Chapter-V
CONCLUSION

The defense burden sharing debate has marked US-Japan relations right from the post World War II era. Although the origins of US-Japan burden sharing debate might be traced back to the Cold War days, the debate entered into a new phase in the Reagan-Bush years, which created particular strains and stresses in the relationship. The US demands for reciprocity and mutuality for the first time became precise and tough and were conveyed with a sense of urgency in the 1980s.

These years also marked a grave predicament for US foreign policy. This was particularly evident in the case of its relationship with Japan as the US had to reconcile to the emerging strategic and economic realities of 1980s. As far as its relationship with Japan was concerned, both these aspects turned out to be very significant. The US commitment to the security of Japan and the economic consequences of such commitment brought out the fractious nature of this important relationship. Similarly, Japan also needed to reconsider the implications of its security relationship with the United States as domestic opposition mounted. As a result, an intense debate took place within the United States and Japan. In the US perception, its commitment to Japanese security was taking a toll on its economy which was passing through a period of recession. Moreover in the American view, Japan had began to surpass US in the economic and technological fronts thereby threatening American global leadership on these aspects. Hence, the United States wanted to downsize its
economic commitments vis-à-vis security and wanting Japan to share in the defense burden was the answer.

In Japan, although there was a public recognition of the harsher international security environment due to expansion of Soviet Pacific fleet and continued tensions on the Korean Peninsula, the domestic opposition to rearmament was significant. The debate largely centred around national prestige and defensive self reliance. In the first instance, the question was, how much should Japan spend on defense and next was, how should Japan continue its relationship with the United States.

The defense burden sharing issue was an essential part of US-Japan security arrangement which evolved during the early Cold War years. Though the main aspects of US-Japan security relations are well known, the beginning of such a relationship did not start at the end of World War II. The arrival in 1868 of the US fleet commander Mathew C. Parry led to the signing of a peace and amity treaty between the two countries.

In the beginning, this bilateral relationship could be characterised as one between "unequal partners" who were erstwhile enemies. Evidence of this unequal nature is clearly visible in the years after World War II and lasting until the beginning of 1970s. The US occupation of Japan, as discussed in the first chapter, (1945-1952) mainly focused on the demilitarisation and democratic reforms of Japanese society. During this time, the most important fact was the Japanese renunciation of war as an instrument of national policy as was evident in its 1947 Peace Constitution (specifically Article 9).

Tokyo also benefited from the new security alliance envisaged by the revision of Mutual Security Treaty in 1960. The revised security treaty eliminated earlier provisions allowing Washington to intervene in Japan's domestic affairs. Moreover, the new treaty provided a nuclear umbrella and clear commitments to protect Japan if attacked. It also carried an important provision of consulting Tokyo for using military bases inside Japan for American missions elsewhere. Thus, after the conclusion of Revised Mutual Security Treaty, Japan occupied significant position in the US envisaged collective security arrangement due to its strategic location in the Pacific Rim as well as its geographic proximity to (the then) Soviet Union, China and North Korea. These factors facilitated the shift in US occupation goals and its demilitarisation to rearming Japan. In the American
perception, the threat from the erstwhile Soviet Union was so great that it was willing to provide a framework which would enhance the Japanese role in the event of a confrontation.

Thus the continuing negotiations between the US and Japan resulted in an institutional framework to amplify and initiate the nature of American commitment to the Japanese safety. In particular the 1950s and 1960s saw as discussed in Second Chapter, the US State Department and Defense Department playing crucial role in establishing the bases for US-Japan security alliance. For instance, the Department of State and Department of Defense were rigorously inclined towards a liberal financial policy for Japan. In their view, an economically developed Japan would be a bulwark in protecting the US interests in Asia Pacific. Their views took the shape of policy throughout the 1950s and 1960s. In retrospect, as pointed out by several studies, Japan’s economic growth was largely due to such policies. It must nevertheless be noted that the Japanese had significant stakes in the ongoing arrangement of such an important bilateral relationship.

Although, the security arrangement envisaged by the Security Treaty of 1951 was asymmetrical in nature which countered the general principle of multilaterality and reciprocity of a collective security arrangement, it was essentially an American guarantee of Japanese Security. Japan made no commitment of any kind to defend the United States at that time.

