CHANGES IN JAPAN'S FOREIGN AND SECURITY POLICY

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At the moment, very substantial reforms in the field of security are being undertaken in Japan. "The New National Defense Program Guidelines for 2005 and After", as well as the "Midterm Defense Program Fiscal Year 2005-2009"[1] both talk about a thorough restructuring of the Self Defense Forces to make them able to respond effectively to new threats, such as terrorism and weapons of mass destruction, as well as provide a more proactive Japanese policy with various initiatives to improve the international security environment. There is a definite strengthening of the Japanese-US security relation, where Japan is being asked to and is willing to take a bigger role. The declaration by North Korea that they now possess nuclear weapons is considered an imminent threat to Japan. This, in connection with the abduction issue (see below) is played up in Japanese mass media and is being used by certain groups to create changes in Japan's defense posture. These are changes that the Japanese consider necessary to counter the larger threat in the long term, the rise of China.

This paper will start with a short historic overview of the Japanese defense posture since World War II and give a short presentation of the kinds of threats Japan feels it is facing since September 11, 2001, and in the future. Then we will continue with Japanese-North Korean relations, and Japanese-Chinese relations. The recent strengthening of the Japanese-US security cooperation, and its implications for Japanese defense posture, as well as regional cooperation, will be covered. We will conclude with what these changes imply for Europe, as well as the role Europe could play in securing peace and stability in Asia.

Historical Background and General Security Outlook

The Japanese postwar defense posture was to a large extent formed by the Japanese defeat in the Pacific War, the strong anti-Japanese feelings among Asian countries, the US-led Allied Occupation of the country, Japan's demilitarization, and the adoption of Article 9 in the "peace constitution" of 1947, according to which Japan renounced war as a way of solving international disputes. The security strategy formulated by Prime Minister Shigeru Yoshida, the so-called "Yoshida Doctrine", was to sign a security treaty with the US in 1951 and build up a limited Japanese defense capability to defend itself. The US security guarantee was a one-way guarantee and Japan never committed itself to enter any collective defense or to defend the US. Japan allowed American bases on its soil and was firmly placed in the anti-communist camp. In exchange for this, Japan received economic security guarantees by having access to the US market, and was free to pursue its primary goal, economic growth.

As the Cold War progressed, the Yoshida doctrine was somewhat adjusted but remained basically intact during the whole period. With the scaling back of the US commitment to East Asia after the Vietnam War in 1969, Japan was obliged to acknowledge that both South Korea and Taiwan were essential for its security. During the late 1970s and in the 1980s, Japan expanded its military capabilities and increased cooperation with the US to counter the military build-up of the Soviet Union in the Far East, but still only for the purpose of its own defense.

With the collapse of the USSR in 1989, the prime rationale for the US-Japan security treaty fell and the Yoshida Doctrine was starting to be questioned. The Gulf War in 1990-1991 further pointed to the weakness of the Japanese defense system in a globalized world. The Japanese government was heavily criticized for not providing any human assistance, did not have

any say in how the war was conducted, but still ended up by having to pay a large share of the bill. This was frowned upon as traditional Japanese "checkbook diplomacy". Attempts to get a bill through the Diet, to enable the Japanese Self Defense Forces to be dispatched as UN Peace Cooperation Corps in 1990, were rejected. Up to this point, there was practically no multilateral security cooperation.

In the wake of the Gulf War, proponents of an alternative Japanese defense posture appeared, fueling the debate on whether Japan should act as a "normal" country. Some politician meant that Japan should have taken greater note of the preamble of the Constitution, according to which Japan should cooperate with the international community, which should be interpreted as the right to support UN-sanctioned war efforts. A few years later, the Japanese International Peace Cooperation Law was passed.

