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TOKYO TRANSITIONS TO TRUMP

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The transition to the new Trump administration was far smoother for Japan than for other US allies. Prime Minister Abe Shinzo's visit to Trump Tower the week after the election in November undoubtedly helped smooth the way, and his visit in February proved to be a successful confirmation of Tokyo's highest priorities for alliance cooperation. Secretary of Defense James Mattis and Secretary of State Rex Tillerson both headed to Northeast Asia, reassuring Tokyo and Seoul of the administration's commitment to its Asian allies. This early effort helped ensure continuity rather than disruption would be the theme for the US-Japan alliance for the next four years. North Korea, of course, helped that return to normalcy. Yet not all was settled in these early months. How the new administration was going to define its approach to trade remained ill-defined. The Japanese government, however, was not interested in a conversation that focused only on trade.

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Pence and Aso in Tokyo (whitehouse.gov)

Trump's Asia team

In the early months of the Trump administration, there were few in the White House with deep Japan knowledge, but the connections the Abe team made with Trump's transition team helped position Japan's prime minister as one of the new president's most important sources of Asia expertise. Much has been made of the slow pace of populating the Trump administration, but one of the most important principals for the alliance was in place early. Defense Secretary James Mattis

himself may not have spent the bulk of his career in the Asia-Pacific, but he was quick to demonstrate his appreciation for the region's importance to US national security. Within days of being confirmed, he set off for Tokyo and Seoul. In Tokyo, Mattis <u>addressed</u> two of Tokyo's concerns about the rhetoric of the 2016 presidential campaign. First, he reaffirmed the US commitment to Japan's defense, and second, he noted that Japan's level of host nation support was appropriate. It took longer for Secretary of State Rex Tillerson to be confirmed, but once in office, he too headed to Asia. While Tillerson had a <u>relatively quiet Tokyo visit</u>, he ran into some difficulties in Seoul and Beijing.

For Tokyo, however, it was the prime minister's visit to the US that laid the groundwork for alliance cooperation. Timing was also important for the president, coming after a well-reported disconnect with Australia's Prime Minister Malcolm Turnbull and a domestic outrage in the UK after Prime Minister Teresa May's visit to Washington. The Abe-Trump summit produced a joint statement, and in their joint press conference both leaders reiterated importance of their security cooperation. Abe got the US president to repeat his commitment to Article Five protections for the Senkaku Islands and Trump got Abe's recognition of his America Frist economic priorities, including offers of Japanese private sector assistance in rebuilding US infrastructure and continued investment in the US economy.

The optics of a Japanese prime minister and his wife boarding Air Force One to head to the president's Mar-a-Lago retreat for a weekend of golf were icing on the cake. In their golf cart, Abe and Trump had a full day of conversation, with only their interpreters hanging on the back to help overcome the language barrier. Members of Trump's private golf club were treated to a view of the diplomatic dinner, and some were only too happy to photograph their new president and his Japanese guest. Even the aide who carries the nuclear briefcase got some time on Facebook. The unorthodox format seemed to provide Abe with a unique opportunity to shape

Trump's thinking about Asia, and about the utility of the US-Japan partnership.

Yet it was North Korea, once more, that brought this point home. Testing a salvo of missiles directed at Japanese territory, Pyongyang interrupted the two leaders' down time. A hastily organized press conference demonstrated Abe's experience at managing strategic communications. At his side, President Trump listened as Japan's prime minister described the missile launches and their threat to regional security. When he took his turn at the microphone, the US president delivered a short but significant assurance that the United States was "behind Japan 100 percent."

As one of the first foreign leaders to spend considerable time with President Trump, Abe seemed to tutor the new president on international diplomacy. The Florida retreat provided a far less formal setting, and Trump was minimally staffed. This scene would be repeated two months later when Xi Jinping arrived in the US, with a full entourage, for his first meeting with Trump.



Trump and Abe

North Korea and the US-Japan alliance

The allied discussion over North Korea's missiles launches in early 2017 has been marked by the absence of a South Korean president. President Park Geun-hye's impeachment left a caretaker government in charge until the May 9 election, and while consultations continued with

the US and Japan on how to best respond, the political vacuum in Seoul meant that Abe became the go-to ally for Trump.

