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A RAND NOTE

Japan's Changing Defense Posture

Norman D. Levin

June 1988

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This Note describes the evolution of Japan's defense posture since the 1970s and assesses its consequences for regional security. The author concludes that the changes in Japan's defense posture in the last decade have been modest but significant, with Japan gradually expanding its self-defense capabilities and increasing its support of U.S. defense activities as a member of "the West." From an American perspective these changes are positive, although a number of problem areas need to be carefully managed. The Note concludes with a series of policy recommendations intended to achieve the institutionalization and expansion of the positive trends. (This study was originally prepared for a workshop at the Security Conference on Asia and the Pacific, Oiso, Japan, November 15-17, 1987.)

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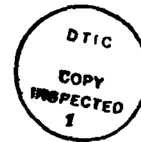

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PREFACE

This study was originally prepared for a workshop sponsored by the Security Conference on Asia and the Pacific (SeCAP) entitled "Planning Japanese and U.S. Strategies for the Western Pacific in the 1990s," held in Oiso, Japan, November 15-17, 1987. Revision of the study, which was completed in February 1988, was carried out with research support funding from the National Defense Research Institute, RAND's OSD-supported Federally Funded Research and Development Center. The author is grateful to Yukio Satoh and Kenneth Hunt for their comments on the earlier version of this study and to RAND colleague Robert Nurick for his helpful suggestions in reviewing this Note.

SUMMARY

International and domestic Japanese trends have precipitated changes over the past decade in Japan's approach to national defense. This Note analyzes the nature of these changes and assesses their consequences for regional security.

The 1976 National Defense Program Outline served as the point of departure for policy changes in four main areas: Japan's indigenous defense efforts; Japanese defense strategies; Japanese military interactions with the United States; and Japan's larger political and economic role in the world. Though modest, these changes are significant. Together, they have begun to affect Japan's overall defense posture, with Japan gradually expanding its definition of self-defense responsibilities and increasing its support of U.S. defense activities as a member of "the West."

The emphasis on changes should not obscure the underlying continuity in Japan's approach to defense throughout the postwar period. Today, as in the past, Japan adheres to the basic framework laid out in the 1950s and 1960s, while it continues to rely heavily on the United States for its external security. Nor does the emphasis on changes suggest the resolution of continuing difficulties with Japan's attempt to develop a credible defense capability. Japanese efforts continue to be hampered by problems associated with the definition of threat, the broad defense strategy guiding Japan's defense buildup, constraints on the Self-Defense Forces' operational strategy, and continuing limitations on the Japanese military's ability to perform its roles and missions. The gradual evolution of Japan's defense posture, however, provides the Japanese with significantly increased capabilities for their own self-defense and offers the possibility of greater integration of Japanese defense efforts with those of the United States, if ongoing and potential problems are carefully managed. Particularly important in this latter regard is the erosion of Japanese confidence in the ability of the United States to manage its economic affairs and the incipient rise in Japan of a new "techno-nationalism."

From an American perspective, this evolution has positive consequences for regional security:

- The development of a small but well-balanced, high-quality, and increasingly high-technology-oriented military force strengthens Japanese ability to resist Soviet or other potential pressures, while giving Japan the capability to defend itself if necessary against small-scale attacks on Japanese territory.

The strengthening of U.S. and Japanese military ties bolsters confidence in the U.S. defense role, both in Japan and in the region at large.

- Japan's expanding capabilities for air and sea-lane defense strengthen the deterrent against possible Soviet aggression. In cooperation with the United States, improved Japanese early warning, air defense, and anti-submarine warfare capabilities hinder Soviet egress into the Pacific, while complicating Soviet strategic planning by raising the prospect of a multifront war.
- Japan's increased willingness to act as a "member of the West" strengthens the prospects for limiting the expansion of Soviet influence. The Japanese government's willingness to expand its economic assistance and support Western political objectives hinders Soviet efforts to exploit local instabilities and drive a wedge between the Allies on important issues.

The key question is the extent to which these trends are institutionalized and expanded. Other questions include (1) whether governmental support for U.S. military activites can be translated into broad political cooperation in U.S. regional military planning, and (2) whether adequate burden-sharing arrangements can be developed to compensate for the lack of full "mutuality" in the defense relationship.

This Note concludes with a series of policy recommendations. In the case of Japan, defense capabilities can be strengthened more rapidly. Japan should speed up its acquisition of front-line equipment, while increasing sustainability and reducing the vulnerability of key defense installations. Greater efforts can also be devoted to developing effective operational command capabilities through the creation of a joint headquarters and chief of staff, as well as to improving coordination for integrated operations with the United States. The aim should be the rapid achievement of the National Defense Program Outline targets in a defense strategy that more fully integrates Japanese military operations with those of the United States.

In the United States, emphasis should continue to be placed on roles and missions in bilateral defense discussions. The question of revision of the National Defense Program Outline or the percentage of GNP allocated to defense are issues for Japan to resolve itself. What is important is *capability* and *integration* of this capability with that of the United States. These should remain the focus of U.S. efforts, whatever administration is in power, to encourage greater Japanese defense efforts.

Both countries should pay greater attention to developing a common, coordinated approach to the Soviet Union. In the case of Soviet-Japanese relations, even modest

Soviet initiatives could cause problems for U.S.-Japanese defense relations. Gestures on Japan's "northern territories," for example, could undermine support within Japan for expanded self-defense efforts. Additional Soviet arms-control initiatives and anti-nuclear rhetoric could impede the further strengthening of military cooperation between Japan and the United States by stimulating pacifist and anti-military sentiment within Japan. In the case of Soviet-American relations, strategic arms-control agreements not linked to radical reductions in Soviet conventional capabilites could undermine Japanese confidence in the U.S. deterrent. A return to "detente" in the absence of substantive changes in Soviet regional and human-rights policies could strengthen accomodationist sentiment within Japan. Japanese and American leaders need to consult even more closely as they pursue their respective policies toward the Soviet Union.

Finally, both countries should build on the concept that has already been developed of burden-sharing, not only in military terms—although further progress here is also important—but in terms of "comprehensive and global security." Militarily, there is more that Japan could do. Even greater cost-sharing for the U.S. military presence would ease the strains caused by the depreciation of the dollar. Active cooperation in the development of advanced technologies, along with a restrictive approach toward technology transfers to the USSR, would strengthen our joint military capabilities, while highlighting the benefits of the alliance itself. Allowing the Self-Defense Forces to participate in anti-mining operations in the Persian Gulf would strengthen the United States' ability to counter the growing Iranian threat, while sending an important signal of Western resolve to support the principle of free navigation.

Beyond this, ways must be found to further develop the approach to Japan as a "global partnership." Ongoing talks at the Undersecretary of State level concerning Japanese and American economic assistance policies are an important step in this direction. These should be institutionalized and expanded on an ad hoc basis to include other potential contributors—such as Australia in the South Pacific or South Korea and some of the ASEAN states in the Philippines—in a more coordinated assistance effort. Japan can play an increased indirect role in supporting the U.S. base negotiations with the Philippines. Further steps by Japan to untie its economic assistance and to direct a larger share to regions other than Asia are also desirable. Central America is a conspicuous example of an area where a higher Japanese profile would have positive effects. While additional measures are explored, attention should be paid to how greater visibility can be given to the burden-sharing efforts that Japan is already making.

The changes in Japan's defense posture over the past decade are rightly regarded as significant developments. How *important* they are will hinge to a large extent on how Japan and the United States address these issues.

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I. INTRODUCTION

Commentary on Japanese defense policy covers a wide range of viewpoints. At one extreme, both foreign and domestic critics denounce Japan for "reviving militarism" while "subordinating" itself to U.S. global strategy. At the other extreme, some commentators—including respected academic and military affairs analysts—ridicule Japan for not having any defense policy at all, contenting itself with "naive assumptions" about international trends and "wishful thinking" concerning the U.S. defense commitment.

Neither of these extreme positions should be taken seriously. Japan has not embarked on a course of "unbridled" military expansion, let alone engaged in a "revival of Japanese militarism." Nor have the Japanese abdicated responsibility for their own defense. Japan has, in fact, instituted modest policy changes in response to international and domestic trends that have begun to alter its overall defense posture.

Though modest, these changes are significant, in the same sense that small cracks on a large, solid surface are significant. Both indicate a change in tendency. How important they are remains to be seen. This Note describes the changes that have been made in Japan's defense posture over the past decade and assesses the consequences of these changes for regional security.

