On January 5, President Barack Obama initiated the Defense Strategy Review, identifying Asia as a priority in future U.S. military strategy. North Korea’s nuclear proliferation and China’s growing military capabilities suggest new challenges for Washington. But the United States is now in an era of fiscal austerity. The debt ceiling deal worked out last August requires that nearly $500 billion be cut from projected defense spending over the next decade. To succeed, U.S. strategy in Asia will by necessity depend heavily on its allies. None will matter more than Japan.

Yet U.S. strategic dialogue with Japan remains underdeveloped. Although the two governments produced a set of Common Strategic Objectives in 2005 and again in 2011, plans to realign U.S. and Japanese forces remain unfinished due to political tensions surrounding one base, Futenma Marine Air Station, in Okinawa. Political change in Tokyo not only exacerbated contention over Futenma but also delayed Japan’s own national defense planning process. U.S.-Japan military cooperation after the 2011 earthquake and tsunami in northeastern Japan demonstrated the strength of this alliance. However, a sustained and serious conversation between security planners in Washington and Tokyo about the changing Asian security environment is long overdue.

The United States and Japan should now look ahead to consider how to leverage their capabilities. It would be a grave mistake to allow budget cuts to devolve into the tensions over “burden sharing” that plagued the U.S.-Japan alliance in the past. Washington and Tokyo cannot afford to sit back and allow fiscal constraints to dictate their alliance planning. In today’s Asia, the strategic challenges are too compelling and complex. The time has come to set priorities for military missions and to invest in the capabilities needed to accomplish them. Given the repeated tensions in Northeast Asia, the United States and Japan should formalize mechanisms for crisis-management coordination. Finally, the alliance should have a long-term basing strategy that consolidates U.S. and Japanese facilities.
A MISSION-ORIENTED ASSESSMENT

The United States and Japan should concentrate on recent defense and disaster threats as they consider alliance priorities. Last year, the U.S. and Japanese militaries deployed together for the first time in response to the earthquake and tsunami disasters. While the two forces performed well together, the opportunity for real-time mobilization revealed areas where greater integration of command and communications systems could benefit both allies.

Even before last year’s natural disaster struck, both countries recognized their defense readiness deserved greater attention in light of Northeast Asia’s changing security environment. This region has had its share of crises of late, with the provocations on the Korean peninsula in 2010 and the tensions between Japan and China over the Chinese fishing trawler in waters close to the Senkaku/Diaoyu islands. Japan’s ability to manage the consequences of Pyongyang’s missile and nuclear proliferation are again being tested with the upcoming missile launch. More broadly, the United States and Japan should have a better understanding of how China’s maritime activities, especially in the East China Sea, affect the efficacy of alliance defense cooperation.

Three alliance missions should be given priority in a U.S.-Japan strategic review. The first two derive from the changes ongoing in Northeast Asia and have direct consequences for Japan’s defense: ballistic missile defense (BMD) and maritime security. Defense against North Korean provocations is already a priority for the alliance, and it should continue to be so. The BMD mission offers several benefits for better allied defense cooperation: it has realized the benefits of shared research and development, it has encouraged a considerable enhancement in Japan’s capabilities, and it has prompted Japanese officials to seriously rethink their command requirements in the case of an attack. In 2005, Japan passed a law clarifying the civilian and uniformed roles in the command and control of BMD operations. In the spring of 2009, Japan’s defense minister implemented these new rules of engagement by giving the Self-Defense Forces (SDF) commander final discretion to respond to the North Korean missile test. U.S. and Japanese militaries both performed well in this first BMD operation. April’s satellite launch provides the opportunity for developing an alliance crisis response plan that could strengthen the performance of missile defense in the face of increasing North Korean conventional and nuclear capabilities.

A second defense priority for the alliance is to clarify the division of labor for shared maritime security missions. China’s growing maritime capabilities could ultimately deny the United States access to waters shared by Beijing and Tokyo, thereby impinging on Washington’s ability to assist in Japan’s defense. The East China Sea merits particular attention, and the September 2010 incident provides impetus for a deeper U.S.-Japan discussion of how military cooperation could be enhanced and respective missions clarified. Already, Japan’s 2010 National Defense Program Guidelines identify intelligence, surveillance, and reconnaissance as top priorities in response to conspicuous Chinese activities in Japan’s territorial waters and exclusive economic zone.

