolution replacements. The threat of North Korean missiles has spurred Japan to consider early warning satellites, though UAVs may prove to be a more cost-effective solution. In May 2013, the United States and Japan signed a bilateral agreement on Space Situational Awareness to share information on space debris. The revised bilateral guidelines create a framework for the two allies to cooperate on resilience of space assets.

Japan has emphasized cooperation with the United States and taking a whole-of-government approach in its cybersecurity efforts. The Japanese Cabinet Secretariat in November 2014 established a Cybersecurity Strategic Headquarters to take a central role in policy coordination and response to cybersecurity incidents, and the headquarters issued a national cybersecurity strategy in 2015. The United States and Japan inaugurated a bilateral cybersecurity dialogue in May 2013, led by the State Department and the Ministry of Foreign Affairs, in which the two sides can exchange information on cyberthreats and align international cyber policies. The SDF created a Cyber Defense Group in March 2014 with a budget of roughly $140 million and 100 dedicated officers. Analysts have hailed the new group as an important first step, but inadequate to the scale and sophistication of modern cyber challenges.[49] Constitutional and legal barriers prevent the SDF cyber personnel from protecting civilian infrastructure networks, engaging in counterattacks, and recruiting "white hat" hackers from outside the government.

[48] Gidget Fuentes, "U.S. Marines Teach Japanese Forces How to Fight From the Sea in Expanded Iron Fist Exercise," *USNI News*, January 25, 2016.

[49] Paul Kallender-Umezu, "Experts: Japan's New Cyber Unit Understaffed, Lacks Skills," *Defense News*, July 8, 2013.

Appendix. Historical Review of the Alliance

Post-World War II Occupation

Following Japan's defeat in World War II, the Allied Powers, led by the United States, occupied the archipelago from 1945 to 1952. Occupation officials initially intended to thoroughly demilitarize Japan. The Japanese constitution, drafted by U.S. Occupation officials and adopted by the Japanese legislature in 1947, renounced the use of war in Article 9, stating that "land, sea, and air forces, as well as other war potential, will never be maintained." However, as the Cold War confrontation with the Soviet Union grew, the goals of the occupation shifted to building Japan up as a strategic bulwark against the perceived Communist threat. After the outbreak of the Korean War in 1950, U.S. officials pressed for the establishment of a Japanese national paramilitary force, which in 1954 became the Self-Defense Forces (SDF). Debate about whether the existence of the SDF, which evolved in practice into a well-funded and well-equipped military, violates Article 9 continues today. Japan regained its sovereignty in 1952 after the signing of the San Francisco Peace Treaty, which officially ended the conflict and allocated compensation to Allied victims of Japanese war crimes.

Bilateral Alliance Establishment

During the Cold War, the United States increasingly viewed Japan as a strategically important ally to counter the Soviet threat in the Pacific. A Mutual Security Assistance Pact signed in 1952 was replaced by the 1960 Treaty of Mutual Cooperation and Security, in which Japan grants the U.S. military basing rights on its territory in return for a U.S. pledge to protect Japan's security. Unlike other defense treaties with allies, this pledge is not mutual: Japan is not obligated to defend the United States if it is attacked. A military aid program during the 1950s provided equipment deemed to be necessary for Japan's self-defense, and Japan continued to expand the SDF and contribute more money to host nation support (HNS) for U.S. forces. Under Prime Minister Shigeru Yoshida's leadership (1946-47 and 1948-1954), Japan followed U.S. leadership on foreign and security policies and focused on economic development.

The "Yoshida Doctrine" was controversial. Yoshida himself resisted U.S. officials' push for a full-scale Japanese rearmament (i.e., the establishment of a full-fledged military in name and in fact). In addition, many elements of Japanese society rejected the arrangement. For much of the 1950s, forces on the political right tried unsuccessfully to revise or even abrogate the Constitution's Article 9 and portions of the Treaty. When one of their number, Prime Minister Nobusuke Kishi, negotiated a revision to the Treaty in 1960, the political left mobilized opposition to the changes. Although Kishi rammed the revisions through parliament, hundreds of thousands of protestors took to the streets in Tokyo, causing the cancellation of a visit by President Dwight Eisenhower and the resignation of Kishi and his government.

U.S.-Japan defense relations again entered a period of uncertainty because of U.S. President Richard Nixon's so-called Guam Doctrine of 1969 (which called on U.S. allies in Asia to provide for their own defense), the normalization of relations between China and the United States, and the U.S. withdrawal from Vietnam. One major irritant was resolved when Prime Minister Eisaku Sato and Nixon signed a joint communiqué that returned administrative control of the Okinawa islands to Japan in 1972, although the United States continues to maintain large military bases on the territory. The establishment of the bilateral Security Consultative Committee in 1976 led to greater defense cooperation, including joint planning for response to an attack on Japan.