II. HISTORICAL EVOLUTION

Japan's current defense posture must be seen as the result of an evolutionary process. The late 1940s, 1950s, and 1960s were a time for reconstruction. During this period, the Japanese established the basic features of their security framework:

- The Japanese Constitution (1946) renounces war "as a sovereign right of the nation" and the "threat or use of force as a means of settling international disputes," while it bans "land, sea and air forces, as well as other war potential" (Article IX). Successive Japanese governments have interpreted the Constitution as disavowing neither the inherent right of any nation to "self-defense" nor the maintenance of military forces for this purpose. What constitutes "self-defense," however, has been a contentious issue, as has the question of the proper "limits" to Japan's defense efforts.
- The U.S.-Japan Security Treaty (1951, revised 1960) codifies the U.S. commitment to defend Japan against external aggression, while granting to the United States the use of Japanese military bases for the defense of Japan and the peace and security of the Far East. Although the title of the revised treaty ("Treaty of Mutual Co-operation and Security between the United States and Japan") implies greater mutuality, Japan—unlike the NATO allies—bears no formal obligation to contribute to the defense of the United States. The "mutual" defense commitment is limited only to "armed attacks against either Party in the territories under the administration of Japan" (Article V).
- The Basic Policy for National Defense (1957) defines the "prevention of direct and indirect aggression" as Japan's broad defense objective and allows the gradual development of "effective defense capability" toward this end. In doing so, the Basic Policy provides both a rationale and official government sanction for a long-term rearmament effort, while simultaneously requiring that this effort be "gradual," "in accord with national capability and the domestic situation," and "within the limits necessary for self-defense" (Principle 3). At the same time, by identifying the U.S.-Japan Security Treaty as the "basis" for defense against foreign aggression (Principle 4), the Basic Policy codifies Japan's heavy reliance on the United States.

- The Three Non-Nuclear Principles (1967), which ban the possession, manufacture, or introduction into Japan of nuclear weapons, express the government's intention not to become a nuclear power.
- The Ban on Arms Exports (1967) restrains Japanese weapons transfers to Communist countries and other nations either engaged in international conflict or blacklisted by the United Nations. The Japanese government strengthened the ban in 1976 to prohibit virtually all arms exports.[1]

This framework has served several useful purposes. It secured the U.S. defense commitment. It facilitated the withdrawal of U.S. ground troops from Japan—under a new American strategic doctrine commonly known as the "New Look"—and the formal assumption by the Japanese of responsibility for their own security.[2] It allowed Japan to begin a long-term military buildup—in the form of four multiyear defense buildup plans—despite a very limited sense of external threat within the Japanese public. And it enabled the Japanese to begin to establish a modern defense industry, as reflected in significantly increased reliance on domestic procurement for the country's military equipment.[3]

The framework also reflects important constraints, however, on the size, speed, and scope of Japan's defense efforts. These constraints resulted from the anti-military sentiment dominant in Japan throughout the first two decades of the postwar period, as well as the widespread Japanese recognition of Asian sensitivities to Japan's military activities. They affected Japan's defense buildup in a number of ways: The rationale provided by the Basic Policy for National Defense for Japan's rearmament ensured at one and the same time its minimalist and gradualist nature; identification of the Security

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[1]For further details on these features and a comprehensive assessment of Japanese security issues, see Yukio Satoh, *The Evolution of Japanese Security Policy*, Adelphi Papers, No. 178, The International Institute for Strategic Studies, London, 1982.

[2]The United States pressed intensely throughout the 1950s for significantly increased Japanese defense responsibilities. The original Security Treaty reflected this pressure. After indicating that the United States would "temporarily" station troops in Japan, the treaty stated explicitly the U.S. "expectation" that "Japan will increasingly assume responsibility itself for its own defense against direct and indirect aggression." The 1954 U.S.-Japan Mutual Defense Assistance Agreement went even further, requiring Japan to "contribute to the development and support of the defense capability of its own country and of the free world and to take every rational measure necessary to strengthen its own defense ability" (Article 8). With these agreements, the United States reduced its forces in Japan from over 200,000 at the end of 1954 to under 77,000 three years later and to under 50,000 by the end of the 1950s.

[3]The ratio of domestic procurement increased from less than 40 percent in the period between 1950 and 1957 to around 90 percent at the end of the Third Defense Buildup Plan in 1971. (*Defense of Japan 1983*, Japan Defense Agency, August 1983, p. 270; also see Reinhard Drifte, *Arms Production in Japan*, Westview Press, Boulder, Colo., 1986, for more details.)

Treaty as the "basis" for Japan's defense guaranteed continued heavy reliance on the United States, while hindering the development of a coherent strategic doctrine governing the missions and roles of the Self-Defense Forces (SDF); the proscription against anything other than self-defense measures impeded the integration of Japanese defense efforts with those of the United States. These limitations produced two results: (1) confusion concerning the strategic rationale of a series of modest but long-term defense buildup plans, often characterized by critics as "strategy-less arms procurement plans," and (2) large but largely undefined expectations concerning U.S. military assistance.

By the late 1960s and early 1970s, international and domestic trends eroded confidence in the continued viability of this orientation. Major developments included the relative decline of U.S. military superiority over the Soviet Union, reflected in the attainment by the USSR of rough nuclear parity; the perceived decline in U.S. interest in Asia, symbolized by the "Nixon Doctrine" of July 1969 and made concrete by subsequent U.S. force reductions in Japan, South Korea, and Southeast Asia; and the growth of Japan into a major economic power. These trends called into question both the willingness and the ability of the United States to effectively aid Japan in the event of external aggression. They also precipitated debate in Japan concerning Japan's defense posture.

Part of the debate revolved around then Defense Agency Director-General Nakasone's effort to revise the Basic Policy for National Defense. Urging the adoption of a more "autonomous" defense posture, Nakasone sought several modifications, the two most important of which were the deletion of the Basic Policy's third provision requiring that Japan's defense buildup be "gradual" and "in accord with . . . the domestic situation" and the replacement of the fourth provision describing the Security Treaty as the "basis" of Japan's defense with a statement heightening Japan's own defense responsibility (Nakasone's original proposal stressed Japan's "autonomous" defense efforts, with the Security Treaty playing a "supplementary" role).[4]

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[4]The slogan "autonomous defense" had a long history—and mostly emotional content—in Japan. In the latter 1960s, Prime Minister Sato, Defense Agency Director-General Arita, and other Japanese leaders used it extensively in connection with the prospective return of Okinawa. Nakasone's own use of "autonomous defense" was not meant to suggest the adoption of a Gaullist position. Nakasone frequently distinguished between "autonomous defense" (*jishu boei*) and "single-handed defense" (*tandoku boei*), which, he claimed, not even the superpowers could achieve. He did not support the adoption of conscription, for example, or Japan's developing an independent nuclear deterrent. Indeed, Nakasone tried to write the Three Non-Nuclear Policies into the Basic Policy of National Defense. By "autonomous defense" he meant Japan's accepting broader responsibility for its own immediate, territorial defense and establishing greater balance in its defense relationship with the United States. Arguing that conditions had made Japan's previous posture no longer viable, Nakasone insisted that Japan needed to make greater long-term preparations for defending itself. (See, for example, "*'Kokubo' o saikento suru,*" *Kokubo*, October 1970, pp. 32-33.)

The bulk of the debate, however, centered on Japan's Fourth Defense Buildup Plan, which Japanese defense leaders sought to use to alter Japan's defense orientation. As originally prepared, the Fourth Defense Plan would have moved Japan toward significantly expanded defense responsibilities. The plan was predicated explicitly on an analysis of the international situation that posited new conditions requiring increased Japanese defense efforts. It put forth as the principal threat for which Japan must prepare the concept of "limited" direct aggression, which many saw as precisely the kind of threat for which U.S. assistance—under the "Nixon Doctrine"—could not be presumed.[5] And it defined "securing air superiority and command of the seas" in areas around Japan, rather than the previous emphasis on "shoreline defense," as the broad objective of the SDF.

In line with this new definition, the plan placed priority on the Air and Maritime Self-Defense Forces (ASDF and MSDF), with projected defense expenditures 2.8 and 2.3 times those of the Third Defense Plan, respectively. Emphasis was placed on frontal equipment, including large increases in air-to-air and ground-support fighters, advanced trainers, and helicopter carriers, and development of anti-submarine and air-early-warning aircraft. Improvement of intelligence and communications was also stressed. The plan envisioned an annual growth rate in defense expenditures of 19 percent (as compared with 14 to 15 percent for the Third Defense Plan), which would have raised annual per capita defense spending from 4,700 yen in 1969 to roughly 10,000 yen.[6]

No sooner was the plan announced in April 1971, however, than a new series of events occurred which doomed the effort to alter Japan's orientation. Internationally, the surprise announcement in July 1971 of President Nixon's trip to China, the SALT I agreement in May 1972, and the development of "detente" between the superpowers undermined the argument that Japan needed to prepare seriously for an "emergency situation" by implying a major improvement in the international environment and an easing of tension in Asia. Domestically, a host of incidents occurred, including the crash of an ASDF plane and a civilian airliner in which 162 people died, that inflamed public opinion and heightened opposition to increased defense efforts. After a protracted

[5]The formal objective of Japan's defense buildup prior to the Fourth Defense Plan was to be able to respond to "aggression below the level of local war with conventional weapons." This objective reflected a conception of the next war as essentially a replay of World War II, in which Japan's role would be confined to participating with the United States in defending part of the homeland. The notion of "limited" direct aggression, although vague and largely undefined, conveyed an emphasis on military conflicts short of a global war for which Japan would have to assume responsibility.