But maritime cooperation between the United States and Japan extends far beyond the East China Sea. Maintaining open sea lanes is a critical need for Japan, and sea-lane defense out to one thousand nautical miles has long been a declared goal. China’s expanding naval reach poses new challenges for Japan’s Maritime SDF and other Asian nations. Tokyo and Washington should consider how they can work jointly with other partners in Southeast and South Asia to maintain freedom of navigation.

Finally, as last year’s SDF and U.S. military relief operations demonstrated, the U.S.-Japan alliance can offer the Asia-Pacific region significant humanitarian assistance and disaster relief (HA/DR) experience and capabilities. Asia suffers from a precarious ecology, and the SDF’s disaster response expertise makes it a powerful regional asset. Likewise, the U.S. capacity to offer assistance quickly rests not only on its military capabilities, but also on its growing experience with HA/DR in the region. The December 2004 Indian Ocean tsunami alerted many across the region of the need for greater
attention to planning for these contingencies and developing coalitions that could work effectively. A “lessons learned” assessment of U.S.-Japan capabilities would enhance defense preparedness as well as identify opportunities for regional collaboration and cooperation. The experience of the 2004–2005 Core Group (United States, India, Japan, and Australia) in the aftermath of the 2004 tsunami is a valuable reference.

**BASE INTEGRATION AS A STRATEGIC INVESTMENT**

A future U.S.-Japan alliance strategy cannot stop at force posture adjustments. It should address the long-term sustainability of U.S. forces deployed in Japan. Protracted political tensions over U.S. military bases not only interfere with strategic cooperation; they are also costly. The alliance cannot afford another decade-and-a-half stalemate over relocating one base. Recent efforts to adjust the relocation plan for the U.S. Marines in Okinawa are a step in the right direction, but what is really needed is a plan that will fundamentally alter the basis of the U.S. military presence in Japan.

The basing structure for U.S. forces in Japan no longer reflects contemporary political realities, and it is time to bring U.S. forward-deployed forces into twenty-first-century Asia. Almost sixty-seven years ago, U.S. forces arrived in Japan to occupy what were once Japanese Imperial military bases. Today, those American bases create an impression of extraterritoriality that weakens public support for the alliance. In Okinawa, especially, the public's tolerance for the concentrated presence of U.S. bases has declined visibly despite Tokyo's efforts to increase economic benefits to host communities. Dispersing U.S. forces to more locales on the main islands of Japan would go a long way to easing political pressures.

The separation of U.S. and SDF forces no longer makes operational sense either. The U.S. government should explore with Japan how U.S. forces might collocate with their Japanese SDF partners, and how base consolidation for U.S. forces in Japan can be a process that includes consolidation options with SDF and when appropriate, civilian facilities. Japan’s SDF today has broad public support and strong community relations, and the two militaries should become more integrated in order to work as partners in facing the new challenges of BMD and maritime cooperation.

Three considerations should guide the U.S.-Japan base review: the degree of interoperability required for alliance missions, the amount of cost-cutting that can be accomplished, and how joint management of U.S.-SDF bases can be achieved. The U.S. experience in Europe, especially in Germany, and in domestic base consolidation plans that have emerged from the 2005 Base Realignment and Closure effort offer a menu of precedent from which to consider more advantageous cost-sharing agreements. In addition to joint service management practices, civil-military use of airfields should be considered. The SDF already uses this model in Japan. Japan’s regional airports are vastly underutilized, and could be beneficial as the two allies consider a more dispersed U.S. military presence.

**JAPAN IN U.S.-ASIA STRATEGY**

The U.S. emphasis on a renewed strategic commitment to Asia signals the opportunity to identify priorities and share resources with its allies. To succeed, U.S. strategy should do more than simply define the scope and size of forces deployed in the region. If the U.S.-Japan alliance is to play an effective role, Washington and Tokyo should have an honest dialogue on how to best develop alliance roles, missions, and capabilities. The SDF, along with other allied militaries, depend on the United States to assist in their nation’s defense. Japan has much at stake, and thus should play an assertive role in the development of this new strategic vision.

Washington and Tokyo need a practical, operational vision for their military cooperation. Tokyo will need to consider how it wants to organize its strategic planning to better incorporate the alliance, and Washington will need to articulate how Japan factors into its new Asia strategy. A more sophisticated strategic conversation between the United States and Japan is long overdue. The U.S.-Japan alliance should become a more effective instrument in shaping Asia’s future.
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