For concluding such a one sided treaty, credit goes to Japanese Prime Minister Yoshida’s consummate negotiating skill. Yoshida
effectively capitalized the provisions of the American sponsored Peace Constitution of 1947, which forbids rearmament (Article 9). The constitutional limitations and Japanese adverse public opinion provided a legal basis for Yoshida to resist US demands for Japanese rearmament later. He adroitly utilised the fears of Communist insurgency in Japan, in order to convince the Americans that Japan’s economic stabilization would itself be a contribution to the US collective security arrangement.

Between 1950 and 1952, the US made several efforts to ensure Japanese participation in a Cold War collective security efforts. At the end of occupation Americans continued to look upon Japan as a country they were obliged to help. There was a fundamental consensus between the US executive branch and the Congress on Japan’s economic reconstruction. The US policy of economic reconstruction of Japan was based on the assumption that it would not only help Japan to contain the former Soviet influence but also to contain Japan itself from perusing totalitarian remedies for economic problems. Hence, any form of burden sharing was imprecisely outlined. It was only later that the American negotiators became tough and precise as ground realities shifted.

The liberal economic and financial view taken by several US administrators right from Eisenhower to Johnson, were further supported by the Congress. As extensively discussed in the third chapter, the debates in the US Congress illustrated the concerns of the legislators about Japan’s financial problems and favoured the continuation of economic assistance to Japan. As evidence indicates
there was a broad consensus amongst and within US domestic policy makers on the need for economic reconstruction of Japan so as to enable it to share greater defense burden later on.

In 1960s, the US supremacy in nuclear and particularly in delivery system was greatly challenged by the Soviet Union. However, the Americans developed an invulnerable and technologically superior second strike capability. Therefore, the US nuclear umbrella over Japan remained credible. In this decade, although the US started reducing its military presence in Japan, its commitment to Japanese security was firm partly due to the American urgent need for bases in Japan as staging areas and logistic support centre for their operations in Vietnam.

Until the 1970s, the United States did not overtly state its concerns over the lack of Japanese security cooperation. This was partly due to the reasons that were related to minimal expectations about Japan's own ability to contribute to the strategic plans of the US. The United States overlooked economic conflicts in trade with Japan for the sake of its broader strategic interests in the Asia pacific. Therefore, during this period, the economic relations between the two countries were harmonious. Nor did they figure in the debates and policies prominently. It was only in 1970 that such a shift would take place.

For Japan, the security arrangement with the United States proved extremely beneficial. As a consequence, Japan could devote all its energies and resources to economic growth. The result was that Japan emerged as an economic giant with around 8% GDP growth.
rate. With the Japanese economic development, the Japanese domestic public opinion which was strongly opposed to security arrangement with the United States mollified substantially. As seen in the fourth chapter, various public surveys conducted during 1955 to 1960 demonstrated that more than 40 percent of the Japanese were in favour of the revision of the Security Treaty. There was a shared general sentiment between the government and people of Japan that without American financial assistance the economic growth would not have been possible.

It may be seen that the Japanese government capitalized on this situation in their efforts to strengthen the Self Defense Force. Japanese Ministry of Foreign Affairs and Prime Minister's Office developed new strategies and defense buildup plans for strengthening the Self Defense Forces to the extent of deterring small aggressions. Given the American pressure on sharing, they were anticipating as it were, the need for greater self-reliance in defence in the forth coming years.

Thus, throughout 1950s and 1960s, the interdependence and cooperation proved beneficial to both US and Japan. The US could protect its strategic interests in the Asia Pacific by engaging Japan into its anti Soviet coalition, and by using its bases particularly in Vietnam war. On the other hand, Japan could achieve its economic growth which would not have been possible without American assistance. Perhaps, this mutuality contributed to the continuity of the "unequal partnership"
However the situation changed considerably in the 1970s. For the first time serious strains appeared in the relationship. Basically two developments led to the change. Firstly, the US defeat in Vietnam War and secondly, America’s burgeoning trade deficit with Japan.