[6]The text of the original plan can be found in *Kokubo*, June 1971, pp. 31-36.

process, Japanese leaders jettisoned the new approach. They dramatically scaled back the contents of the Fourth Defense Plan, as shown in Table 1, and structured it as a simple continuation of its predecessors in both form and substance.

Table 1

MAIN ITEMS OF FOURTH DEFENSE PLAN: EVOLUTION FROM INITIAL TO FINAL PLAN

Equipment	Apr. 1971	Nov. 1971	Aug. 1972	Oct. 1972
Advanced trainers	80	80	73	59
Ground-support fighters	126	96	96	68
F-4EF Phantom fighters	76	52	52	46
C-1 transports	30	30	30	24
Reconnaissance aircraft	18	18	14	14
Main battle tanks	420	350	280	280
Naval vessels	86	70	59	54
Ship tonnage	103,000	90,000	76,000	69,000
Helicopter carriers	2	1	1	0

The experience with the Fourth Defense Plan did, however, reveal movement in Japanese defense thinking. Throughout the postwar period, the Japanese have had difficulty imagining scenarios other than a broad East-West conflict in which they would be a target of aggression. This has contributed to the tendency to assign primary defense responsibility to the United States. For the first time, the Fourth Defense Plan posited attacks on Japan against which U.S. assistance might not be available.

A second, and related, area of movement was away from the emphasis on the United States as the "basis" for Japan's security toward a recognition that Japan would have to play a larger role in its own defense. Rhetorical emphasis on "autonomous" defense and depiction of the U.S. role as "supplementary" had little credibility. The basic idea that Japan could no longer rely so heavily on the United States, however, found growing acceptance. So too did the understanding that, as a major economic power, Japan should play a more positive role in the security of the West.[7]

[7]Hideo Otake, *Nihon no Boei to Kokunai Seiji*, Mitsui Shobo, 1983, p. 29.

A third area of movement was away from the previous emphasis on "shoreline" or strict "territorial" defense, characteristic of the first three defense buildup plans, toward the idea of repelling aggression "on the high seas and in the open skies." This necessitated greater tactical offensive capabilities and dictated higher priority for the ASDF and MSDF. It also required reducing the proportion of the defense budget allocated to personnel expenses—which ranged between 45 and 50 percent of the defense budget and was rising throughout the first half of the 1970s—to make greater resources available for weaponry and front-line equipment.

III. JAPAN'S CURRENT DEFENSE POSTURE

Despite such movement, Japan's handling of the Fourth Defense Plan left unresolved several broad issues raised by changes in the domestic and international environments: the nature and extent of Japan's defense buildup; the strategies, missions and roles for the SDF; and the relationship between U.S. and Japanese military forces. Beginning in the mid-1970s, the government began to address each of these issues and added a fourth: Japan's larger political and economic role as a member of the West.

JAPAN'S DEFENSE FORCES AND THE 1976 REGIME

The Japanese moved first to reaffirm their basic defense framework. This priority stemmed from a widely perceived need to depoliticize the defense issue, in the wake of the Fourth Defense Plan fiasco, and to develop a broader national consensus on defense matters. The 1973 oil crisis strengthened this perception by heralding the end of Japan's high growth era and of large budgetary increases for defense.

In line with the perceived need for greater consensus, the government dropped all talk of "autonomous defense," it reaffirmed the Three Non-Nuclear Principles, and it reendorsed other political proscriptions against "offensive" weapons, conscription, and the dispatch of Japanese troops overseas.

In some areas, Japan went even further. The government strengthened the ban on arms exports—which originally had applied only to Communist countries, countries involved in conflicts, or countries for one reason or another blacklisted by the United Nations—to prohibit the export of weapons or arms-related installations to virtually any country. Japan banned, for example, the sale to South Korea of semifinished pipe intended for artillery tubes and the sale to the Philippines of hand grenade pins.[8] Japanese leaders also decided in 1976 to set a formal ceiling on defense expenditures of 1 percent of the gross national product, although they added the phrase "for the time being" to this unprecedented decision. In a further move to win greater public acceptance of Japan's defense program, the government issued a new defense "white paper" in 1976 — the first since 1970 and only the second ever—that stressed detente and Japan's shift to an emphasis on qualitative improvement, rather than quantitative expansion, of the SDF.

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[8]Ellen L. Frost, *For Richer, For Poorer*, Council on Foreign Relations, 1987, p. 123.

Adoption of the *Taiko* confirmed Japan's basic defense orientation, while reorienting Japan's future defense buildup.

The *Taiko* was designed to define the "minimum necessary level of defense forces" to be maintained in "peacetime." In military terms, its key component was removing estimates of potential enemy capabilities as the basis for calculating Japan's defense requirements. Instead, the Taiko argued that international conditions—the superpower balance of power, mutual nuclear deterrence, the U.S.-Japan security arrangement, the difficulty of changing the regional status quo through the use of military force, etc.—precluded any large-scale aggression against Japan. For this reason, Japan could make do with a Standard Defense Force or Basic Defense Capability (*kibanteki boeiryoku*) that would be sufficient to deal with "limited and small-scale agression." This force was to be balanced between front-line equipment and rear support and capable of being rapidly expanded in an emergency.[9]

As Table 2 suggests, the *Taiko* defined this Standard Defense Force in quantitative terms, with the force structure levels envisioned for the SDF being roughly those that existed at the time. Although the *Taiko* was permeated with caveats—the Standard Defense Force would be "conditional" on effective maintenence of the U.S.-Japan security system and on a series of assumptions about domestic and international trends—its clear effect was to lower the definition of threat for which Japan must prepare and to place broad, quantitative limits on Japan's defense buildup.[10]

Since it was first proposed, the Standard Defense Force concept has been widely criticized. Japanese military leaders have denounced the concept for its lack of military rationality.[11] Other observers have challenged the assumptions on which the *Taiko*

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[9]For details on the adoption of the *Taiko*, see *Defense of Japan 1977*, Japan Defense Agency, July 1977, pp. 46-82.

[10]See Noboru Kousa, *"Meikakuka sareta 'kibanteki boeiryoku koso'" Kokubo*, January 1977, pp. 36-62, for a good assessment of the thinking behind and effects of the *Taiko*.

[11]Of the many differences, Japanese military leaders have objected most to the use of assumptions about international developments and the intentions of neighboring nations instead of calculations of the military capabilities of potential enemies as the basis for estimating Japan's indigenous defense requirements. They have also objected to the notion of "rapidly expanding" Japan's defense capabilities once an emergency arises, noting the inherent difficulty in even recognizing the onset of an emergency and the long lead time required to develop major weapons with which to be able to respond. For a good example of early Japanese military views, see a roundtable discussion between former Defense Agency Vice-Minister Kubo, the intellectual father of the "Standard Defense Force" concept, and three former leaders of the SDF, entitled *"Tenki ni tatsu boei no arikata," Kokubo*, February 1976, pp. 8-63. Also see Hidejiro Kotani, *Boei no Jittai: Boeicho Biggu 4 to no Taidan*, Nihon Kyobunsha, 1972, and Orient Publishing House Editorial Department, *Nihon no Boei Senryaku*, Oriento Shobo, 1977.

Table 2

SDF FORCE STRUCTURE UNDER FOURTH DEFENSE PLAN AND TAIKO

Category	Fourth Defense Plan	Taiko
	GSDF	
Authorized personnel	180,000 men	180,000 men
Basic units	12 divisions	12 divisions
Units deployed in peacetime	1 combined brigade	2 combined brigades
Mobile operation units	1 mechanized division	1 armored division
	1 tank brigade	
	1 artillery brigade	1 artillery brigade
	1 airborne brigade	1 airborne brigade
	1 training brigade	1 training brigade
	1 helicopter brigade	1 helicopter brigade
	MSDF	
Basic units		
Anti-submarine surface ship units (for mobile operation)	4 escort flotillas	4 escort flotillas
Anti-submarine surface ship units (regional district units)	10 divisions	10 divisions
Submarine units	6 divisions	6 divisions
Minesweeping units	2 flotillas	2 flotillas
Land-based anti-submarine aircraft units	17 squadrons	16 squadrons
Main equipment		
Anti-submarine surface ships	61 ships	60 ships (approx.)
Submarines	14 submarines	16 submarines
Combat aircraft	210 aircraft (approx.)	220 aircraft (approx.)
	ASDF	
Basic units	28 groups	28 groups
Air control and warning units	10 squadrons	10 squadrons
Interceptor units	3 squadrons	3 squadrons
Support fighter units	1 squadron	1 squadron
Air reconnaissance units	3 squadrons	3 squadrons
Air transport units		1 squadron
Early warning units	5 groups (+ 1 planned)	6 groups
Main equipment		
Combat aircraft	490 aircraft (approx.)	430 aircraft (approx.)

was predicated—especially those concerning the ability of the United States to protect Japan—and have called for its revision. But leaving aside the merits of such criticism, the *Taiko* has served several useful purposes.