The debate on the "normal" country, mostly envisioned as an unidentified developed state of the west, continued, although there was a division of opinion on whether this meant greater independent Japanese defense efforts, or a stronger US-Japan alliance cooperation and multilateral security options. At the same time, in the 1990s there was a shift in the Japanese domestic political scene, when the Japan Social Democratic Party, the largest opposition party with a most cautious position on defense, lost a large part of its followers. There was also a generation shift in the government party, the Liberal Democratic Party, in which a number of senior politicians with a very cautious stance on defense questions were exchanged for younger ones who were pushing for change. The present Prime Minister Junichiro Koizumi himself has supported the discussion on revising the constitution, and a special commission is now studying this. A *de facto* reinterpretation of the constitution can be said to have taken place already, with the dispatch of the Self Defense Forces both to Afghanistan and Iraq. The dispatch was made possible with the enactment of two special laws; in the Afghanistan case, the "Anti-Terrorism Special Measures Law", was used to extend the Self Defense Forces' commitment in the Indian Ocean and that way free up US forces for use in Iraq, and the "Law Concerning Special Measures of Humanitarian and Reconstruction Assistance" made it possible to dispatch Japanese forces on non-combat missions to Iraq.

Changes in Japan's security policy were accelerated by the international crisis in connection with the September 11 terrorist attacks on the US in 2001. Japan, having had its own experience of attacks from extremist groups such as the Red Army or the poisonous gas attacks in the Tokyo subway by the religious group Aum Shinrikyo, shared the US' fear of terrorists. In the latest white paper on defense[2] the authorities consider the security situation to have worsened since the end of the Cold War.

> Not only traditional nation states but also non-state actors that cannot be easily identified, such as terrorist organizations, are causing concern to the international community. It is widely noted that not only traditionally military confrontations but also various illegal activities and the resultant contingencies, such as terrorism, piracy and drug smuggling, are eroding the security of the international community at an alarming rate.[3]

The security agenda is considered to have become globalized, and under these conditions the role of the military forces should be changed or diversified. Not only should they engage in defending "against "threats but also actively working "for" the peace and stability by promoting "maintenance of a regional order" and "cooperation on a global scale", adding to the traditional national defense. The added value that the military organizations must pursue is extended from the national interest to common interest of the regional and international society.

Besides terrorism, there is another area of grave concern to Japan. That is the proliferation and transfer of weapons of mass destruction, be it nuclear, biological or chemical, and the increase in the number of ballistic missiles. This fear is also closely connected to one of Japan's closest neighbors, namely, North Korea.

The North Korean Issue

In January 2003, the North Korean government declared its withdrawal from the Treaty of Non-proliferation of Nuclear Weapons (NPT). Since then the situation has steadily deteriorated, with North Korea refusing to participate in the six party talks, openly restarting its old nuclear programs and in February 2005 even declaring that it was in possession of nuclear weapons.

For the Japanese, this development poses a major threat. There is considerable anti-Japanese sentiment in North Korea since the Japanese colonial period and World War II. It has also been openly stated by representatives of the North Korean government that these weapons are aimed at Japan. The North Korean "issue", as it is called in Japan, is the most immediate reason for the reformulation of the Japanese defense posture.

Since the end of the Cold War, Japan has pursued a policy of both engagement and containment of North Korea. In 1991-1992, a number of normalizations talks were held between Japan and North Korea. The North Korean economy was in a critical situation and, at the same time, Japan had now become the biggest donor of ODA (Official Development Assistance) in the world. Economic cooperation was one of the ingredients in these negotiations. The talks were quickly stalled, however, when North Korea refused to comply with inspections of the International Atomic Energy Agency (IAEA) and threatened to withdraw from the NPT.

This first nuclear crisis was eventually solved through the Agreed Framework between the US and North Korea in 1994. According to this agreement, two light water reactors[4] were to be constructed on the condition that North Korea refrained from continuing its own nuclear programs. The Korean Peninsula Energy Development Organization (KEDO), consisting of the US, South Korea, Japan and Europe, were to pay for this, but with the launch of a North Korean missile over Japanese airspace in 1998, financing was withheld.

