

U.S.-Japan Relations: 'History Starts Here'

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In the first quarter of 2005, the United States and Japan signed a historic declaration that laid a foundation for the future of their bilateral security alliance. The Feb. 19 Security Consultative Committee (SCC) meeting both locked in the impressive progress that has been made in the security dimension of the alliance over the past four years and committed Washington and Tokyo to continuing efforts to modernize their alliance. Yet, as the two governments looked toward a rejuvenated alliance, an increasingly contentious trade spat over beef reminded both countries that bad old habits were ever ready to spoil celebrations over “the best relations ever.”

Both governments will have their hands full. To help reassure Japanese that a new foreign policy team in Washington – or at least the departure of the most prominent Japan hands – does not augur a shift in U.S. priorities, Secretary of State Condoleezza Rice made Japan her first stop in East Asia during a six-country Asian tour. In Tokyo, she wowed the crowd despite sending a tough message on beef and walking a careful line on North Korea policy.

Focused on the Future

On Feb. 19, the U.S. secretaries of State and Defense met their Japanese counterparts from the Foreign Ministry (Machimura Nobutaka) and the Defense Agency (Ohno Yoshinori) at the Security Consultative Committee, known more colloquially as the “2+2” meeting. The SCC convenes every couple of years; it last met in December 2002.

The Feb. 19 statement applauded “the excellent state of cooperative relations between the United States and Japan on a broad array of security, political, and economic issues,” and called for continuing efforts to promote security in both countries, in the region and around the world. It highlighted their efforts on issues ranging from tsunami relief, stemming the proliferation of weapons of mass destruction (WMD), and missile defense (MD). While that may sound like boilerplate, the latter topic did break some ground with a reference to Tokyo’s decision to loosen the Three Principles on Arms Exports, essentially a ban on such exports, to facilitate MD cooperation and development with the U.S.

The next section, on “Common Strategic Objectives,” represents a break with the past. In it, the two governments agree that interdependence and the proliferation of WMD erases old distinctions between national and regional and global security. They then articulate a

list of regional and global strategic concerns. It includes military modernization efforts within the region; although no country is specifically identified there, China is later encouraged to embrace more transparency in its military affairs.

North Korea is encouraged to return to the Six-Party Talks and “to commit itself to complete dismantlement of all its nuclear programs in a transparent manner subject to verification.” The language is interesting: it’s more proof of U.S. flexibility and readiness to move away from the CVID (“complete, verifiable, irreversible dismantlement”) formula that North Korea has found so objectionable. The two countries also “support peaceful unification of the Korean Peninsula” (so much for Washington and Tokyo preferring continuing division) and “peaceful resolution of issues related to North Korea, including its nuclear programs, ballistic missile activities, illicit activities, and humanitarian issues such as the abduction of Japanese nationals by North Korea.” After the SCC meeting, Dr. Rice and Mr. Machimura released a separate statement that focused on North Korea, calling on Pyongyang to return to negotiations quickly and seriously.

The list of objectives in the Joint Declaration includes (among others) encouraging Russia’s constructive engagement in the region and the normalization of Japan’s relations with Russia through resolution of the Northern Territories issue; promoting “a peaceful, stable and vibrant Southeast Asia”; and the development of regional cooperation, as long as it’s “open, inclusive and transparent.”

China is also explicitly identified on the list. That is a departure from the past and has generated most of the media attention. Previously, Japan had gone to great lengths to avoid naming China as a direct national security concern. The readiness to do so in the SCC statement signals a shift in Japanese thinking about China (taken up in Jim Przystup’s chapter on Japan-China relations) – and reports that the U.S. forced that language down Japanese throats are incorrect.

Still, it is important to understand what the SCC declaration actually says. The two countries seek to “develop a cooperative relationship with China, welcoming the country to play a responsible and constructive role regionally as well as globally.” That part has been largely overlooked: instead, most commentary focused on the two countries’ desire to “encourage the peaceful resolution of issues concerning the Taiwan Strait through dialogue.” While it is hard to imagine a more innocuous – or obvious – phrase, that mention still managed to set off alarms in Beijing, which ignored the first part and accused the two countries of meddling in China’s “internal affairs.”

When the two governments enumerate global common strategic values, the list looks familiar: advancing fundamental values such as basic human rights, democracy, and the rule of law; encouraging international peace cooperation activities and development assistance to promote peace, stability, and prosperity worldwide; promoting the reduction and nonproliferation of WMD and their means of delivery; fighting terrorism; improving the effectiveness of the United Nations Security Council and pushing for Japan’s permanent membership; and stabilizing global energy supplies.