After the US debacle in the Southeast Asia, the US strategic posture evidently shifted from a universal to a selective commitment. The sentiment of “no more Asian ground wars” was strong among the Americans. Therefore, doubts were raised about the US commitments as a deterrent to both nuclear and conventional aggression against Japan. The Nixon Doctrine persuaded many Japanese that the United States would not come to Japan’s defense in the event of conventional attack. This changed situation forced the Japanese to ponder seriously over two issues. Firstly, the future of Mutual Security Treaty and secondly, the rearmament of Japan.

The United States government policy of reducing its overseas commitments in order to facilitate the withdrawal of US troops from Vietnam provided Japan with the opportunity to play a more autonomous role within the US-Japan security framework. Two major programmes resulted as a consequence; one was the National Defense Programme Outline in October 1976 and second was November 1978’s Guidelines for US-Japan Defense Cooperation. At the same time, Japan’s Maritime Self Defense Forces also started to undergo a major modernisation programme both in quantity and quality. An examination of the major causes and impact of these development point to the twin track negotiations engaged by US and Japan. There was a quite and serious diplomacy followed by public
statements on Japan's expanded commitments, especially on the question of sea lane defense.

Clearly, there was a change from the previous positions of both countries regarding Japanese share in the defense and security arrangement. This change affected the American domestic debate in terms of Japan's level of burden sharing. Both the US Congress and relevant departments undertook significant reformulation with regard to the direction of US policy towards Japan. The Department of Defense's new Strategy of Realistic Deterrence, as discussed in the Second chapter called for defense burden sharing among the US and its allies. Japan was asked to modernise its Self Defense Forces through state of art weapons from U.S. Under this strategy 6,000 troops were withdrawn from Japan.

During Carter administration, enhancement of the Japanese security role was an important goal of American security policy. Carter administration, amidst announcement of troops withdrawal from South Korea, put pressure on Japan to assume responsibility to defend its sea lanes of communication to 1000 nautical miles from Japanese shore. Further, the American view estimated that an increase in Japanese defense budget would pave the way to procure defense supplies and equipments from he US. This would, in turn, reduce some of the trade surpluses that Japan had with US, and yet keep the defense goals intact.

As the threat perception continued to point at Soviet military buildup in the Far East as a principal problem, the American establishments were loth to dilute any defense preparedness in that
region. Given Japan's strategic location, the US kept the alliance on a key status. Notwithstanding the security concerns regarding China and North Korea, the Soviet threat, in the American perception provided a need for US military presence in Japan. This meant that the US base in Okinawa, which was already a part of Japanese opposition argument, would continue to be maintained.

The shifts of US perceptions with regard to defense burden sharing, increase Japanese contribution, Japan's economic growth, all these impacted the Japanese domestic debate. It manifested itself on the issue of rearmament of Japan. Surprisingly, not only the public attitudes, but also the opposition parties like Japanese Socialist Party started talking of consolidating the Japanese Self Defense Forces. The increased Soviet influence in the Far East and President Carter's decision to withdraw US troops from the Korean Peninsula multiplied Japanese concerns. Hence, by the late 1970s, Japanese government began to re-examine its defense policy.

The Japanese efforts were broadly focused on the redifination of the role of Self Defense Forces and increasing the defense expenditure in their budget. As evidence points out, that the successive Prime Ministers starting from Shigeru Yoshida to Masayoshi Ohira along with the Japanese Ministry of Foreign Affairs and Japanese Defense Agency formulated incremental changes over defense policy till 1980. Their main task was to balance the political opposition within Japan with official American pressure. Thus, by the end of 1970s, issue of burden sharing became a major focus within Japan. Domestic debates
within the US too focused on the bilateral treaty as trade deficits with Japan spiralled.

The increasing US domestic sensitivity, particularly Congressional, to America's burgeoning trade deficit with Japan, pushed the defense issue in the Congressional debates over US-Japan relations. There was general agreement among many Congressmen and American public that the Japanese free ride on American security guarantee contributed to Japan's trade surpluses.

As the US-Japan trade frictions intensified in the eighties, the US Congress began to demand increments in Japanese defense expenditure. A "Burden Sharing Panel" was created by the Congress to scrutinize the adequacy of Japanese efforts. However, the Department of State and Department of Defense still did not want to be harsh in their attitude. This was due to the fact that after the defeat in Southeast Asia, Northeast Asia had become the focus of US containment strategy.