Politically, it helped dampen Asian criticisms of Japan's defense efforts, which were particularly intense in the early 1970s—and it soothed regional anxieties concerning a "revival of Japanese militarism." It similarly helped lower the decibel level of public debate within Japan and created a more conducive atmosphere for realistic treatment of defense issues.

Militarily, the *Taiko* has had several salutary effects. First, it contributed to a greater willingness by the Japanese to accept responsibility for their own defense. This may seem ironic given the depiction of the *Taiko* as lowering Japan's definition of external threat. The underlying concept, however, was designed to build up Japan's "autonomous" defense capability. As described by the drafters themselves, the intent of the *Taiko* was to enable Japan to reach a point where it could defend itself independently, at least against the lower spectrum of military threats.[12]

Second, although the broad force levels envisioned for the SDF were roughly those that existed at the time, the *Taiko* provided a basis for significantly improving the Forces' capabilities. The improvements included quantitative increases—the establishment of an armored division in Hokkaido and a combined brigade in Shikoku; additional submarines and shipborne helicopters; and the establishment of an airborne early warning unit. They also allowed for the expansion of particular types of weapon systems within the overall force level limits set by the Taiko. In the case of the Ground Self-Defense Forces (GSDF), for example, the number of tanks is projected to grow by fiscal year 1990 to nearly 60 percent over the 1976 level (from 760 to 1,205), while armored vehicles are expected to increase by 40 percent (from 680 to 949); the Air Self-Defense Forces (ASDF) will have 163 F-15 fighter planes by the end of the current defense plan, up from 115 in fiscal 1985 and zero in 1976, while the Maritime Self-Defense Forces (MSDF) will increase their number of P-3C anti-submarine planes from 49 to 94.[13]

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[12]In addition to the roundtable discussion cited above, see Kubo's article, *"Boei hakusho atogaki—shiken," Kokubo*, August 1976, p. 26, for this point. This article, apparently written while Kubo was still the Vice-Minister of the Defense Agency, was said to be designed to articulate views that could not be included in the government's defense white paper. For a more extended account of Kubo's views, see his book, *Kokuboron*, PHP Kenkyujo, 1979, esp. pp. 192-207.

[13]Hisao Maeda, "Opening the Door to a Military Buildup," *Japan Echo*, Summer 1987, p. 66. Maeda, formerly with the National Defense College, is a strong critic of the Defense Agency, but his figures appear roughly accurate.

Even more important was the emphasis on qualitative improvements. The F-15 fighter, for example, is vastly superior to its predecessors in its air-superiority capabilities. The P-3C anti-submarine plane can patrol an area some ten times larger than that covered by the P-2J. Replacement of the twelve 400-ton destroyers with an equal number in the 1,500-ton range could expand the MSDF's total tonnage by some 70 percent.[14] Advanced missiles, like the Patriot and Harpoon, have already entered the SDF's inventory. The ASM-1 air-to-surface missile developed by Japan and deployed on F-1 ground support fighters since 1981 is generally regarded as comparable to the French Exocet.

According to Japan's recent defense white paper, the Defense Agency plans to procure two destroyers equipped with the advanced Aegis computer system, which can track and destroy ten targets simultaneously, while deploying an over-the-horizon (OTH) radar system capable of observing the seas some 3,000 to 4,000 kilometers from Japan's shores. The feasibility of procuring tanker aircraft apparently also continues to be studied, as does the need for improved E-3 AWACS and an AEW/missile version of the P-3C.[15] An army ground-to-ship cruise missile called the SSM-1, the largest project among all missile programs under development in Japan, will significantly improve the GSDF's ability to repel attempted landings.[16] So too will introduction of the multiple launch rocket system (MLRS) which the GSDF is projecting for the early 1990s. These improved capabilities highlight a fact obscured by the emphasis on a Standard Defense Force and "limits" to Japan's defense buildup: The capabilities that the SDF will possess when the *Taiko* is completed will be significantly greater than they were when it was adopted.

Japan formally abandoned its multiyear defense-buildup plan format when it adopted the *Taiko* (hence, no Fifth Defense Plan) and switched to a single-fiscal-year planning approach. The Defense Agency decided to formulate a "Mid-Term Defense Program Estimate" every three years, however, to facilitate the planning process. This estimate, which covers a five-year period, lays out the programs and anticipated costs over that period. The 1984 estimate was adopted by the Cabinet in 1985 as official

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[14] *Ibid*, p. 66.

[15] "Japanese Self-Defense Forces Expand Modernization Programs," *Aviation Week and Space Technology*, May 11, 1987, pp. 66-67.

[16] One observer sees development of this weapon system, along with increased Japanese mining capability, as having the potential to "drastically alter the balance of power in the Far East" by giving Japan the capability of interdicting surface ship traffic to and from the Sea of Japan. (John O'Connell, "Strategic Implications of the Japanese SSM-1 Cruise Missile," *Journal of Northeast Asian Studies*, Summer 1987, p. 53.)

government policy, which strengthens the position of defense proponents in budget negotiations.

At the same time, Japan replaced the National Defense Council with a new National Security Council to strengthen the ability of the government to respond to terrorist attacks and other potential "emergency" situations. The government also established a Defense Review and Reform Committee to review Japan's overall defense posture and problems of operational management.[17] This committee represents an effort to gain greater efficiency and rationalization within the Defense Agency and among the SDF. It also relfects a broader attempt by Japan's political leaders to fashion a more centralized decisionmaking system for the complex security environment of the coming decade.

These improvements reflect increased resources devoted to defense. Between FY 1976 and FY 1980, Japan increased defense spending by almost 50 percent. In FY 1981, the rate of increase in defense expenditures surpassed that of all other major budget items for the first time.[18] The FY 1982 budget, with defense expenditures totaling 2,586 million yen, represented the first time in postwar history that the rate of increase in defense spending over the previous year (7.8 percent in nominal terms) exceeded that of the overall budget (6.2 percent). As Table 3 illustrates, total increases in defense expenditures since then exceed 35 percent—with real increases of more than 5 percent annually. Over this same period, budgetary constraints have severely limited the growth of almost all other expenditures. Japan's decision in 1987 to break the "1 percent of GNP" barrier represents a further milestone in efforts to expand Japanese defense capabilities.

A third salutary effect of the *Taiko* was to heighten Japanese interest in military interactions with the United States. This interest preceded adoption of the *Taiko*. In the late 1960s and early 1970s, the return of Okinawa and the growing difficulty in managing the U.S.-Japan alliance stimulated new interest in such issues as labor cost sharing and other Japanese support for the U.S. military presence. The emphasis on "autonomous defense" by then Defense Agency Director-General Nakasone fostered increased interest in joint training activities with the United States as a means for strengthening the military capabilities of the SDF. Fundamentally, such interest was linked to uncertainty concerning U.S. assistance.

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[17] "Summary of *The Defense of Japan 1986*," in *Defense Bulletin*, December 1986, p. 42.

[18] Yukio Satoh, op. cit., pp. 6, 22.

Table 3

JAPANESE DEFENSE SPENDING, 1983-1987

Category	FY1983	FY1984	FY1985	FY1986	FY1987
Defense budget, million yen	27,542	29,346	31,371	33,435	35,174
Growth rate over previous year (%)	6.5	6.55	6.9	6.58	5.2
Gross national product (GNP), million yen	2,817,000	2,960,000	3,146,000	3,367,000	3,504,000
General account budget, million yen	503,795	506,272	524,996	540,886	541,010
Growth rate over previous year (%)	1.4	0.5	3.7	3.0	0.0
Ratio of defense budget to GNP	0.98	0.99	0.997	0.993	1.004
Ratio of defense budget to general account budget	5.5	5.8	6.0	6.2	6.5

The *Taiko*, however, strengthened and in some ways broadened this interest. By lowering the definition of threat, Japanese leaders consciously accepted shortfalls in their ability to respond to larger forms of aggression. The only way to make up for these shortfalls was to solidify ties with the United States. Japan's willingness to engage in joint exercises and expand military cooperation at the shirtsleeve level (described below) is linked at least indirectly with the adoption of the *Taiko*.

JAPAN'S DEFENSE STRATEGIES

Whatever its utility, there is no disguising the fact that the *Taiko* represented a lowering of Japan's definition of external threat, and this had implications for the defense strategy implicit in the buildup plan. As is often typical of Japanese security formulations, however, this strategy is not easy to identify. At the time the Standard Defense Force concept was being developed, Japanese leaders used a number of terms to depict its strategic dimension, including "denial capability" (*kyohi noryoku*), "obstruction" or "prevention capability" (*soshiryoku*); "checking capability" (*boshi*

noryoku); and "resistance capability" (*teikoryoku*). Running through all of these terms was the notion of preventing or at least hindering an aggressor from accomplishing his objective and, by keeping up a resistance, buying time for the situation to be resolved through outside intervention.[19] One outside observer has described this as "threshold deterrence and mobilization," meaning that Japan must be strong enough itself to deter low-level or limited attacks up to a certain "threshold," above which the United States would come to its aid.[20] This depiction probably gives greater credence to the "deterrent" component of the concept and Japan's plans for "mobilization" than is warranted, while it understates Japanese reliance on the United States. But it does capture the *Taiko's* minimalist orientation.