‘History Starts Here’

The SCC statement is a big deal. At the annual U.S.-Japan Security Seminar that Pacific Forum hosts for officials and analysts from the two countries, one Japanese participant exulted that after the Feb. 19 meeting, “history starts here,” an assessment that was shared by others around the table. The readiness to speak bluntly about regional national security threats was one important departure. Even more significant was the identification of Japan’s national security interests with regional and global developments. Hitherto, Japan construed national security narrowly, essentially limiting it to homeland defense. The willingness to identify common interests implies (at least) that Japan will work with the U.S. to protect those interests; that is historic, for both the country and the alliance. The joint declaration underlines this new approach by highlighting “Japan’s active engagement to improve the international security environment.”

The declaration of new strategic interests means that Japan has to be prepared to defend them. This requirement elevates considerably the importance of the following section of the SCC statement: it may look like more boilerplate about cooperation, but it’s much more than that.

The statement notes “the need to continue examining the roles, missions, and capabilities of Japan’s Self Defense Forces and the U.S. Armed Forces required to respond effectively to diverse challenges in a well-coordinated manner. This examination will take into account recent achievements and developments such as Japan’s National Defense Program Guidelines and new legislation to deal with contingencies, as well as the expanded agreement on mutual logistical support and progress in ballistic missile defense cooperation. The Ministers also emphasized the importance of enhancing interoperability between U.S. and Japanese forces.” Quite simply, the statement envisages far greater cooperation between and integration of U.S. and Japanese forces than ever before. National security officials in both countries must now work out effective responses to contingencies that take into account Japan’s more activist security posture and the redeployment of U.S. forces. Forces will be moved, bases combined, and commands shifted. Both militaries (and both countries) must prepare for potentially wrenching adjustments. As the final paragraphs of the statement point out, issues such as the U.S. footprint on Okinawa, the Status of Forces Agreement, and the size of Host Nation Support are on the table.

Secretary Rice’s Visit

Secretary Rice made Tokyo her first East Asia stop during her recent Asian tour. Beijing might have made more sense from a geographic perspective (she was coming from South Asia), but starting in Japan sent the clear message that Tokyo remains atop the list of U.S. partners and allies in the region. While meeting top officials in the Japanese government, including Prime Minister Koizumi Junichiro, she repeated the mantra that “relations are the best ever” and emphasized the new “global context” of the alliance. In a well-received speech at Sophia University, Dr. Rice called it “an alliance of compassion,” a curious formulation, but one well suited for Japanese audiences. She also proposed a

“Strategic Development Alliance” in which the two countries would regularly assess and focus efforts to advance their common objectives; this dialogue would be open to others who can contribute.

In a 90-minute meeting with Foreign Minister Machimura, the two repeated key themes of the SCC statement: U.S. support for Japan’s efforts to get a permanent seat on the UN Security Council, calling on North Korea to return to the Six-Party Talks, encouraging China to take a constructive and cooperative role in regional affairs, as well as developments in the Middle East. Again, the issue of new roles, missions, and capabilities for Japanese forces was highlighted. Afterward, Dr. Rice met for 40 minutes with Prime Minister Koizumi, working through the same list of talking points.

Overall, Dr. Rice got high marks. She wowed the crowds and the media, assuaging some concerns about the conduct of U.S. diplomacy and the priority Japan would receive in a second Bush term. She sent the right signals on North Korea, underlining the U.S. readiness to negotiate with Pyongyang, but also sticking to a firm line that called on the North to deal with all outstanding security issues, including Japanese abductees.

Where’s the Beef?

While the security communities applauded the forward-looking approach taken by the two governments, another issue shared the spotlight this quarter and it recalled a bitter past rather than the bright future. Tensions between the two governments are rising over Japan’s failure to reopen its market to U.S. beef.

Japan banned imports of U.S. beef and beef products after a case of Bovine Spongiform Encephalopathy (BSE), or mad cow disease, was detected in an 8-year-old cow in the U.S. in December 2003. The cow had been imported from Canada. The ban hurt: Japan is the biggest customer for U.S. beef, buying more than \$1.7 billion worth of U.S. beef and beef products in 2003, and other countries look to Japan when setting standards for their own markets. It is anticipated that South Korea, for example, will resume U.S. beef imports when Japan does. In total, it is estimated that more than \$3.8 billion in annual exports could be at stake.