President Xi Jinping's visit to the US on April 6-7, and his private discussions with Trump at Mar-A-Lago seemed eerily like a repeat of the Abe visit, initially thought to be evidence of prized place the Japan's in administration's approach to Asia. No press conference was held nor was a joint statement between the US and the People's Republic of China issued. The president's comments after his discussion with Xi also suggested a friendly meeting rather than a tough stance toward China's leader for his military's behavior in Asia.

As the rhetoric from the US and the DPRK escalated, Abe also took to the road in a diplomatic sweep that included meetings with European leaders in March and with Russian President Vladimir Putin in April. North Korea was high on his list of priorities, and France and the UK leaders added to the growing crescendo of concern over Pyongyang's missile launches and anticipated nuclear test. Putin and Abe called "on all governments involved in regional matters to refrain from using belligerent rhetoric and to strive for peaceful constructive dialogue," which seemed aimed at Washington as much as Pyongyang.

Japan's military was also hard at work, exercising not only with the US Navy but also with other global and regional partners concerned about the uptick in North Korean military activities. France and the UK also sent naval ships to exercise with Japan and the US as a demonstration of solidarity. Japan's Self-Defense Force conducted its own demonstration of deterrence as it joined with the USS Carl Vinson's carrier strike group. In parallel, the South Korean Navy joined the US carrier strike group to practice its potential response to a North Korean attack.

These exercises added to another alliance innovation. Abe's reinterpretation of the

constitution to allow for collective self-defense was the basis of new laws, passed in 2015, that allow the SDF to use force to help protect US forces. In late April, the US for the first time asked Japan to provide asset protection for the carrier battle group, and on May 1, <u>Japan sent its largest destroyer</u>, the *Izumo*, to accompany the *USS Carl Vinson*'s regional patrols.

Military preparedness dominated Prime Minister Abe's thinking as he outlined in the Diet the threat posed to Japan by Pyongyang's missiles. In the Diet, Abe explained that his country had only 10 minutes to react to incoming North Korean missiles, and that while Kim Jong Un may not be able to put nuclear warheads on those missiles, he has a significant chemical and biological arsenal at his disposal. Like Syria's Assad, Abe argued, Kim seemed to have little restraint when it came to using these weapons of mass destruction. Civil defense drills were ordered, and Japanese corporations, municipalities, and schools were told to prepare for evacuations in case of a missile attack.

Missile defenses alone may not be enough, however. Tokyo's vulnerability to the growing arsenal of North Korean missiles has created a sense of a Japanese "missile gap." The multiple salvos of missiles launched into Japan's Air Defense Identification Zone (ADIZ) suggest intent to override the ballistic missile defense (BMD) system deployed in Japan and developed jointly by the US and Japan. Moreover, the worry that Pyongyang may miscalculate Tokyo's responses to a missile attack motivates the Abe Cabinet's discussion of acquiring a conventional strike capability. Onodera Itsunori, former defense minister and head of the Diet committee on how Japan can defend itself from the North Korean missile threat, said that "if bombers attacked us or warships bombed us, we would fire back. Striking a country lobbing missiles at us is no different." While the technical details of what kind of weapons system would be best, and the political discussion on how the US and Japan might manage such a system, remain to be worked through, planners in both capitals will be thinking through the changing threat environment as they work on upgrading the alliance deterrent this year. A two-plus-two meeting between Japanese and US security officials is expected in coming months.

As the Trump administration sought to deepen security cooperation with Japan, the two governments prepared for new dialogue on economic ties. In contrast to the military-tomilitary ties that grounded expectations for security cooperation, the new US administration's approach to trade and investment with Japan seemed far less clear. Moreover, newly confirmed Commerce Secretary Wilbur Ross was tapped to join Vice President Pence as he began his discussions with the Abe Cabinet on how to address the trade deficit.

The new US-Japan Economic Dialogue

As one of his first acts in office, Trump fulfilled a campaign promise by officially withdrawing the US from the Trans-Pacific Partnership (TPP) on Jan. 23. The TPP, a 12-nation trade agreement, was signed in Feb. 2016, but the deal cannot enter into force without US ratification. Japan ratified the deal on Dec. 9, 2016, but Abe warned that TPP would be "meaningless" without US participation. Despite Trump's opposition during the presidential campaign, Japan and the other partner nations held out hope that Trump might reverse his pledge to leave the deal once in office. Instead, the US exit brought TPP has shock disappointment from member states, with many critics charging that the US's "own goal" will open up the door for greater Chinese influence in setting the rules of the road for Asia-Pacific trade. After more than a decade of negotiations, TPP seemed dead in the water.