In the meantime, South Korea initiated its so-called "Sunshine Policy", trying to engage North Korea. Japan also started to approach North Korea again, and in 2002, Prime Minister Koizumi went to Pyongyang with the promise of substantial aid packages and economic cooperation after normalization of relations. In the so-called Pyongyang Declaration, North Korea agreed to follow the nuclear agreements. Koizumi also managed to secure the release of the five surviving abductees out of the fifteen Japanese citizens whom had been kidnapped by the North Koreans in the 1970s. This had been a stumbling block in the negotiations for many years. The so-called "abductee issue", however, backfired, and created an outrage in Japan. The Japanese people, and especially the powerful support group for the relatives of the abductees, wanted to get detailed accounts of the deaths of the others, as well as permission for the children of the abductees to come to Japan.

Three weeks after the Pyongyang declaration, an American delegation visiting Pyongyang claimed that they were informed that North Korea was continuing its nuclear experiments and in this way was breaking the agreed framework. The US and its allies in KEDO retaliated by not delivering any oil to North Korea. Pyongyang declared the agreed framework dead and decided to leave the NPT. Multilateral talks consisting of six parties (US, Japan, South and North Korea, China and Russia) were initiated, this time with China taking a leading role. Although the talks

have stalled at the moment, all parties are united in asking the North Koreans to return to the negotiating table.

The abduction issue culminated when the remains of one of the deceased abductees were returned to Japan, only to be discovered a few months later that the remains were those of another person[5]. The anti-North Korean sentiment in Japan has reached new heights, with political implications. A strong stance against North Korea has become very popular and is used by some groups for pushing for changes in the defense position.

Japan-China Relations

In the 21st century the Chinese-Japanese trade has increased tremendously and China even surpassed the US last year in becoming Japan's largest trading partner. The large Chinese investments for increasing the production capacity have led to increased exports of Japanese steel, machinery and other industrial equipment. On the import side, imports of consumer products such as textiles, motorbikes and consumer electronics, including IT-related products, have surged. The outsourcing of Japanese companies' productions further enhanced trade. Recently, the importance of the growth of the Chinese economy for the recovery of the Japanese economy has also been recognized.

The US still receives the largest share of Japanese foreign direct investments, with 45 per cent of total Japanese FDI. China's share, however, is increasing, and China is now the largest recipient of Japanese investments in the region, receiving more investments than ASEAN. Few Japanese companies are moving their production from ASEAN to China, however; the firms continue investing in a more selective manner in the ASEAN countries, hoping for further economic growth through a number of bilateral free trade agreements that are to complement the existing multilateral ones. Chinese ambitions to create bilateral trade agreements in Southeast Asia worry Japan, and further accelerate the Japanese process. Japan has concluded an agreement with Singapore, prepared a draft for an agreement with the Philippines in December 2004, and has started negotiations with South Korea, Malaysia, Thailand and Indonesia.

Although economic relations between Japan and China are very good, this positive feeling has, so far, not been transferred to the field of politics. The World War II history issue still lingers and the political contacts are few and chilly. To a certain extent the economic development in China even creates new tension between the countries. The competition over the gas delivery from Siberia, as well as the rights to offshore oil and gas explorations in the East China Sea, have led to a further deterioration of the relationship.

The Japanese also worry about the tension between China and Taiwan, and are afraid of being dragged into any conflict that may occur between the two. Few, however, feel any immediate military threat from China towards Japan in the short term perspective, but there is a growing sense of frustration with the more assertive Chinese position in world politics and economics. When the Chinese sent an astronaut, or taikonaut in Chinese, of their own into space a few years ago, the Japanese were amazed. Although considered a technological superpower, Japan had not gotten around to manned space travel itself.

The Japanese worry that the Chinese will not abide by international rules and that their increasing power will mean decreased Japanese influence in various forums. Recently there have been several anti-Japanese demonstrations in China during which windows of Japanese consulates as well as stores have been smashed and there have been calls for boycotting of Japanese products. These have been motivated by the release of another issue of a Japanese textbook in history were the Japanese atrocities during World War II are not fully recognized.