This orientation was increasingly challenged between 1975 and 1980 by a series of international events, including the U.S. defeat in Vietnam; President Carter's abortive plan to withdraw all U.S. combat forces from Korea; growing instability in the Mideast and the adoption by the United States of a "swing strategy," according to which U.S. naval forces could be transferred out of the Pacific to deal with contingencies elsewhere; the extraordinary Soviet military buildup in the Far East, including deployments of SS-20 intermediate-range nuclear missiles and Soviet militarization of Japan's "northern territories"; increased Soviet adventurism globally, culminating in the invasion of Afghanistan in 1979; and, as a result of these events, heightened tension between the two superpowers. Japanese leaders regarded these developments as adverse and understood their implications.[21] Faced with serious financial constraints, recruitment limitations, and continuing political opposition to expanded military efforts, however, they were disinclined to formally revise the *Taiko* itself. Instead, they began to broaden Japan's defense strategy by interpretation.

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[19]In the words of former Defense Agency Vice-Minister Kubo: "In the event of aggression of a considerable scale where there is either no help from U.S. forces or the timing or scale fall short of our requests, then should our defense strength give out right away, full-scale U.S. assistance would not materialize and we would simply have to submit to the designs of the opposing nation. Accordingly, we must be able to sustain the battle, as is intended by the Standard Defense Force concept, so that the people can maintain their will to resist and the restraining force of U.S. military assistance, of the United Nations, or of international public opinion can function. Japan's defense capability, so to speak, must be something which—even if it won't win—at least won't lose." (*"Boei hakusho atogaki—shiken,"* op. cit., p. 25). Also see Masataka Kosaka, *"Gendai no kihon mondai to Nihon no boei,"* *Kokubo*, January 1976, pp. 8-50, for more background on this way of thinking.

[20]Mike Mochizuki, "Japan's Search for Strategy," *International Security*, Winter 1983-1984, p. 156.

[21]The 1981 defense white paper, for example, acknowledged that "a tendency undesirable to the West seems to be growing in the military power balance between the United States and the Soviet Union" and concluded that "Japan must exert further defense efforts . . . as well as efforts for making the Japan-U.S. security arrangements more effective." (Defense Agency, *Defense of Japan 1981*, pp. 111-112.)

The May 1981 meeting between Prime Minister Suzuki and President Reagan served as the formal point of departure. At this meeting, Suzuki apparently agreed to the suggestion that Japan assume responsibility for defense of its sea lanes west of Guam and north of the Philippines, that is, to a distance of 1,000 nautical miles. The joint communique issued after the meeting stated only that "Japan, on its own initiative and in accordance with its Constitution and basic defense policy, will seek to make even greater efforts for improving its defense capabilities in Japanese territories and in its surrounding sea and air space." In a question-and-answer session at the National Press Club following the two-day meeting, however, Suzuki said that Japan would provide "naval protection" for a perimeter of several hundred miles around Japan and in commercial sea lanes extending 1,000 miles from Japan.[22] The joint communique also represented a departure from the *Taiko* in another way. Although the *Taiko* had alluded to the need to conduct such missions as surveillance and patrol of the "surrounding waters," it said nothing about air force responsibilities in "surrounding" air space.[23] The joint communique may have publicly signaled expanded horizons for the ASDF as well. Prime Minister Nakasone confirmed the joint communique's commitment during his January 1983 visit to Washington.

Since then, the government has pushed out the perimeters of Japanese air and naval responsibilities. Defense white papers since 1985, and the 1987 white paper in particular, have given special emphasis to expanded air defense responsibilities. Noting that any invasion of Japan "will commence with aircraft assaults which will be repeated while armed aggression continues," they have stressed the importance of "organically combining" in a "comprehensive manner" warning and control units, high-performance interceptor-fighter units, and surface-to-air missile units for "long-distance, wide-range defense."[24] At the same time, the government has interpreted the Constitution as allowing MSDF vessels to help defend U.S. warships under attack and other civilian ships bound for Japan with vital supplies, even if they are "on the high seas." Actions sanctioned by the Nakasone government include refueling U.S. warships, defending U.S. carriers and nuclear-armed vessels, and acting to close the major straits at U.S. request

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[22]Suzuki's comment and the text of the joint communique were published in *The New York Times*, May 9, 1981.

[23]Masashi Nishihara, "Expanding Japan's Credible Defense Role," *International Security*, Winter 1983-1984, p. 183. The Guidelines for Japan-U.S. Defense Cooperation agreed to by the two countries in 1978 indicate Japan's acceptance of responsibility for "defensive operations in Japanese territory and its surrounding waters and airspace." See *Defense of Japan 1985*, p. 303.

[24]"Summary of *The Defense of Japan 1986*," op. cit., p. 20.

when Japan is under attack.[25] Nakasone also said it would be permissible for Japan to send minesweepers to the Persian Gulf, although he decided for domestic political reasons not to do so in the summer of 1987 when Iranian mining activities raised the salience of this issue .[26]

In effect, Japan is moving toward a strategy of offshore air and sea lane defense—a significant departure from its long-standing orientation of defense "at the water's edge." This movement has already had a number of consequences:

- It has induced Japan to give relatively greater priority to the development of the ASDF and MSDF. The army's share of the defense budget has fallen in recent years to around 37 percent, while the air and naval forces together now claim nearly 50 percent of the total budget (26.4 and 23.4 percent, respectively, in 1985).[27]
- It has encouraged the GSDF, and the other forces in general, to focus attention more clearly on northern Japan.[28] The objective is to provide greater forward defense capabilities to secure the northern straits and the adjacent land areas. In pursuit of this objective, the GSDF over the last few years have concentrated nearly half of their strength on the defense of Hokkaido, and an increasing number of military exercises among the three services and between each service and their U.S. counterparts are being held in and around the north.
- Partly related to the above point, the movement toward a more forward strategy appears to have generated modest improvements in interactions among Japan's three military services. The notorious bifurcation between

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[25]Masashi Nishihara, "Prospects for Japan's Defense Strength and International Security Role" in Douglas Stuart, ed., *Security within the Pacific Rim*, Gower Publishing Company, Aldershot, England, 1987, p. 43. Although such operations are expected to take place near Japan, Nishihara thinks these interpretations can be stretched further, both geographically (to reach as far as the Indian Ocean, for example) and by definition (e.g., to include Japanese support for U.S. naval actions protecting Japanese tankers under attack in the Persian Gulf or Japanese Air Force defense of U.S. planes fighting in international air space to defend Japan).

[26]*The New York Times*, August 30, 1987.

[27]*Defense of Japan 1985*, p. 149.

[28]Although the GSDF has always been the service most concerned with Hokkaido, its troops remained spread across the three main islands throughout the 1970s under the dictate of "balanced" deployments. From an outside perspective, there appeared to be a lack of clear priority in GSDF stationing and equipping decisions. In response to the continued Soviet military buildup in the latter 1970s and the Soviet fortification of Japan's northern territories, the GSDF initiated a reorganization plan giving greater priority to the north *at the expense* of other areas. This priority was reflected in both the number of divisions and their size and strength.

army and navy strategic planning has apparently been bridged to a degree, with joint military exercises resulting in more detailed planning for combined operations.

- It has facilitated greater stress on equipment rather than personnel. The proportion of the annual defense budget going to personnel has fallen from 53 percent in 1975 to 45 percent a decade later, while that of equipment and supplies has risen from 47 percent to 55 percent in the same period.[29] New emphasis is being given in particular to high technology.
- It has given new salience to the issues of intelligence, communication, and command and control. The Defense Agency's emphasis on OTH radars, AWACS, and P-3Cs reflects this new salience, as do its decisions to establish a new Central Command Post and to link the homeland with Iwojima through Japan's first communications satellite.

INTERACTIONS WITH THE UNITED STATES

Perhaps the greatest change over the past decade has occurred in Japanese military interactions with the United States. When Michita Sakata took over as Defense Agency Director-General in 1975, he bemoaned the paucity of such interactions.[30] Moving quickly to rectify the situation, he met with U.S. Secretary of Defense James Schlesinger in August and agreed to establish a new forum for consultations—subsequently called the Subcommittee on Defense Cooperation—within the U.S.-Japan Security Consultative Committee framework, and to hold annual conferences between the defense ministers of the two countries. This marked the beginning of a new Japanese interest in closer military cooperation with the United States.

The Guidelines on U.S.-Japan Defense Cooperation, which resulted from the Subcommittee's deliberations, were approved in November 1978. These were designed to provide a basis for expanded cooperation in three areas: deterring aggression against Japan; responding to potential and actual attacks on Japan; and dealing with broader

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[29] Japanese accounting procedures make it difficult to calculate the precise amounts allocated to procurement. Maintenence and supplies are included in the figures offered for equipment expenditures, while actual procurement costs are spread out over a number of years. The proportion of the defense budget represented by weapons acquisitions, however, is probably between 27 and 30 percent.