However, Prime Minister Abe is now spearheading an effort to revive TPP, albeit without US participation. Japan is the largest economy still affiliated with the pact, and has taken a leadership position in urging other member states not to abandon the deal. In April, Minister of Economy, Trade, and Industry Seko

Hiroshige approached counterparts among Southeast Asian member countries (Vietnam, Malaysia, Singapore, and Brunei) at an economic meeting in Osaka to see if they would be open to moving forward as an 11-member group. Free-trade oriented Singapore and Brunei are interested, while Vietnam and Malaysia, which had hoped to use TPP to boost exports to the US market, see few benefits in a pact without the US. Australia and New Zealand have also expressed interest in continuing negotiations, Chile and Peru are reluctant to join without US involvement, and Canada and Mexico are non-committal, in part because they are focused on Trump's possible renegotiation of the North American Free Trade Agreement (NAFTA). Most recently, Japan pitched the idea of a five-member TPP, focusing on states (Australia, New Zealand, Singapore, and Brunei) that are keenest on preserving the agreement at a TPP meeting in Toronto in early May.

Excising the US from the deal, however, will not be easy. TPP will not have nearly as much weight without the world's largest economy, and taking the US out of the complex, multilateral deal will require major revisions to the agreement. Japan negotiated to protect certain sensitive industries in the initial agreement, but this hinged on US participation, and it isn't clear how easy it will be to keep these protections if negotiations reopen. Nevertheless, Abe is attempting to take a leadership role in regional trade by pushing TPP. The next step will be a TPP Ministers Meeting in Vietnam in late May to see if member countries can come up with a pact that has a chance of entering into force.

The Trump administration has continued to challenge multilateral trade frameworks, instead preferring bilateral negotiations with Japan. At their February meeting, Abe and Trump agreed to begin a set of US-Japan Economic Dialogues aimed at advancing three broad policy pillars: a common strategy on trade and investment rules, cooperation in economic and structural policies, and sectoral cooperation. One early obstacle to progress in these negotiations is the fact that Robert

Lighthizer, Trump's nominee for US Trade Representative, has yet to be confirmed by the Senate, despite being nominated in January. Lighthizer's nomination has been held up pending investigations of lobbying work that he did on behalf of foreign governments (China and Brazil) in the 1980s and '90s. As of this writing, though, it seems likely that Lighthizer will receive a confirmation vote from the Senate the week of May 15.

Despite Lighthizer's absence, the first round of the US-Japan Economic Dialogue convened on April 18 in Tokyo. Vice President Pence led the US delegation, accompanied by Commerce Secretary Ross, with Deputy Prime Minister and Finance Minister Aso leading the Japanese side. Tokyo hoped to steer the conversation toward prioritizing areas where the two countries can cooperate, such as energy and investment in infrastructure, and away from more sensitive topics such as the trade imbalance. Media reports suggested that officials in Tokyo hoped that Pence in particular might be open to focusing on areas for cooperation, given that Japanese businesses have created more than 52,000 jobs in Indiana (where Pence was governor), including three automotive plants run by Toyota, Honda, and Subaru. On the other hand. Ross is seen as more of a hardliner on trade issues. He has been vocal on US trade deficits, recently referring to the deficit with Japan as "unsustainable," and criticized nontariff barriers to US auto and food exports (while calling on Toyota and other firms to build more plants in the US) during his confirmation hearing. Ross did not participate directly in the dialogue, instead meeting with his counterpart METI Minister Seko.

In the end, the first meeting of the dialogue appeared to be a <u>mostly symbolic</u> beginning to a longer conversation, and it avoided more sensitive issues such as Trump's earlier claim that Japan <u>devalues its currency</u>. While officials from both the US and Japan praised the progress made in the talks, there was some mixed messaging in the <u>press conferences</u> that followed. Aso suggested that the US and Japan

should work on a framework that could serve as a model for the Asia-Pacific region. Pence was clear to emphasize that Washington will stick to bilateral trade and investment talks, referring to TPP as a "thing of the past" for the US. Aso stressed that while "friction used to be the symbol of [the] bilateral relationship...we are now in an era of cooperation." Pence, however, said that the Trump administration "seeks stronger and more balanced relationships with every country, Japan included," and that doing so requires "breaking down barriers, leveling the playing field so that American companies and exporters can enjoy high levels of market access."