Japan holds the Chinese government responsible for not curbing these anti-Japanese demonstrations. These incidences can clearly be seen as signs of the struggle for supremacy in Asia going on between Japan and China. The Japanese worry about China's economic, political and military rise. As the Japanese try to increase their own role in global politics this is countered by easily provoked anti-Japanese feelings. Another example is the United Nations Security Council, where China has a permanent seat with veto power. Japan, which contributes around 20 per cent of the UN budget, has long been seeking a restructuring of the Security Council, to gain a similar position for itself. Recently such efforts have increased again. In China, however, big internet campaigns collecting names against a Japanese entry into the Security Council are presently being undertaken. The Chinese government is likely to veto any Japanese entry. Recent statements from South Korea indicates that it will also be against such an entry, as Japan is perceived as having little regret for what happened in World War II.

Foreign aid is another bone of contention. China has been one of the largest recipients of Japanese aid during the 1990s, and still is, although the amounts recently have decreased significantly; Tokyo has announced that at least the loan aid part, which is the major part of the aid, will be phased out by the time of the Beijing Olympics in 2008. China itself has also become a donor and recently this activity has increased. After the Tsunami catastrophe in Southeast Asia in December 2004, China pledged considerable amounts of aid to the region, on what is considered by the Japanese as "their" home turf. The Japanese replied by pledging the largest emergency aid package ever, USD 500 million, to the affected countries in Southeast Asia.

In the long-term perspective, besides the threat of growing Chinese influence, Japan also sees a Chinese military threat, and worries about China's defense build-up. Against this, Japan sees no other alternative than sticking closely to its old ally, the US.

Recent Trends in Japanese-US Security Relations

The US presence in Japan today is substantial. Of the 100,000 US military personnel stationed in the Pacific region, more than 51,000 are based in Japan. Seventy-five per cent of the bases are located on the island of Okinawa, where roughly half of the personnel in Japan are also stationed. The situation has changed considerably since the days when the US-Japan Security Treaty was much debated and caused big demonstrations and even riots in Tokyo on its prolongation in 1960, as well as during the Vietnam War. The US and Japanese troops that used to exist side by side without permission to exercise together are now increasingly cooperating. This development picked up speed after the signing of new guidelines for defense cooperation in 1996. Since September 11, 2001, the security cooperation has deepened considerably and is at the moment advancing at a speed unthinkable only a few years ago.

Japan is actively supporting the US fight against terrorism, both financially and with personnel. Although formally outside the US-led operation due to constitutional reasons, Japanese marine forces are still in Afghanistan conducting civilian missions, relieving the US forces that can thus be used for other purposes. Japan was a firm supporter of the American invasion of Iraq and has sent their own Self Defense Forces there for humanitarian and reconstruction work. The relationship between President Bush and Prime Minister Koizumi is considered extremely warm with Koizumi voicing support for Bush already during the latter's campaign for a second term in office.

Japanese-US security relations have never been as good as at present. According to the new Midterm Defense Program 2005-9, Japan should work to "further strengthen the Japan-

US security arrangements". The ongoing revision of the US military presence in Japan is also likely to lead to increased security cooperation, with a clear global dimension. There are even people in the US who refer to Great Britain in Europe, and Japan in Asia, as the two hubs of a US global military strategy.

During the recent 2+2 talks in February 2005, when both the Defense and the Foreign Ministers of Japan and the US were present, it was agreed that there would be a considerable sharing of bases in the future. Plans of how this will be worked out are quickly being drawn up and are likely to be implemented shortly. Some American military functions will also be moved to Japan.

The Japanese are cooperating with the US in creating and introducing a ballistic missile defense system, a huge undertaking both in military and economic terms. In this sense the strategic importance of Japan to the US has increased, and the US troop withdrawal from South Korea is likely to further increase Japan's role as a forward base in the region.