Last October, the U.S. and Japan reportedly reached agreement on a plan that would allow the resumption of imports from the U.S. But imports have not resumed and U.S. frustrations over Japanese inaction have been rising. President Bush brought the matter up in a phone call with Mr. Koizumi. (Don’t forget the president and the vice president are from beef producing states.) The topic figured in Dr. Rice’s talks with Prime Minister Koizumi and Minister Machimura; according to Japanese officials the secretary “pressed” the foreign minister and said that the dispute is starting to hurt the bilateral relationship. In her speech at Sophia, Dr. Rice devoted time to the issue saying, “The time has come to solve this problem. I want to assure you: American beef is safe, and we care deeply about the safety of food for the people of the world, for the American people, for the Japanese people. There is a global standard on the science that is involved here, and we must not let exceptionalism put at risk our ability to invest and trade our way to even greater

shared prosperity.” At his Senate nomination hearing, Ambassador-designate (since confirmed) Thomas Schieffer also pledged to press for a resolution, saying science should be guiding such decisions, not politics. To date, there has been no resumption of imports; worse, there is not even a timetable.

Both sides are starting to get testy. Both U.S. representatives and senators have passed resolutions calling for retaliation against Japanese exports to the U.S. In Japan, politicians and consumer groups complain about U.S. pressure and there are concerns that Mr. Koizumi will lean on the Food Safety Commission (FSC) responsible for devising a testing program to be more lenient toward the U.S.

Consumer groups in Japan are powerful, and with good reason. Despite reassurances that Japanese beef was safe, BSE has been detected in a number of cows in Japan (more than in the U.S.). The outrage resulted in one of the world’s most stringent programs in which all cattle slaughtered are tested for BSE. The U.S. has said blanket testing is unreasonable, and the agreement reached last year reportedly approved imports of U.S. cattle 20 months and younger. The idea that U.S. beef would be subject to less rigorous inspections is a nonstarter. So as a first step toward lifting the ban, Japan’s Food Safety Commission convened a Prion Experts Panel to study easing inspection standards for all domestic beef. On March 28, it concluded that Japan can afford to exempt cattle 20 months and younger from blanket testing. The decision was officially reported to the FSC on March 31 and the FSC will seek public opinion about new regulations for a month. A new standard is likely to be ready by late summer.

The U.S. response was less than overwhelming. Mr. J.B. Penn, under secretary of agriculture, called the FSC report “a step in the right direction,” but he added, “We still think the Japanese process is going far too slow, and it’s unnecessarily cumbersome. We would like to see it accelerated.” The pressure will continue. In its annual report on national trade barriers, the Office of the Trade Representative warned in late March that “Reopening the Japanese market to U.S. beef is a top priority of the administration on the bilateral trade front.”

Once the new standard is approved, several issues remain. First, there are doubts whether the age of U.S. beef can be verified. U.S. assurances are not proving reassuring enough; there are questions about the reliability of data the U.S. is providing. Second, it is estimated that only 20-30 percent of U.S. beef would fit the new standard. That might not be enough to appease U.S. exporters.

In Japan, there are other questions. Since the FSC operates under the Cabinet Office, there are suspicions that the prime minister has pressed for the appropriate conclusion on behalf of better U.S.-Japan relations. On March 10, Ishiharu Mamoru, vice minister of agriculture, forestry and fisheries, said Japan has no intention of speeding up the process of resuming beef imports. Still the *Asahi Shimbun* opined Feb.13 that “without doubt, Japanese Government officials took into consideration heavy pressure from the United States to lift the ban.”

The episode has echoes of the 1969 wrangle over textiles between the U.S. and Japan. Then, President Nixon thought Japanese Prime Minister Sato had agreed to help him out by restraining textile exports to the U.S. When asked, Sato responded with “I will do my best,” which the president took for agreement, but which any Japan hand knows is a polite “no.” Apparently, a similar misreading occurred last October when the supposed agreement was reached. The question now is will Mr. Koizumi use precious political capital to push for lifting the import ban when he badly needs it for other domestic political priorities, such as postal reform. The timing is bad for another reason: In February, Japan recorded the first death of a Japanese from a variant of Creutzfeldt-Jacob disease, which has been linked to BSE. The man spent about a month in the UK in 1989, and there is no reason to think the death is linked to this issue. Still....