Officials from both countries have said that it is possible that this dialogue will evolve into a deeper conversation on a bilateral free-trade agreement, but talks are still in their early stages. A second round of the dialogue will be held later this year, and Ross is set to continue his conversation with METI Minister Seko in June in Washington.

The Abe-Trump agenda and politics at home

With the hyper-politics of a US presidential campaign behind them, Abe and Trump slowly navigated the transition to a new US government. Abe himself faced an extended horizon for governing Japan, and his leadership in Tokyo would coincide with the new US president's first term. Abe and Trump could look forward to a relatively predictable schedule for enhancing the US-Japan alliance.

Yet both faced hurdles at home. Abe's success in reaching out to the newly elected US president produced great relief as many Japanese feared the worst from Trump's campaign rhetoric. By the time Abe visited Washington and Florida, the reassurance most Japanese needed that their alliance with the US was on firm ground had been delivered by the Trump administration.

Abe needed this diplomatic accomplishment as a scandal at home threatened his support. A

rightist school in Osaka, modeled after the Imperial ideology taught in the Meiji Period, had been given access to a considerable discount in the purchase of public land. To make matters worse, Japan's First Lady Abe Akie was listed as a backer of the school and the head of this private school, Kagoike Yasunori, claimed that Mrs. Abe had provided funding for its establishment. This allegation of a direct link between the prime minister and a rightist educational organization raised the hackles of Japan's opposition parties and the Japanese public. On the floor of the Diet, however, the prime minister stated that he had no knowledge of this school nor did his government provide special favors for its opening. Kagoike claimed otherwise, and in the end, he was summoned to testify in the Diet. There he repeated his assertion that Mrs. Abe was a member of his school's advisory board, and contributed financially. No direct evidence of this could be produced, however, and the scandal abated. Nonetheless, the Moritomo Gakuen scandal created a significant dent in the prime minister's support rating, which fell 10 percentage points from February to March, and raised serious questions about Abe's hold on the office of prime minister.

In the US, President Trump had his own woes as he approached his first 100 days in office. His first weeks in office were tumultuous, and his executive order banning visitors from seven majority Muslim nations drew outrage and ultimately judicial censure. A more careful rewrite of the ban has also run into difficulty in the courts, and remains unimplemented. Other difficulties plagued the Trump administration that had a direct impact on alliance cooperation. The lack of political appointments in the Department of Defense and Department of State was one such hindrance, and the ongoing investigation over the Russian influence on the US election plagued the relationship between Congress and the Trump White House.

Finally, the US-Japan alliance is also affected by the continuing lack of clarity in the new administration's strategy on Asia. It is too early to make predictions about how the economic dialogue will proceed, but Tokyo's interests in a regional multilateral trade agreement remain strong. Moreover, while all eyes are currently on North Korea, Tokyo will be watching closely to see how the Trump administration handles its relationship with China. For example, rumors about a Chinese effort to undermine Adm. Harry Harris, the USPACOM commander, have met with concern among Japanese security planners.

CHRONOLOGY OF US-JAPAN RELATIONS

JANUARY - APRIL 2017

Jan. 6, 2017: Prime Minister Abe Shinzo and Vice President Joe Biden hold a telephone conference, in which Abe thanks Biden for his strong support of the Japan-US alliance.

Jan. 16, 2017: Foreign Minister Kishida Fumio and Ambassador to Japan Caroline Kennedy sign the Agreement on Cooperation with regard to the Implementation Practices relating to the Civilian Component of the US Armed Forces in Japan, supplementary to the Status of US Forces Agreement.

Jan. 20, 2017: Donald Trump is inaugurated as the 45th president of the United States. <u>Inaugural Address</u>. Mike Pence is inaugurated as the 48th vice president.

Jan. 20, 2017: James Mattis is confirmed as secretary of Defense by the US Senate.

Jan. 28, 2017: Prime Minister Abe calls President Trump to congratulate him on his inauguration. They agree that Abe will visit the US in February for a Japan-US summit.

Feb. 1, 2017: Rex Tillerson is confirmed as secretary of State by the US Senate.

Feb. 3, 2017: Secretary of Defense James Mattis meets Prime Minister Abe in Tokyo to reaffirm the importance of the US-Japan alliance. Readout.