The US-Japan Security relationship passed through a very significant phase in 1980s. It was the beginning of new Cold War which had an overwhelming effect on US foreign policy. The election of Ronald Reagan as the President of America and Yashihiro Nakasone as the Prime Minister of Japan deeply affected the bilateral relations of both the countries. Reagan, as a strong anticommunist, envisaged a new strategy to contain the growth of Communism. The new Japanese Prime Minister Nakasone, an experienced defense strategist and former defense minister, decided to give a pragmatic
turn to Japanese foreign policy by increasing Japanese defense expenditure.

President Reagan faced challenges on two fronts: domestic and international. These two challenges turned out to be major factors in determining the nature of US-Japan security relations, particularly on the defense burden sharing issue. The US economy was passing through a period of severe recession. Hence, it decided to cut down some of its international commitments, especially those relating to security matters. The US Congress as discussed in chapter III was particularly reluctant to grant finances for increased defense expenditure demands made by the executive branch.

The new Cold War realities, demonstrated by the Soviet intervention in Afghanistan, Iranian hostage crisis, growth of Soviet military and political role in Asia forced Reagan to restructure US defense planning to cope with these threats. Since there was no enthusiastic financial support domestically, the only alternative that emerged was larger defense efforts by the US security partners. Therefore Reagan emphasized on “coalition strategy” and “rational division of labour” between the US, NATO and Japan. The NATO had already taken the decision to raise their defense expenditure. However, economically sound Japan was still plugged into its one percent of GNP limit on defense expenditure. The Regan administration called upon Japan to share the defense expenditure. The United States also encouraged Japan to increase its own defense capabilities for air and sea control in Northwest Pacific.
In this context, two apparent logics stand out clearly. In the first instance, the US was facing energy crisis and by strengthening its defense in the oil rich Gulf region, it would be able to safeguard a vital input to its economy namely petroleum. In the second instance, it wanted to diversify its role in East Asia in the aftermath of its debacle in Vietnam.

In 1981, Japan and US in a series of negotiations dealt with the issue of expanded Japanese commitment to the sea lane defense with in 1000 nautical miles. The talks were successful and Japan committed itself to this new role. The new burden sharing, as analysts have pointed out, allowed the US naval forces to concentrate on other areas of the Pacific. Yet, there was a growing gap between the political commitments for adopting such a policy and the actuality of Japan's efforts in that sphere. The reduction of this gap was sought to be addressed by Reagan's strategy of seeking Japanese advanced technological expertise in defense R and D along with financial contributions. A significant aspect of this policy was the Strategic Defense Initiative announced by President Reagan.

From the Japanese perspective, as extensively discussed in the fourth chapter, the LDP governments of Prime Minister Ohira Masayoshi, Zenko Suzuki and Yashihiro Nakasone were forced to walk the narrow path between domestic and external constraints. They were facing internal pressures against addressing American demands by increasing defense expenditure and expending the role of Self Defense Forces.
Externally, the consistent American pressure aimed at increasing Japanese defense spending both in modernizing Self Defense Forces and enhancing budgetary allocation however forced the Japanese leaders to acquiesce. The policy measures taken by Ohira, Suzuki and Nakasone demonstrated the flexible approach that Japan undertook on its defense and rearmament.

The role of a group of leaders, mostly from Japan Patriotic Party who favoured military growth with self reliance was also relevant. They wanted Japan to follow independent defense efforts because they felt that the Japanese economy had the capacity to meet the cost of its defense needs. They favoured rearmament for two reasons: Firstly, to develop its own independent deterrence system with nuclear capability to face the Soviet threat and secondly for the benefit of Japanese domestic industries.

The other end of the spectrum represented by the left parties such as Japanese Socialist Party and Japan Communist Party were largely critical and opposed to the government's shifting stand. In their view, Japan had constitutional responsibility to remain peaceful and be antinuclear. They insisted that by bowing to American pressure, Japan was sacrificing its values and the responsible role it could play in the international affairs. They urged that Japan be conscious of its international responsibility and utilise its status for United Nation's Peace Keeping Forces.

