

JAPAN

THE SECURITY ENVIRONMENT

In spite of the end of the Cold War and in part because of its end, Japan looks upon its external environment with concern. In comparison with its neighbors, Japan's own military establishment is small and is strictly oriented toward defensive missions. As Japanese analysts look at the environment around Japan, the following are their principal areas of concern:

- The situation in Russia must be closely watched. The prospects for political and economic reform are not bright, and the military may be regaining its influence. Japan is also worried about the lack of control over Russian weapons and weapons technology and by growing disorder in Russia itself. Russia's military forces themselves, however, do not pose an immediate military threat to Japan.
- China has grown relatively stronger with the relaxation of the Russian threat to the north. It continues to increase its military spending, and is making an effort to establish a blue-water navy, giving it meaningful projection capability. It also conducts nuclear tests, most recently just after the adoption of the indefinite extension of the Nuclear Nonproliferation Treaty and former Prime Minister Murayama's visit to Beijing, triggering a reduction in Japanese grant assistance. There has been a growth of concern in Japan about China's future regional role and the implications for Japan, especially given Chinese protests in 1996 over the Senkoku (Diaoyu) islands dispute. However, few see China as a direct military threat to Japanese territory or way of life. Rather, the chief concern is that China will seek to establish political primacy in the region.
- The tensions in March 1996 between Beijing and Washington at the time of the Taiwanese presidential election were a source of great unease in Japan. Although the Japanese government has maintained a strict one-China policy, it is clear that if China used military force to coerce Taiwan, China would be seen in a much more threatening light in Japan.
- The Korean peninsula is Japan's most immediate security concern. Japan is firmly opposed to the acquisition of nuclear weapons by the North and is supportive of efforts to end this threat through negotiations. Japan is a principal financial supporter of the Korean peninsula Energy Develop-

ment Organization (KEDO), which was established to help meet North Korean power needs through the provision of Light Water Reactors in exchange for firm North Korean adherence to the NPT and international inspections.

In the longer term, Japan is vitally concerned about the ultimate political arrangement of the Korean peninsula. If based on the will of the majority of the Korean people, a peaceful reunification would undoubtedly be welcomed in Japan. The division of the Korean peninsula into competitive governments is not advantageous from a Japanese security perspective. Instead, it fuels tensions, large-scale military forces, and competitive military acquisitions and weapons programs, creating a very substantial security concern in an area adjacent to Japan.

- There is a strong propensity for the United States to look inward, despite its reassurances of willingness to maintain its regional commitments and presence. It will be increasingly difficult for the United States to assume its full responsibilities as a balancer. A vacuum of power could appear, and China is best positioned to fill that vacuum.
- Aside from Northeast Asia, Japan is concerned with the security of its petroleum supply route through the Indian Ocean and Southeast Asia. Approximately 76 percent of Japan's petroleum comes from the Middle East. Political instability in the Middle East, or in countries along this long maritime supply route, could strongly affect Japan's economy.

In addition to external security concerns, several other factors have increased Japanese security anxieties. These include Japan's worst economic recession in the past half century causing significant dislocation and rising unemployment, a subway attack using sophisticated chemical weapons, increasing drug abuse, growing incidents of illegal use of firearms, and the aging of the Japanese population, imposing an increasingly large social burden.

In the face of increased uncertainties about the external security environment and Japan's ability to defend its own interests in this environment, support for the U.S.-Japan Security Treaty has remained high. The governmental authorities have continued to regard the Security Treaty as vital to Japan's security and foreign policies and as a contribution to regional stability.

DEFENSE POLICIES AND ISSUES

Japan's security policy is shaped by a number of legal parameters and basic policy choices. Article 9 of the Constitution, according to the government's inter-

pretation, prohibits defense forces beyond those needed for self-defense. Japan cannot commit itself to the security of other countries. In 1968, Japan adopted the "Three Non-Nuclear Principles," which stated that it would not possess or produce nuclear weapons or allow them to be introduced into Japan. For many years, Japan also made one percent of GNP an absolute ceiling for defense spending.