Changes in Japanese Defense Posture

The Japanese defense budget is the world's fourth largest, after the US, Russia and China, and its Self Defense Forces consist of 250,000 employees. From the newly presented Japanese "National Defense Program Outline 2005 and After", it is clear that sweeping reforms will be undertaken within these forces. The likelihood of a full-scale invasion of Japan is considered small and therefore personnel and equipment earmarked for such a threat will be substantially reduced.

According to the outline, new threats pose an imminent challenge to the international community and "the US, as the sole superpower, continues to play an important role in international peace and stability by taking proactive measures to combat terrorism and prevent proliferation of weapons of mass destruction".

Japan will now turn to a defense that is effective in responding to these new threats. It will have a force expanded in multifunctional and flexible capabilities. In addition to this a much more proactive stance is envisioned also for Japan. "Japan should on its own initiative participate, in order to promote its own peace and security, in activities that nations of the world cooperatively undertake to improve the international security environment".

We are likely to see more of the Japanese Self Defense Forces abroad. The government also decided to present the Diet with a bill to revise the Self Defense Law so that the Japanese troops can be deployed in international peace operations overseas.[6]

Strengthening of intelligence capabilities is a new priority area and so is joint staff organization. The land, marine and air troops are to operate under a joint command, something that was actually practiced for the first time during the rescue operations after the Tsunami catastrophe in Indonesia in December 2004.

In the latest White Paper on Defense (2004), for the first time China is mentioned as a potential security threat to Japan, besides North Korea.

It needs to be pointed out, however, that no large budget increases are envisioned for Japanese defense spending. The latest budget presented large cuts in many areas, including a ten per cent decrease in the field of foreign aid; costs for defense were actually also reduced, but only by one per cent. What is taking place is rather to be seen as a thorough reorientation and restructuring of existing capabilities to meet new threats.

Regional Cooperation

One of the characteristics of Japanese attitudes towards any regional multilateral cooperation is that this should supplement, not supplant, the existing Japanese-US bilateral cooperation. This relation is the most important for Japan and should supersede any other relations.

As long as they do not supersede the US bilateral relation, however, Japan has been enthusiastic about multilateral frameworks considering them "desirable" and "necessary" for their overall foreign policy towards Asia. Japan even made its own proposals for such institutions such as in the case of the creation of Asia-Pacific Economic Cooperation (APEC) in 1989 and Asia Regional Forum (ARF) in 1994. When some other countries put up similar proposals, Japan would let them play a leading role, while taking more of a supportive role itself. Japan would, however, actively support the institution-building, and through quiet diplomacy persuade others, particularly the US, to join in.

Japanese economic interests in the ASEAN countries are very strong and since the 1980s Japan has been the unrivalled partner to whom these countries have turned to for trade, foreign investments, and also huge amounts of aid to build up their infrastructure in the form of roads, railways, harbors and power plants etc. Japan, however, turned down the proposal for an East Asian Economic Caucasus, which did not include the US, when it was suggested by the Malaysian Prime Minister Mahathir. Regional integration was considered difficult by Japan as the level of development among the countries was very uneven and the possibilities for security cooperation were very limited due to the Japanese constitution.

In the 21st century, the situation changed radically. Today Japan is facing competition from China for the leadership role in Southeast Asia. China has wooed ASEAN with the prospect of a free trade area and in 2003, at the ASEAN summit, the heads of states of ASEAN and China adopted a Joint Declaration for Strategic Partnership for Peace and Prosperity between ASEAN and China. In fact, before the summit, Japan was first asked by the ASEAN nations to sign a Treaty of Amity and Cooperation in Southeast Asia (TAC), but it did not show any particular interest. The Southeast Asian nations then turned to China who signed the treaty immediately. This created a flurry of activity in Tokyo and resulted in Japan signing the treaty later the same year. A Framework for Comprehensive Economic Partnership (CEP) between ASEAN and Japan was also agreed upon, and in the Tokyo Declaration for the Dynamic and Enduring Japan-ASEAN Partnership in the New Millennium, signed in December 2003, both parties announced that they would work towards creating an East Asian Community.