[30] "Despite the extreme importance of the Japan-U.S. Security Treaty . . . no exchange of views has ever been conducted between the two nations regarding defense cooperation under emergency situations. Nor is there any established organ for discussion of operational cooperation. This came as a surprise to me, and as a matter of regret." (*Defense of Japan 1976*, pp. 7-8. For greater elaboration, see Sakata's book *Chiisaketemo Okina Yakuwari*, Asagumo Shinbunsha, 1977, esp. pp. 89-93.)

threats in the Far East that have implications for Japanese security. The guidelines define the broad responsibilities of each side in these areas and call for a range of joint studies on related operational issues.[31]

Based on these guidelines, studies made over the past several years have included joint operational planning for a Soviet attack on Japan, an outbreak of hostilities on the Korean Peninsula, and defense of the sea lines of communication. Studies have also dealt with the joint use of SDF bases; anti-submarine warfare; command, control, and communications (C^3); and logistics and administrative issues. Military and other officials are also examining technology issues that flow from mission requirements.

At the same time, the Japanese have significantly expanded their participation in joint military exercises and training. The MSDF participated in the 1980 RIMPAC (Rim of the Pacific) naval exercises for the first time. In 1981, the GSDF and ASDF both held joint exercises with their American counterparts. Since then, training and exercises have been held with increasing frequency and have grown in size and scope. The MSDF contingent is now the second largest in RIMPAC. In 1984 it conducted anti-submarine training twice, minesweeping training twice, and small-scale training once in the seas around Japan. The ASDF has conducted fighter combat training and command post exercises with the U.S. Air Force since 1978. Beginning in 1982, it reportedly began electronic countermeasure warfare exercises with U.S. B-52 bombers posing as Soviet Backfires.[32] The GSDF, which started out slowly, conducted two command post exercises and three field exercises with U.S. forces in 1984. In the first six months of 1985, it conducted one cold weather training and two command post exercises with the United States. Altogether, the three Japanese forces participated in twelve combined exercises of one sort or another over these six months, including an assault landing exercise staged by the Seventh Fleet.[33] Another milestone was reached in 1986, when the first combined exercise of all three Japanese services and U.S. forces was held in Hokkaido.

These exercises reflect a new division of labor (agreed to in 1981) concerning Japanese and American defense responsibilities. The United States agreed to provide a nuclear umbrella and, if necessary, a power projection capability; Japan accepted responsibility for the defense of its territorial land, air, and sea and of sea lanes out to

[31] For details, see Tomohisa Sakanaka, "A New Phase of Japan's Defense Policy," *Japan Quarterly*, October/December 1980, pp. 467-468. The text of the guidelines is in *Defense of Japan 1985*, pp. 302-305.

[32] Nishihara, "Prospects for Japan's Defense Strength and International Security Role," op. cit., p. 42.

[33] *Defense of Japan 1985*, op. cit., p. 336.

1,000 miles.[34] The expanded joint exercises and training are designed to ensure effective operational capabilities to fulfill these responsibilities.

In addition, the Japanese have taken a number of other actions to strengthen U.S.-Japanese military ties. First, they have increased their support for the U.S. military presence. Japan's financial support for U.S. bases in Japan, for example, amounted to a little more than $1 billion annually in 1985. At the time, this represented more than $20,000 a year for each U.S. soldier and sailor in Japan—more than three times the NATO contribution. The Japanese contribution today is closer to $2 billion annually, roughly 35 to 40 percent of the total costs. Japan earmarked 120.3 billion yen in the FY 1988 budget, an increase of nearly 10 percent over the previous year, to support the U.S. military presence, while deciding to revise the U.S.-Japan Status of Forces Agreement to enable Japan to further raise its share of the financial burden of the labor costs at U.S. military installations.[35]

Second, Japan has taken steps to facilitate the operation of U.S. military forces throughout the Far East and beyond. It has provided home-porting in Yokosuka for the only U.S. carrier battle group based abroad. It allowed the U.S.S. Enterprise to make a port call at Sasebo in March 1983—the first vist of a U.S. nuclear-powered aircraft carrier to that port since January 1968—and allowed a visit by the U.S.S. Carl Vinson in October of that year. It also approved a visit by the battleship U.S.S. New Jersey and other U.S. vessels, despite concern in the media and elsewhere over dual-capable Tomahawk missiles. Such steps have led some Japanese to depict the government's current stance on nuclear weapons as the "Two-and-a-half Non-Nuclear Principles." Japan's agreement to the U.S. deployment of 40 to 50 F-16s to Misawa are a further indication of the government's efforts to strengthen deterrence and facilitate U.S. military operations.

Third, the Japanese decided in 1983 to make an "exception" to their ban on arms exports and allow the transfer of military technology to the United States. Although the formal transfer agreement applies only to military technology, which Japan tends to define in rather narrow terms, the exchange of notes between the two countries suggests that the Japanese will also encourage the transfer of dual-use technology.[36] The two

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[34] Paul Wolfowitz, "Japan and the U.S.: A Global Partnership," *Current Policy*, No. 746, U.S. Department of State, September 18, 1985, p. 3.

[35] *The Japan Times (Weekly Overseas Edition)*, January 30, 1988.

[36] The Japanese note states explicitly that "the Government of Japan confirms that the transfer of any defense-related technologies other than military technologies from Japan to the United States of America has been and is in principle free from restrictions, and welcomes the transfer to the United States of America of defense-related technologies." The exchange of notes and detailed elaborations are in a U.S. Department of

governments established a Joint Military Technology Commission as the consultative mechanism for identifying appropriate technologies. The first transaction, the transfer of Japanese technology for a shoulder-fired missile to the U.S. Army, took place in 1986. Japan's decision to allow Japanese firms to participate in the U.S. Strategic Defense Initiative (SDI) also reflects increased interest in closer cooperation. Although most of the Japanese technologies that are of interest to the United States—lasers, fiber optics, ceramics, advanced electronics, etc.—would probably be of a dual-use nature, Japan's decision to permit participation in SDI was nonetheless a significant step and one that, not surprisingly, set off a sharp political reaction in Tokyo.

Japan's decision in October 1987 to jointly develop Japan's next-generation support fighter (the FSX) with the United States, despite a determined effort by Japanese industry and some segments of the Japanese government to produce a fully indigenous fighter, had particular significance. By agreeing to joint development, Japan signaled its intention to acquire the best fighter possible while improving interoperability and strengthening the foundation for expanded technological cooperation between Japan and the United States. Defense Agency Director-General Kawara's visit to Washington in January 1988 built further on this foundation. In a meeting with U.S. Secretary of Defense Frank Carlucci, Kawara reportedly agreed to promote the joint development not only of the FSX but of all types of sophisticated conventional weapons.[37] Kawara also agreed to set up a joint study group to examine the prepositioning of U.S. equipment in Japan and the smooth airlifting of U.S. troops and equipment to Japan in the event of aggression.

JAPAN'S ROLE AS A MEMBER OF THE WEST

To these three broad issues—the nature and extent of Japan's defense buildup, the strategies, missions, and roles of the SDF, and the relationship between U.S. and Japanese forces—the Japanese have added a fourth: Japan's role as a member of the West. Over the past ten years, Japan has moved from a nearly singular emphasis on the protection of Japanese economic interests to a more diversified and active set of policies. This evolution reflects in part Japan's decision to define itself as a "member of the West," a decision which involves an increasingly global perspective on security issues, a strong desire for regular consultations with the United States and other Western nations, and heightened Japanese activism more broadly.

Defense publication entitled *Japanese Military Technology: Procedures for Transfers to the United States*, February 1986.

[37] *The Daily Yomiuri*, January 21, 1988.

Although Japan's decision was long in the making, it dates formally to the spring of 1980, when Prime Minister Ohira told President Carter that problems such as Iran and Afghanistan "are problems of world order" and pledged Japan's close cooperation in building "credible alliance relations."[38] Since then, Japan has moved in a variety of ways to give substance to this definition. Japan has supported the Allies on a range of political issues, including the Iranian hostage incident, sanctions toward Poland, the Soviet invasion of Afghanistan, the boycott of the Moscow Olympics, the shooting down of a South Korean civilian airliner by the Soviet Union, and the U.S. reprisal against Libya, to name just a few. Japan has also endorsed Allied statements on arms control and terrorism. Japanese intervention played an important role in bringing about the global, "zero-zero" agreement on intermediate-range nuclear forces (INF).

The INF issue itself contributed to Japan's new definition. For one thing, INF heightened Japanese recognition of the linkage between European and Asian security interests, which developments such as the Soviet invasion of Afghanistan and the U.S. adoption of a "swing strategy" had previously stimulated, and strengthened Japan's desire for increased consultations with the United States on security matters. For another, it accelerated earlier efforts to create a cadre of people within the Japanese government who could address arms control and other security issues on an equal footing with their U.S. counterparts, thus bolstering the trend toward a more global outlook. Finally, the INF issue strengthened the impulse toward a more activist Japanese orientation by highlighting both the need for and the potential benefits of participation in Western policy debates.