Testing Times

Alliance managers have their work cut out for them. The bold designs of the SCC declaration need to be put into practice. Making decisions on some elements of the new alliance relationship, such as roles and missions, should be relatively easy. Implementing them – acquiring capabilities, overcoming political and bureaucratic resistance – will be tough. Redeployments, which raise questions in local communities, will test the patience of all concerned. Nonetheless, the agreement by both governments that such changes are needed should help break the inevitable logjams. Given the sensitivity of the issues, leaks to the media and trial by public opinion should be rampant. Patience and thick skins will be required.

For the first time in several years, economic issues will return to the forefront of bilateral discussions. It is unclear how they will influence public opinion about security issues. For the last four years, there has been an undercurrent of suspicion that Japan has made some decisions to appease Washington (despite assurances by Mr. Koizumi that Japan is truly acting in its own best interests). As the “costs” of alliance hit closer to home, public opinion about the relationship may shift. This should be an interesting summer.

U.S.-Japan Chronology January-March 2005¹

Jan. 3, 2005: Japan pledges \$500 million for tsunami relief effort.

Jan. 6, 2005: At tsunami summit in Jakarta, FM Machimura and Secretary of State Powell agree that Six-Party Talks on North Korea should be resumed as soon as possible, and they discuss realignment of U.S. forces in Japan and Japan’s import ban on U.S. beef.

Jan. 10, 2005: Defense Agency Director General Ohno Yoshinori calls for upgrading Defense Agency into a ministry.

¹ Compiled by Lena Kay, Vasey Fellow, Pacific Forum CSIS.

Jan. 18, 2005: U.S. dollar hits five-year low against yen (US\$1= ¥101.7).

Jan. 21, 2005: Defense Agency head Ohno says government will amend the Self-Defense Forces Law to stipulate procedures for intercepting ballistic missiles targeting Japan under an envisaged missile defense system.

Jan. 21, 2005: PM Koizumi reiterates that Japan-U.S. alliance is key to the security of Japan and the peace and stability of the world at the Diet. Japan will press for early implementation of the Special Action Committee on Okinawa Final Report, including the relocation and return of Futenma Air Station.

Jan. 22, 2005: *Kyodo News* reports that 55 percent of poll respondents say that SDF should withdraw from Iraq by March 2005.

Jan. 24, 2005: President Bush names Thomas Schieffer next ambassador to Japan.

Jan. 26-Feb.1, 2005: Some 4,300 Ground SDF personnel and 1,500 U.S. Army personnel take part in Japan-U.S. military drill in Hokkaido.

Jan. 28, 2005: FM Machimura telephones Secretary of State Rice to congratulate her on her appointment. They discuss the Middle East, UN reform, transformation of U.S. forces, and North Korea, and agree to closely cooperate.

Jan. 30, 2005: Chief Cabinet Secretary Hosoda Hiroyuki meets National Security Council Senior Asia Director Michael Green.

Feb. 1, 2005: Liberal Democratic Party Acting Secretary General Abe Shinto meets with NSC Senior Asia Director Green. Vice FM Yachi discusses North Korea with Green, who expresses understanding of Japan's possible sanctions against North Korea.

Feb. 3, 2005: President Bush telephones PM Koizumi, they discuss the war in Iraq, North Korea, and the appointment of Ambassador Schieffer.

Feb. 9, 2005: Japan's Ministry of Agriculture, Forestry and Fisheries and the Ministry of Health, Labor and Welfare accept U.S.-proposed method of identifying cattle age based on the quality of meat in order to resume U.S. beef imports. The date when imports can be resumed remains unclear.

Feb. 9, 2005: LDP approves SDF Law amendments that allow the SDF to intercept intruding missiles and shoot down missiles targeted at the U.S. while missiles are in Japanese airspace.

Feb. 11, 2005: Under Secretary of State Bolton says that the U.S. will work closely with Tokyo to try to rein in arms trade with China.

Feb. 15, 2005: U.S. Navy to deploy two Aegis destroyers, the *USS Stethem* and *USS Lassen*, to Yokosuka to strengthen missile defense system.

Feb. 15, 2005: *Yomiuri Shimbun* reports that Japanese Cabinet has finalized SDF bill and the Defense Agency is able to “respond to an attack at any time” in the event of a missile attack on Japan without a mobilization order issued by the prime minister.

Feb. 15, 2005: Former Defense Agency head Ishiba Shigeru urges Japan and the U.S. to study returning all U.S. bases in Japan back to Japan and place them under SDF control.