The New Defense Policy. A new and long overdue *National Defense Program Outline* (NDPO) was adopted on November 28, 1995, effective from 1996. It is the first such document since the previous one was formulated in 1976. The document stresses the continuation of the basic defense doctrine, that is, the principle of maintaining the capability for "defensive defense," which is to serve as the minimum base for the program.

The new NDPO is distinguished from the old one in several areas. First, the new NDPO no longer says that Japan's defense doctrine is to cope with a "limited, small-scale attack" by itself until U.S. forces will arrive for help. Japan will instead repel such attack from the beginning, together with the U.S. forces. Second, the NDPO draws attention to missions other than defending the national territory. The Self-Defense Forces (SDF) also to respond to crises stemming from large-scale natural disasters and terrorist attacks as well as those arising from regional conflicts. It also may participate in UN peacekeeping activities.

Third, the new NDPO emphasizes the regional and national importance of the alliance with the United States, stating that the alliance will continue to serve as a stabilizing factor in the Asia Pacific region and to provide a nuclear deterrence for Japan.

Under the new defense program, Japan will downsize its army divisions from 13 to 8, tanks from 1,200 to about 900, principal surface combatants from 60 to 50, and combat aircraft from 430 to about 400. Though the size of the SDF and arms may become smaller, greater efforts will be made in streamlining the forces and introducing high technology.

Defense Budget. Japanese defense budget for FY 1996 is ¥ 4,845.5 billion (about \$44 billion at \$1= ¥ 110), a 2.58 percent increase over the previous year. This is the largest rate of increase since FY1992's 3.8 percent increase, and contrasts sharply with 1995's 0.86 percent increase, the lowest increase for the Japan Defense Agency since 1954. The government explains this increase in terms of meeting the requirements of the programs contained in the New National Defense Program Outline and covering deferred equipment purchases.

The defense budget is projected to be 0.977 percent of GNP in 1996. Although the government decided in 1986 to scrap the policy of keeping the

defense budget below one percent of GNP, the budget continues to follow the policy in practice. This seems to help gain public support behind the defense policy in general.

The composition of defense budget varies from country to country. The Japanese budget does not include the fund for pensioned soldiers. Were the fund included, the defense budget would rise to about 1.5 percent of GNP.

Personnel. The Self-Defense Forces has about 239,500 troops, composed of approximately 151,200 members of the Ground Self-Defense Force, about 43,700 members of the Maritime Self-Defense Force, and about 44,600 members of the Air Self-Defense Force. It has only 48,000 reserves.

Low birth rates have reduced the available manpower pool. It has been estimated that over the next 15 years, the number of 18 year olds in Japan will drop by a further 40 percent from the present figure. Under these conditions, it is likely that military manpower will also contract. Japan needs to review its recruitment system and benefits in order to maintain manpower levels, but Japan's tight defense budget means that there is little scope to significantly increase benefits without further reducing manpower. It is also likely that women will play an increasing role in the military.

Procurement. Japan has 13 ground forces divisions, including one mechanized division; 63 principal surface combatants, composed of 8 destroyers and 55 frigates; 16 diesel-operated submarines; and 430 fighters. Though somewhat modest in quantity, the Self-Defense Forces enjoy high quality arms, including 100 P-3Cs for anti-submarine warfare and 6 surface to air missile groups with Patriots. In mid 1995, Japan produced the first model of the FSX, a joint development fighter-bomber program undertaken with a U.S. firm. Eventually, Japan plans to manufacture about 130 planes of its kind.

About 18.9 percent of Japan's FY1996 defense budget will be spent on procurement. Significant emphasis has been placed on domestic procurement or licensed production. Only about 10 percent of the equipment is imported, and most of that comes from the United States. Since Japan has a firm policy prohibiting arms exports, weapons production is confined to the relatively small domestic market, limiting the scope for efficient arms production. It is impossible for Japan to maintain production infrastructure for highly sophisticated defense technologies. As a result, Japan may have to increase arms imports, develop longer-term acquisition plans, and further rationalize domestic defense production to maximize efficiency. There are no signs, however, that Japan will relax the arms export prohibition.

Japan is cautious about deploying a theater missile defense (TMD) system because of its feasibility, cost, and above all, political sensitivity. The Diet passed a resolution in 1968 prohibiting the use of space for military purposes. Japan also fears that it may get dragged into an unwanted conflict.