The Japanese have moved in other ways as well. Their decision to allow Japanese firms to participate in SDI has already been mentioned in the context of technology transfers and closer military cooperation with the United States. This decision can properly also be cited in the context of Japan's role as a member of the West. Although there were undoubtedly many motivations behind Japan's decision, Japanese willingness to resist strong Soviet pressures and participate in SDI can be regarded as a significant signal of Allied unity.

At the same time, Japan has substantially increased its foreign economic assistance. For the last several years, Japan has been second only to the United States among Organization for Economic Cooperation and Development (OECD) countries as a donor of Official Development Assistance (ODA). The Japanese recently pledged to

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[38] *Yomiuri Shinbun*, May 2, 1980.

double their foreign aid by 1990. Acting on the basis of this commitment, they increased ODA by 6.5 percent in the FY1988 budget, exceeding 700 billion yen for the first time. If current trends continue, Japan could soon become the largest donor of development assistance.[39] Most significantly, Japan is increasingly targeting countries of strategic importance to the West, including Egypt, Pakistan, Turkey, and the Philippines, for increased assistance. The Japanese have also committed themselves to using $30 billion to help recycle new funds to the Third World over the next three years, while becoming more active in proposing or backing new initiatives for dealing with the debt crisis.[40] Along with a greater effort to untie Japanese assistance and direct it toward broad social and humanitarian aims, these measures are gradually giving substance to Japan's notion of "comprehensive security" and its increased international responsiblities as a member of the West.

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[39]Michael Armacost, "The U.S., Japan, and Asian Pacific Security in Perspective," *Current Policy*, No. 974, U.S. Department of State, May 29, 1987. In dollar terms, Japan may already be the largest donor. If outlays from Japan's fiscal investment and loan program and carryovers from the current fiscal year are added up, for example, Japan's official development assistance in FY 1988 will total roughly $10 billion (1.35 trillion yen), ranking Japan ahead of the United States ($8.8 billion) as an ODA donor. (*The Japan Times Weekly Overseas Edition)*, January 30, 1988). Although much of this increase is accounted for simply by the appreciation of the yen, real increases even in yen terms are estimated to be slightly higher than the OECD average. (Japan Economic Institute, *JEI Report*, No. 41A, October 30, 1987, p. 3.)

[40]*The Asia Wall Street Journal Weekly*, October 5, 1987.

IV. JAPAN'S EVOLVING POSTURE AND REGIONAL SECURITY

It is important not to exaggerate these recent developments. Japan's basic defense policies over the postwar period show a fundamental, underlying continuity. Japan has emphasized the "nonmilitary" components of security, and it has maintained the basic framework laid out in the first two decades of the postwar period, including the constitutional restriction on the maintenance of "land, sea and air forces as well as other war potential"; other proscriptions against nuclear and "offensive" weapons, conscription, and the export of arms; and a gradual and minimalist approach to rearmament. Throughout the postwar period, Japan has relied heavily on the United States for its external security.

This continuity has encouraged Japan to limit its efforts to the strict defense of Japanese territory and surrounding areas. The SDF do not have the capability for an overseas mission, nor are they inclined to adopt such a mission in the future. If anything, the 1976 *Taiko* confirmed Japan's minimalist orientation: Japan would have a small, high-quality, and well-balanced defense force capable of responding to "limited and small-scale" acts of aggression. More than a decade later, even this capability remains elusive. This situation is a function largely of the limited resources still allocated to defense, despite its increased priority in relative terms over the past several years. Japanese defense spending today, for example, is only about half of what the government projected when it adopted the *Taiko* and the "1 percent of GNP" barrier in 1976.

As many observers—and, indeed, even government leaders themselves—have pointed out, there are a number of problems with Japan's defense posture under the *Taiko*.[41] These problems can be grouped analytically into four sets of issues:

- *Definition of threat:* Two difficulties stand out concerning the notion of "limited and small-scale" aggression. The first is understanding what the notion means. The absence of any clear explanation (the official definition, "aggression of a small scale within the generic category of limited acts of aggression," borders on the tautological) has led some observers to suggest, somewhat sardonically perhaps, that the notion means simply "direct

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[41] For comprehensive critiques, see Richard Sneider, *U.S.-Japanese Security Relations*, East Asian Institute, Columbia University, 198[illegible], and the articles by Yukio Satoh and Masashi Nishihara cited previously.

aggression of a scale to which Japan is able to respond."[42] The second, more significant, problem is the relevance of the notion itself. One can postulate scenarios of "limited and small-scale aggression" as an abstract, theoretical proposition. In the real world, however, it is difficult to imagine why the Soviets, or anyone else, would oblige Japan and attack in a manner for which the Japanese are prepared. This raises a question that is likely to be of increasing importance: Is it better for Japan to plan to fight a war for which it is prepared or to prepare for a war it may have to fight?

- *Identification of broad defense strategy:* The problem with this issue is similar to the one suggested above: the relevance of the concept to contemporary conditions. At one time, it may have been possible in Japan to speak of "denying" an aggressor a *fait accompli* through superior tactics or sustained resistance. The extraordinary growth of Soviet military capability in the Far East, however, and the adoption by the Soviets of a dynamic strategy of "bastion defense" involving both offensive and defensive operations has rendered this notion increasingly suspect, particularly given Japan's geographic conditions and minimal mobilization capabilities. Articulating a defense strategy that can gain public acceptance while structuring a defense setup appropriate to the conditions of the 1990s is no easy task, but it is one to which Japanese defense planners may increasingly have to turn.
- *Constraints on operational strategy:* "Shoreline defense" and "exclusively defensive defense" *(senshu boei)* appear to be the dominant elements of the *Taiko*'s operational strategy. Japan's geography as a long, narrow chain of islands, however, along with the growth of standoff missiles and other "smart" munitions, throws these concepts into doubt as well. Japanese military specialists have long called for a more forward posture, perhaps under the rubric of "strategic defense" *(senryaku shusei)*, to provide greater operational flexibility. Some have called for the ability to "strike at Soviet military power" between "the defense line of Korea and in the air and sea areas along and south of the line from there through the center of the Sea of Japan to the Soya Strait."[43] As reflected in the incipient move toward an

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[42]See, for example, Osamu Kaihara, *Watakushi no Kokubo Hakusho*, Jiji Press, 1975, pp. 192-193.
[43]Nihon Senryaku Kenkyu Senta, *Kosureba Nihon wa Mamoreru*, p. 122.

offshore air and sea defense posture, the impact of technology and Soviet military capabilities on Japan's operational strategy appears to be receiving increasing attention.

- *Limitations on SDF ability to perform roles and missions:* This is the area in which there appears to be the greatest agreement. Even government white papers have been candid about the shortcomings of the SDF. The most commonly cited problems—many of which stem from the basic problem of insufficient resources—include a shortage of equipment and continuing obsolescence in critical areas of weaponry; inadequate logistics, such as a shortage of ammunition stocks and POL storage; vulnerable communication and air defense facilities; recruitment difficulties; shortages of training facilities; continuing difficulties with interservice cooperation; the absence of a unified command system and a basis for conducting integrated operations; the lack of integration between Japanese and U.S. military forces; inadequate preparation for action in an emergency; and administrative and legal obstacles to effective SDF operations. These problems seriously affect the SDF's readiness and sustainability and hamper the fulfillment of even the *Taiko*'s modest objectives. Japan's ability to fulfill broader objectives such as defense of its sea lanes to a distance of 1,000 miles is even more problematic, given the MSDF's lack of air defense and sea replenishment capabilities and the ASDF's minimal capability to support operations at sea.

The policy changes since the *Taiko* was adopted in 1976 represent an effort to address some of these problems, albeit within the framework of Japan's basic postwar policy. As described above, these changes have begun to affect Japan's overall defense posture, with Japan gradually expanding its definition of self-defense responsibilities and increasing its support of U.S. defense activities as a member of the "Western community."

A continuation of recent trends will have several implications. First, Japan will have increased capabilities for its own self-defense. The ground forces will have greater sustainability and reach, with standoff and surface-to-surface missiles reinforcing their ability to defend northern Japan in particular. Expanded air and sea lane defense capabilities will strengthen Japan's ability to deter potential aggression. The SDF will continue to be plagued by the effects of insufficient resources, as well as inadequate attention to critical areas such as logistics, communications and air-defense

vulnerabilities, and integrated operations. But by the 1990s, Japan should be able to play a larger role in its own defense.

Second, cooperation will continue to expand between the Japanese and American military forces. Indeed, many of Japan's recent decisions, e.g., that concerning the Aegis-equipped destroyers, make sense only in the context of close cooperation with the United States. This is not to say that the defense relationship is or will be trouble-free. Problems such as night landings and base housing will continue to require attention. Coordinating the conflicting needs of Japanese and American forces for space for bases will become more difficult. The danger of renewed opposition to the U.S. bases cannot be ruled out. Beyond these specific problems, the security relationship will remain vulnerable to the vicissitudes of Japanese politics in the absence of a greater popular sense of external threat. Tensions in the economic relationship will continue to pose the danger of spillover, as will the erosion in Japanese confidence over the past few years in the ability of the United States to manage its economic affairs. A new "techno-nationalism" could develop in Japan, as the strong Japanese pressure to develop an indigenous fighter plane (the FSX) may suggest, that could adversely affect security ties. Barring a major rupture in U.S.-Japan relations over trade or other issues, however, there is now a basis for more integrated planning and expanded bilateral military cooperation.