Feb. 9-13, 2017: Prime Minister Abe visits Washington DC, and Florida for a summit with President Trump. <u>Joint Statement</u>.

Feb. 11, 2017: North Korea test-fires an intermediate-range *Pukguksong-2* ballistic missile over the Sea of Japan.

Feb. 11, 2017: Prime Minister Abe and President Trump hold joint press conference in Palm Beach, Florida, to condemn North Korea's missile launch.

Feb. 13, 2017: Steven Mnuchin is confirmed as Treasury secretary by the US Senate.

Feb. 16, 2017: Secretary of State Tillerson, Foreign Minister Kishida, and Korea's Foreign Minister Yun Byung-se meet on the sidelines of the G20 Foreign Ministers Meeting in Bonn, Germany and issue joint statement on North Korea's ballistic missile.

Feb. 27, 2017: Wilbur Ross is confirmed as Commerce secretary by the US Senate.

Feb. 27, 2017: US Special Representative for North Korea Joseph Yun hosts <u>trilateral meeting</u> in Washington with Kanasugi Kenji, director general of the Asian and Oceanian Affairs Bureau, and Kim Hong-kyun, special representative for Korean Peninsula peace and security affairs.

March 6, 2017: North Korea test-fires four ballistic missiles from the Tongchang-ri launch site in northwest North Korea; some fall in the Sea of Japan.

March 6, 2017: Secretary Mattis phones Defense Minister Inada Tomomi to discuss North Korea's missile launches.

March 13, 2017: Defense Department announces that three *CV-22 Osprey* aircraft to be based at Yokota Air Base are expected to arrive in fiscal 2020 (delayed from the fourth quarter of fiscal year 2017).

March 16, 2017: Prime Minister Abe and Secretary Tillerson meet in Tokyo. <u>Press Conference</u>. Remarks.

March 23, 2017: Kanasugi Kenji, director general of the Asian and Oceanian Affairs Bureau, and Joseph Yun, special representative for North Korea policy, hold teleconference on the situation in North Korea, and agree to urge North Korea to refrain from further provocations and comply with relevant UN Security Council resolutions.

April 5, 2017: North Korea test fires a mediumrange ballistic missile from eastern part of Sinpo into the Sea of Japan.

April 6, 2017: Prime Minister Abe and President Trump speak over telephone about North Korea's ballistic missile launch.

April 6-8, 2017: Chinese President Xi Jinping visits Mar-a-Lago for a summit with President Trump.

April 9, 2017: Prime Minister Abe and President Trump speak over telephone about US actions in Syria and exchange views on North Korea and China.

April 10, 2017: Foreign Minister Kishida and Secretary Tillerson meet on the sidelines of the G7 Foreign Ministers Meeting in Italy.

April 15, 2017: North Korea test-fires a ballistic missile from eastern port of Sinpo that explodes almost immediately after launch.

April 18-19, 2017: Vice President Pence visits Tokyo to host the first meeting of the Japan-US Economic Dialogue with Deputy Prime Minister Aso. They issue a joint press release.

April 18, 2017: Foreign Minister Kishida meets with Secretary of Commerce Ross in Tokyo to discuss US-Japan economic relations.

April 20, 2017: Finance Minister Aso and Treasury Secretary Mnuchin meet on the sidelines of the G20 Finance Ministers Meeting in Washington to discuss economic cooperation and currency issues.

April 25, 2017: US Special Representative for North Korea Policy Yun travels to Tokyo for trilateral meeting with Director General for Asian and Oceanian Affairs Kanasugi and Special Representative for Korea Peninsula Peace and Security Affairs Kim.

April 24, 2017: Prime Minister Abe and President Trump speak over telephone about recent North Korean missile tests and the role of China.

April 26, 2017: Secretary Mattis and Director of National Intelligence Dan Coats issue joint statement condemning North Korean missile launches and stressing coordination with Japan and Korea.

April 28, 2017: North Korea test-fires a ballistic missile from Pukchang airfield, which breaks apart minutes after takeoff.

April 28, 2017: Secretary Tillerson and Foreign Minister Kishida speak at the UN Security Council about threats posed by the North Korean nuclear weapons and ballistic missile programs.

May 1, 2017: Japan sends its largest destroyer, the *Izumo*, to accompany the *USS Carl Vinson* on regional patrols.