U.S. Bases. Local resentments in Okinawa over the heavy concentration of foreign forces in that island, fueled by the September 1995 rape incident committed by U.S. service personnel, became an unexpectedly important defense problem in 1995–96. Following demonstrations in Okinawa and the refusal of the prefecture's governor to require Japanese citizens to continue leasing some lands to American authorities for base purposes, the Japanese and U.S. governments established a special action committee in November 1995 to review Okinawan base issues, including the possible relocation or downsizing of U.S. facilities; which produced a report in November 1996. The size, configuration, impact on local communities, and legal status of American forces will remain a long-term issue.

CONTRIBUTIONS TO REGIONAL AND GLOBAL SECURITY

Japan contributes to regional and global security through several important ways: (1) its own defense and arms control policies, ensuring that Japan will remain a "non-military" power; (2) the U.S.-Japan Security Treaty and the hosting of U.S. forces which serve the U.S. forward deployment strategy; (3) its growing contributions to U.N. peacekeeping; and (4) Japan's significant non-military contributions to regional peace and security. It does not seem likely, however, that Japan's direct contribution to regional and global security will change in any significant qualitative way in the near-term future. Despite public opinion surveys that show general support for increasing Japan's global contributions, the Japanese government and people remain deeply apprehensive about assuming military security or controversial diplomatic responsibilities. For the most part, the Japanese people hope to contribute to international security in relatively politically safe ways, such as hosting foreign forces and providing overseas assistance. There is still a strong aversion to significant Japanese overseas military roles and a strong belief that such roles would not be welcomed by Asian neighbors or the international community.

Self-Defense. In the aftermath of World War II, Japan's political leadership concurred with the view of the U.S. authorities that Japanese defense efforts should be strictly limited. With the advent of the Korean War, however, Japan began to rebuild its defense forces, but in a manner designed to be strictly limited to defense roles for the Japanese archipelago. The other policies men-

tioned above—the non-nuclear principles, the prohibition on arms exports, and the maintenance of a low level of defense expenditure relative to economic size—were regarded in Japan as assurance to the rest of the world that Japan would remain a non-military power. Gradually, Japan has expanded its definition of self-defense to include, for example, the defense of sea lines of communication. Japan has also increased its share of self-defense burdens as public support for the existence of the Self-Defense Forces increased. No longer is there an influential body of opinion that sees Japan's self-defense efforts as a threat to international security. Credible self-defense forces are now considered a contribution to security, both by helping fill any power vacuum in Japan itself and by providing a stronger basis for maintenance of a cooperative defense relationship with the United States.

U.S.-Japan Security Treaty. During 1995, the United States and Japan were engaged in an effort ("the Nye initiative") to articulate more clearly the rationale for the U.S.-Japan Security Treaty in the post-Cold War period to call attention to the contribution of the alliance to broader regional and global security, and to suggest means of developing a more effective defense relationship. At the April 1996 Hashimoto-Clinton summit, Japan announced that it will define how it can support the United States in times of crisis in Asia Pacific within its existing constitutional framework while the United States reaffirmed its commitment to its current level of forces and to reinforcing its security relationship with Japan. Thus the governmental authorities in both countries reaffirmed their alliance in the post-Cold War period, an alliance that is expected to contribute to regional stability.

UN Peacekeeping. Although for years the Japanese government interpreted participation in international peacekeeping through the United Nations as inconsistent with Japan's self-defense policy, international pressures to do more, particularly at the time of the Gulf War, encouraged Japan to develop a legal framework for contributing to UN peacekeeping. Under this framework, Japan can provide police and military personnel as part of peacekeeping task forces, but such personnel may not be engaged in military operations. Since then, Japan has sent personnel to Cambodia and Syria/Golan Heights as well as much more limited contributions elsewhere. There will continue to be external as well as internal pressure to reduce the constraints on Japan peacekeeping contributions so that Japan can contribute more directly to regional stability.

Host Nation Support. In 1995, the Japan Defense Agency budgeted ¥ 452.7 billion (or about \$4.12 billion) for "host nation support" for 45,000 American soldiers stationed in Japan. This amounts to about \$100,000 per soldier. The U.S.