One may say that the result of domestic pressure tempered the Japanese official policy of militarisation. This was also buttressed by the Japanese public opinion who remained broadly skeptical about
large scale Japanese rearmament. Although some public opinion surveys demonstrated that considerable percentage of Japanese public were convinced that there might be danger from the Soviet Union, they were not in favour of utilizing military power to cope with that danger. Most Japanese believed that military power in itself did not symbolize either national prestige or glory.

Finally, it is reasonable to conclude that in the 1980s, Japan succumbed to the US pressure mainly due to the growing Soviet threat especially in the Persian Gulf which forced them to negotiate with US on defense burden sharing. Significantly, Japan had also realised that its vital energy interests need to be dovetailed to American strategy in the Persian Gulf.

Such perceptions gained greater ground in 1990s. Even after the end of the Cold War, the American pressure on Japan for defense burden sharing continued. With the commencement of the Gulf conflict, the demands for direct Japanese participation in US led military operation or bearing the complete maintenance cost of US troops deployed in Japan were a continuation of burden sharing strategy. The continue increases of Japanese trade surpluses and resulting trade conflicts, particularly in the area of automobiles industries played their role in pushing the debate further. The US Congress asked Japan to bear the complete maintenance cost of US troops deployed in Japan.

The result was that US-Japan relations concluded with Japanese agreement to pay an increasing share of US defense costs. Critical analysis of these developments would perhaps rightly conclu
that a new era of equal economic partnership had began between US and Japan. While Japan still had no commitments to defend the US in Asia Pacific if its troops were attacked, Japan had a more visible, autonomous role in bilateral alliance.

The appearance of traces of isolationism in US foreign policy in the 1990s was reflected in the policy of military political disengagement from Europe and Asia. Due to serious budgetary crisis, domestic pressure mounted for reduction in global military burden of the US. It resulted in the withdrawal of US troops from the Philippines in 1992. It also reflected in the Clinton administrations' security policies.

The US policy of reducing commitments had a far reaching impact on Japan. It created a sense of uncertainty among Japanese regarding the US commitments. Further the growth of China as a major military power who was willing and able to fill up the political vacuum left by the withdrawal of US forces from Philippines, was, in the Japanese perception, an urgent region for Japanese entry into new multilateral security arrangements. The Taiwan crisis, Chinese missile tests, as well as Senkaku-Diaoyu Islands dispute heightened the Japanese fear of Chinese hegemony. The Chinese claims over the Sparty Islands in South China sea also alarmed both Japan and ASEAN countries. This manifested itself in the strong support given by Japan to the ASEAN Regional Forum, Council Security Cooperation in Asia Pacific (CSCAP) and Korean Energy Development Organisation. It highlighted the change in Japanese thinking towards US controlled security arrangement. The report of an advisory committee to the
Prime Minister Tomiichi Murayama in August 1994 further clarified that Japan needed to evolve a multilateral security framework as an overall objective of Japanese foreign policy itself.

In the latter half of the Clinton administration's first term, US Asia Pacific Policy reflected the growing need to reassure Japan as a principal ally of the US. Developments such as the Taiwan crisis provided an opportunity to both the US and Japan to reduce their differences and develop a workable strategy for the management of their relationship. In 1996, the redefined Japan-US Security Treaty was concluded and in 1997, the Defense Cooperation Guidelines of 1978 were also revised. The main change was in extending the Japan Self Defense Force's role in its defense. The revision was to allow Self Defense Force to defend not only Japan but also "area surrounding Japan".

The current Bush administration reemphasized the security arrangement with Japan. China's economic growth and military modernisation in 1990s, Taiwan crisis, the reversion of Hong Kong to China in 1997, Beijing's ongoing human rights violations, and alleged theft of nuclear secrets were the reasons cited by Bush administration to in its ongoing security review.

The nuances of US policy is well expressed in the "Armitage Report" prepared by National Defense University, Washington D.C. The report asserted that the Japan remains the keystone of US involvement in Asia. The report emphasized the importance of improving and reinvigorating the US-Japan security alliances in the wake of its own assessment.
The changes and shifts in the US-Japan security and defense policies remain a subject of continuing interest and discussions. Questions concerning the purpose of objectives of the new guidelines of the US-Japan defense cooperation, especially as perceived by Japan's neighbouring countries and China and the continued debate on defense burden sharing between US and Japan has an enduring salience for scholars seeking to understand the special relationship.