Third, Japan will play an increasingly important role as a member of the West. This does not mean that Japan will always view its security interests and those of the West as synonymous. As the question of an oil embargo on Iran or policy in the Persian Gulf more broadly may suggest, there will inevitably be areas in which definitions of national interest diverge. Even in areas where common interests exist, continuing political constraints are likely to place limitations on Japanese actions. The central thrust of recent trends, however, is toward greater Japanese identification with the West and acceptance of broader responsibilities as a member of the Western community. As the gap between Japan's global economic presence and its more narrow political perspectives diminishes, Japanese willingness to play an active role in support of Western interests will concomitantly grow.

From an American perspective, this gradual evolution in Japan's posture has positive consequences for regional security. First, the development of a small but well-balanced, high-quality, and increasingly high-technology-oriented military force strengthens Japanese ability to resist Soviet or other potential pressures, while giving Japan the capability to defend itself if necessary against small-scale attacks on Japanese territory. The strengthening of U.S.-Japan military ties bolsters confidence in the U.S.

defense role, both in Japan and in the region at large. These contribute to regional stability.

Second, Japan's expanding capabilities for air and sea lane defense strengthen the deterrent against possible Soviet aggression. In cooperation with the United States, improved Japanese early warning, air defense, and anti-submarine warfare capabilities hinder Soviet egress into the Pacific and access to its major base at Petropavlovsk, while complicating Soviet strategic planning by raising the prospect of a multifront war. To some extent, Japan's expanded efforts—particularly in the area of sea-lane defense—have heightened anxieties in parts of Asia. In practical terms, however, sea-lane defense means cooperation with the U.S. Navy, i.e., providing air cover for U.S. naval vessels, cooperating in ASW operations—especially at the critical choke points—and participating in expanded intelligence exchanges. Japan is not likely to be sending warships far out into the ocean for some time to come. Most Asian nations understand this and accept Japan's self-defense efforts, but a continuing effort must be made to assuage their anxieties.[44]

Third, Japan's increased willingness to act as a "member of the West" strengthens the prospects for limiting the expansion of Soviet influence. The government's willingness to expand its economic assistance and support Western political objectives hinders Soviet efforts to exploit local instabilities and drive a wedge between the Allies on important issues. There is more that Japan can do—particularly in the area of foreign assistance, given the severe Congressional cuts of the U.S. foreign affairs budget—to maximize the effects of its more active involvement. Many observers believe that Japan could further increase the ODA-to-GNP ratio, for example, while improving the concessionality of its loan terms and increasing the grant component of Japanese aid. A greater share of Japan's aid could also be directed to areas other than Asia, which in 1986 accounted for 65 percent of all Japanese foreign assistance.[45] On the whole, however, Japan's contributions to Western security are now far more in line with its status as a major "Western" power.

The key question is the extent to which these tren s will be institutionalized and expanded. The Soviet Union is already a major regional power. Despite its recent

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[44]A recent public-opinion survey in five ASEAN nations conducted by the Japanese Foreign Ministry highlighted both dimensions. Although 70 to 90 percent of those surveyed said "yes" when asked if Japan is a trustworthy nation, 21 to 53 percent expressed concern that Japan would become a "military power." (*Asahi Evening News*, July 23, 1987.)

[45]Japan Economic Institute, *JEI Report*, No. 44B, November 20, 1987, p. 8.

political rhetoric, Moscow's military capabilities in the Far East continue to grow—particularly in qualitative terms. This raises questions about the adequacy of Japan's defense efforts, and indeed about the *Taiko* itself. As Glenn Snyder said long ago, the "defense value" of military forces is broader than merely the capacity to hold territory, which is generally called "denial capability"; it is denial capability plus the capacity to mitigate the costs and losses of war.[46] This requires measures that affect a potential enemy's intentions as well as his ability to inflict damage. In the final analysis, the value of the SDF—and of Japan's defense efforts more broadly—will have to be measured in these terms.

Two broader issues are also likely to require increased attention. One relates to U.S. regional military planning, which has assumed an increasingly offensive orientation. Such an orientation makes sense in strategic terms (although the existing U.S. force structure in the Pacific appears inadequate to support the strategy without substantial augmentation from the continental United States). But it will require broad political cooperation from Japan, which, given Japanese prohibitions against anything other than "self-defense" measures, might not be forthcoming. It also will require institutional mechanisms to control the trigger in the often grey period between peace and war. Leaders of both countries will have to address these issues candidly as they seek to strengthen deterrence.

A second issue concerns the problem of "mutuality." Despite the recent trends described above, fundamental imbalances between Japan and the United States remain in the defense efforts of the two countries. These imbalances are to some extent unavoidable. In an era in which Japan has become the world's richest nation and the major U.S. economic and technological competitor, however, they will become an increasing focus of criticism in the United States. Japan's status as the largest creditor nation and that of the United States as the largest debtor nation will heighten American sensitivities and will further exacerbate the task of managing the bilateral relationship. This ensures that "burden-sharing" will be the watchword of the 1990s. As government and defense leaders plan their future strategies, they will have to give close attention to this issue.

A number of policy recommendations follow from this analysis. In the case of Japan, defense capabilities can be strengthened more rapidly without undue economic or

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[46]Glenn Snyder, *Deterrence and Defense: Toward a Theory of National Security*, Princeton University Press, 1961.

political strains. Japan should speed up its acquisition of front-line equipment, while increasing sustainability and reducing the vulnerability of key defense installations. Greater efforts can also be devoted to developing effective operational command capabilities through the creation of a joint headquarters and chief of staff, as well as to improving coordination for integrated operations with the United States. The aim should be the rapid achievement of the *Taiko* targets in a defense strategy that more fully integrates Japanese military operations with those of the United States.

For the United States, emphasis should continue to be placed on missions and roles in bilateral defense discussions. The question of revision of the *Taiko* or the percentage of GNP allocated to defense are issues for Japan to resolve itself. What is important is capability and, as mentioned above, integration of this capability with that of the United States. These should remain the focus of U.S. efforts, whatever administration is in power, to encourage greater Japanese defense efforts.

The United States and Japan both need to pay greater attention to developing a common, coordinated approach to the Soviet Union. The Soviet leadership under Gorbachev has already demonstrated a capability for bold—at times bordering on reckless—actions. Further initiatives cannot be ruled out. Even modest initiatives in Soviet-Japanese relations could cause problems for U.S.-Japan defense relations. Symbolic gestures on Japan's "northern territories," for example, could undermine support within Japan for expanded self-defense efforts. Additional Soviet arms-control initiatives and anti-nuclear rhetoric could impede further strengthening of military cooperation between Japan and the United States by stimulating pacifist and anti-military sentiment in Japan.

In the case of Soviet-American relations, strategic arms control agreements not linked to radical reductions in Soviet conventional capabilities could undermine Japanese confidence in the U.S. deterrent. A return to "detente" in the absence of substantive changes in Soviet regional and human-rights policies could strengthen accommodationist sentiment within Japan. Japanese and American leaders need to consult even more closely as they pursue their respective policies toward the Soviet Union.

Finally, both countries should build on the concept that has already been developed of "burden-sharing," not only in military terms—although further progress here is also important—but in terms of "comprehensive and global security." Militarily, there is more that Japan could do. Greater cost-sharing for the U.S. military presence would ease the strains caused by the depreciation of the dollar. Active cooperation in the development of advanced technologies and a restrictive approach toward technology transfers to the

USSR would strengthen U.S.-Japanese joint military capabilities, while highlighting the benefits of the alliance itself. Allowing the SDF to participate in operations against mining in the Persian Gulf would strengthen the ability of the United States to counter the growing Iranian threat, while sending an important signal of Western resolve in supporting the principle of free navigation.

Beyond this, ways must be found to further develop the Reagan Administration's approach to Japan as a "global partnership." The existing talks at the Undersecretary of State level concerning Japanese and American economic assistance policies are an important step in this direction. These should be institutionalized and expanded on an ad hoc basis to include other potential contributors—such as Australia in the South Pacific or South Korea and some of the ASEAN states in the Philippines—in a more coordinated assistance effort. Japan can play an increased indirect role in supporting the U.S. base negotiations with the Philippines. Further steps by Japan to untie its assistance and to direct a larger share to regions other than Asia are also desirable. Central America is a conspicuous example of an area where a higher Japanese profile would have positive effects. While additional measures are explored, attention should be paid to how the burden-sharing efforts that Japan is already making can be given greater visibility.

The changes in Japan's defense posture over the past decade are rightly regarded as significant developments. How important they are will hinge to a large extent on how Japan and the United States address these issues.