Feb. 15, 2005: FM Machimura urges U.S. to rejoin the Kyoto Protocol aimed at curbing global warming, which goes into effect Feb. 16, and calls on China and India to join.

Feb. 16, 2005: Outgoing Ambassador to Japan Baker says Japan should refrain from single-handedly imposing economic sanctions on North Korea, and should urge countries, including China and Russia, to take joint action.

Feb. 19, 2005: FM Machimura and Defense Agency head Ohno meet with Secretary Rice and Defense Secretary Rumsfeld at the Security Consultative Committee. They produce a joint declaration on common strategic objectives, Washington’s global military realignment and new roles and missions for the U.S. and Japanese forces.

Feb. 19, 2005: Secretary Rice and FM Machimura reconfirm policy toward North Korea and reiterate commitment to a diplomatic resolution of the crisis through Six-Party Talks.

Feb. 20, 2005: Japan and the U.S. agree to start providing tsunami warning to countries around the Indian Ocean in March 2005 until the region establishes its own alert system.

Feb. 24, 2005: Some 20 U.S. senators threaten sanctions over Japan’s import ban on U.S. beef due to mad cow disease. The senators hinted seeking sanctions equal to the amount of beef exported to Japan before the ban was imposed in December 2003.

Feb. 26, 2005: Japan confirms 15th case of mad cow disease.

March 3, 2005: More than 55 U.S. House of Representatives lawmakers submit a resolution to seek sanctions over Japan’s beef import ban, urging U.S. trade negotiators to “immediately” impose economic measures on Japan.

March 5, 2005: PM Koizumi says he seeks Washington’s understanding on Tokyo’s efforts to ensure the safety of U.S. beef before lifting Japan’s import ban on the meat.

March 6, 2005: Some 130 U.S. Marines return to Okinawa from Iraq.

March 6, 2005: China’s FM Li Zhaoxing warns Japan, U.S. not to include Taiwan within the scope of their military alliance saying, “Beijing would not permit interference in what it considers an internal matter.”

March 8, 2005: Food safety head Yasufumi Tanahashi denies political pressure on food panel over U.S. beef.

March 9, 2005: President Bush telephones PM Koizumi to discuss North Korea, the resumption of U.S. beef exports to Japan, and the Middle East peace process.

March 11, 2005: U.S. ROK Ambassador Hill meets FM Machimura to discuss restarting Six-Party Talks. The two agreed that it was necessary for China to persuade North Korea to rejoin the Six-Party Talks.

March 15, 2005: Ambassador-Designate Schieffer testifies before Senate Foreign Relations Committee that U.S. and Japan must resolve beef issue.

March 17, 2005: U.S. Senate confirms Thomas Schieffer as ambassador to Japan.

March 17, 2005: Ten bipartisan senators submit resolution urging the U.S. Trade Representative to “immediately impose retaliatory economic measures” against Japan over its failure to lift its import ban on U.S. beef. A bipartisan group of House members proposed a similar measure March 3.

March 18-20, 2005: Secretary Rice meets in Tokyo with PM Koizumi and FM Machimura. They discuss the Six-Party Talks, Middle East, U.S.-Japan relations, and the resumption of U.S. beef imports.

March 18, 2005: *Japan Times* reports that Chief Cabinet Secretary Hosoda said Japan is fed up with pressure from the U.S. to lift the 15-month-old ban on beef imports.

March 23, 2005: After Iceland grants him citizenship, Japan releases chess champion Bobby Fischer and allows him to go to Iceland despite U.S. request for extradition.

March 28, 2005: *Kyodo News* reports that the U.S. demands Japan ease barriers on 12 farm products that include wheat, pork, beef, oranges, apples, and dairy products.

March 28, 2005: Japan’s Food Safety Commission approves excluding cattle 20 months or younger from the current system of testing all cattle for mad cow disease.

March 29, 2005: U.S. Agriculture Secretary Mike Johanns urges Japan to accelerate “enormously slow” domestic process to lift its import ban on U.S. beef.

March 30, 2005: FM Machimura and DM Ohno meet with prefectural governors to discuss the review of U.S. forces in Japan, realignment of U.S. forces, and problems related to USFJ facilities.

March 31, 2005: The Office of the U.S. Trade Representative annual report says that the U.S. will continue to “pressure Japan to lift its total ban until U.S. beef exports resume.”