An area where Japan has been active is the combating of maritime piracy. Japan has launched a concept of ocean peacekeeping through which national agencies with legal enforcement powers, such as the navies and the maritime police, of the countries in the region would cooperate.

Japan has also showed considerable interest in cooperating both with regional partners as well as the US in the North Korean nuclear issue. Japan has worked hard to become a member of the six party talks; though these have stalled for the moment, they are the channel through which negotiations with North Korea are conducted.

The Role of Europe

The development that is taking place in Asia, and especially the economic growth of China, is truly going to change the existing world order. Most European companies have already understood this. China is now Europe's largest trading partner in Asia and many companies have invested in production facilities there. This should not bee seen as a hollowing-out of European industry but as something positive, and should be encouraged as it boosts the European economy as well.

China's industrialization, however, will also lead to an increasing demand for energy and a number of natural resources, besides raising a number of global environmental concerns. Europe will need to prepare for the competition for these resources, as well as the inevitable price hikes in oil and steel, etc.

On the economic side, which is of great importance for the peace and stability in Asia, the EU and European companies are already fully engaged. However, in the field of politics and security, the picture looks gloomier and the European input is not significant. The cold Japanese-Chinese relations, and the competition between the two countries, are a hindrance to further Asian cooperation in this field. The North Korean nuclear policy, and the Taiwan question, are also issues that must be dealt with in order to stop an increasing arms race in Asia.

When it comes to the North Korean issue, Japan would probably welcome a more important European role. It is obvious that the nuclear issue is not readily solved through the present six party talks. Threats from Japan and the US, of economic sanctions and isolation, are not likely to ease the situation. It actually complicates the situation further, and might even drive a wedge between the hard-line Japan-US policy against the softer South Korean, Russian and Chinese stances. The North Korean government has shown a remarkable capacity to survive, and it is likely to continue its struggle to do so.

Europe, although a member of KEDO, has thus far kept a rather low profile. It could have a mediating role between the different actors in KEDO and should work towards the integration of North Korea into international society by taking every possible opportunity to persuade the country to change its nuclear policy. If it is not changed the situation might aggravate further and considering the hysteria that has been created related to North Korea in Japan we might see a further military build up here in a few years time. Some of the new EU member countries from former Eastern Europe have long-standing diplomatic relations with North Korea. These countries could perhaps play a positive role in helping to integrate North Korea into the world society. Support for Democracy, Rule of Law and Civil Society could also be a useful instrument here. A number of courses to explain the European system should be offered to North Korean government officials.

The increasing frustration that Japan is experiencing with North Korea, as well as the more assertive role played by China, should also be taken most seriously by the EU. Anti-Japanese feelings are still rampant in both China and Korea, and Japan must somehow be reassured that the US is not its only friend. Japan is rapidly changing its defense posture and will be able to take a more proactive stance in the future. It is important for Europe to see to it that the Japanese self defense forces are utilized under a UN umbrella and in a global context, and not exclusively to the benefit of the US forces. Europe should take every possible opportunity to integrate Japanese forces into UN peacekeeping operations.

Considering the delicate position that Japan and Taiwan are sharing, in light of the more assertive China, and the escalating arms race in East Asia, Europe should refrain from lifting the

embargo on the sale of arms to China. Such a lift would only exacerbate an already tense situation in East Asia, and this could not be in the interests of Europe.

[1] Fiscal Year 2005 starts April 1 in Japan. Unofficial translations of both the above mentioned documents can be found at: http://www.jda.go.jp/e/index_.htm
[2] Japan Defense Agency, *Defense of Japan 2004*, Inter Group Corporation, Tokyo 2004.
[3] *ibid*.
[4] These reactors are less efficient at producing weapons-grade plutonium.
[5] If this can be verified or not is still being debated among scientists.
[6] *Yomiuri Shimbun*, Dec. 27, 2004.