Post-Cold War Adjustments

In the post-Cold War period, Japan was criticized by some in the international community for its failure to provide direct military assistance to the United Nations coalition during the Persian Gulf War in 1990-1991, despite its contribution of over $13 billion toward U.S. military costs and humanitarian assistance. After Japan's passage of a bill in 1991 to allow for its participation in U.N. peacekeeping operations, the SDF have been dispatched to Cambodia, Mozambique, East Timor, and the Golan Heights. Tensions over North Korea and the Taiwan Strait contributed to a revision of the defense guidelines in 1996-1997 by President Bill Clinton and Prime Minister Ryutaro Hashimoto that granted the U.S. military greater use of Japanese installations in time of crisis and vaguely referred to a possible, limited Japanese military role in "situations in areas surrounding Japan." That was assumed to be referring to potential U.S. conflicts in the Taiwan Strait and the Korean peninsula, although military officials insisted that the phrase was "situational" rather than geographic. North Korea's launch of a long-range Taepodong missile over Japan in 1998 galvanized political support for undertaking joint research with the United States on ballistic missile defense.

Post-9/11 Changes

U.S. policy toward East Asia under the Bush Administration took a decidedly pro-Japan approach from the outset. Several senior foreign policy advisors with extensive background in Japan took their cues from the so-called Armitage-Nye report (the lead authors were Richard Armitage and Joseph Nye), the final paper produced by a bipartisan study group before the 2000 U.S. presidential election.[50] The report called for a more equal partnership with Japan and enhanced defense cooperation in a number of specific areas.

With this orientation in place, Japan's response to the terrorist attacks of September 11, 2001, reinforced the notion of the U.S.-Japan alliance as one of the central partnerships of U.S. foreign policy, particularly in Asia. Under the leadership of Prime Minister Junichiro Koizumi, the Japanese legislature passed legislation that allowed Japan to dispatch refueling tankers to the Indian Ocean to support U.S.-led operations in Afghanistan. In February 2004, Japan sent over 600 military personnel to Iraq to assist in reconstruction activities—the first time since World War II that Japan dispatched soldiers to a country where conflict was ongoing.[51] The ground troops were withdrawn in 2006. A Japanese SDF air division remained until 2008, when U.N. authorization for multinational forces in Iraq expired.

After a period of rejuvenated defense ties in the first years of the George W. Bush Administration, expectations of a transformed alliance with a more forward-leaning defense posture from Japan diminished. Koizumi's successors—Shinzo Abe, Yasuo Fukuda, and Taro Aso—each survived less than a year in office and struggled to govern effectively. Abe succeeded in upgrading the Defense Agency to a full-fledged ministry, but faltered on his pledges to create Japanese versions of the National Security Council and to pass a permanent deployment law to allow the government to dispatch SDF troops without a U.N. resolution. Fukuda, elected in September 2007, was considered a friend of the alliance, but more cautious in security outlook than his predecessors. He also faced an empowered opposition party—the Democratic Party of Japan (DPJ)—that temporarily forced Japan to end its naval deployment of refueling ships to support

[50] "The United States and Japan: Advancing Toward a Mature Partnership," Institute for National Strategic Studies, National Defense University, INSS Special Report, October 11, 2000.

[51] The SDF operated under restrictions in Iraq: no combat unless fired upon and no offensive operations. Protection was provided by Dutch and Australian forces.

U.S.-led operations in Afghanistan. Aso, who served as Foreign Minister in the Abe Cabinet, was largely unable to pursue a more active military role for Japan due to his precarious political position. In the final years of the decade, political paralysis and budgetary constraints in Tokyo, Japan's minimal progress in implementing base realignment agreements, Japanese disappointment in Bush's policy on North Korea, and a series of smaller concerns over burden-sharing arrangements led to reduced cooperation and a general sense of unease about the partnership.

U.S.-Japan Relations Under the Obama and DPJ Administrations

The Obama Administration came into power in 2009 indicating a policy of broad continuity in its relations with Japan, although some Japanese commentators initially fretted that Washington's overtures to Beijing would marginalize Tokyo. It was changes in leadership in Tokyo, however, that destabilized the relationship for a period. In the fall of 2009, when the DPJ came into power under Yukio Hatoyama's leadership, relations with Washington got off to a rocky start because of differences over the relocation of the Futenma Marine base (see "U.S. Military Presence in Japan and Futenma Controversy" section above). Stalemate on the Okinawa agreement had existed for several years under previous LDP governments, but the more public airing of the dispute raised concern that the alliance—long described by the United States as the "cornerstone of the U.S. Asia-Pacific strategy"—was eroding. In addition, the DPJ initially advocated a more Asia-centric foreign policy, which some observers interpreted as a move away from the United States.

After months of intense deliberation with the United States and within his government, Hatoyama eventually agreed to move ahead with the relocation. However, the political controversy surrounding the Futenma issue played a major role in his decision to resign in June 2010. The fall of Hatoyama demonstrated to Japanese leaders the political risks of crossing the United States on a key alliance issue. His successor, Prime Minister Naoto Kan, looked to mend frayed relations and stated that his administration supported the agreement. The overwhelming response to the March 2011 disaster in Tohoku buoyed alliance relations. By the time that Yoshihiko Noda, Kan's successor, finished his term in December 2012, American policymakers had regained confidence in Tokyo's alliance management approach. A series of alarming provocations from North Korea and China's increased maritime assertiveness also played a role in reinforcing the sense that the U.S.-Japan alliance remained relevant and essential.

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