

## **V. Issues Facing Japan**

Of the proposals made in the 2001 report of the Council of Defense-Strategic Studies, some have already been achieved, while others, as in the case of the contingency legislation, are progressing as predicted, and still others remain yet to be resolved. Issues to be addressed in the future included legislation for providing rear area support to multinational military forces, a fully developed position on defense that incorporates the RMA, and the problems associated with interpretations of the Japanese Constitution with regard the right to collective self-defense. The security environment has changed dramatically over the two years since the Council's last report was published, with the September 11 attacks prompting a major shift in the U.S. view on security. These environmental changes, however, have not rendered the unresolved issues noted in the report meaningless. On the contrary, addressing these issues is becoming more important than ever. The most pressing issues that Japan must address are reassessed in this section in light of the global changes and Council discussions that have taken place over the past two years.

### **A. Restoring UN Authority/UN Policy**

The launching of war without a United Nations Security Council resolution due to the lack of consensus among the major Security Council powers on the Iraq issue provided the opportunity for the international community to change the way it views the United Nations. Key to this shift in perspective is viewing the United Nations not as a single body or "it," but rather as a multifarious "they," and the five permanent members of the Security Council as a coalition of the willing formed in response to the realities of the closing days of World War II. If the Iraq war provides the international community with an opportunity to reaffirm its understanding of the essential nature of the United Nations, this in itself is not a bad thing. It would be an overreaction and a mistake for the Japanese people to allow their deep respect for the United Nations since the end of World War II to boomerang into feelings that the institution is no longer necessary.

The international community, by its very anarchical nature, requires a forum in which to reach consensus, and no global institution exists that could replace the

United Nations in this capacity. Japan needs therefore to focus its efforts on restoring authority to the United Nations, and toward this end, work for United Nations reform. If the Japanese public should rethink the depth of the respect it has placed in the United Nations, the Japanese government must think along the lines of incorporating the United Nations into its national strategy and using this issue strategically.

Japan's national strategy has often been presented as a choice between the Japan-U.S. alliance and the United Nations. Though this mode of thought can be traced as far back as the dispute between "overall peace" and "separate peace" during the postwar period of peace restoration, the argument is based on a false set of choices. A more appropriate view of these two components would be a strategic one – Japan-U.S. alliance cooperation exploited to enhance the effectiveness of Japan's contribution to attaining the objectives set by the United Nations, and conversely, the United Nations exploited to achieve results in Japan-U.S. cooperation. It is true that the Iraq war weakened United Nations authority within the international community. As long, however, as no other global body able to replace the United Nations exists, countries around the world will demand sooner or later that authority be restored to the institution. Japan should work proactively to ensure that this is achieved. The interests of member states are entangled in a complicated manner when it comes to the issue of United Nations reform, which means that UN reform can be expected to encounter difficulties if carried out by the United Nations itself. In light of these difficulties, Japanese efforts in this area should incorporate the issue of establishing a system outside of the United Nations to supplement the functioning of the institution in this respect.

## **B. Greater Sharing of Intelligence Between Japan and the U.S.**

Much progress has been made in the sphere of Japan-U.S. cooperation since the 1996 Japan-U.S. Joint Declaration on Security, with the Guidelines for Japan-U.S. Defense Cooperation, enactment of the Law Concerning Measures to Ensure the Peace and Security of Japan in Situations in Areas Surrounding Japan, and cooperation in the war on terror. More progress is needed, however, to achieve the close consultation between Japan and the U.S. called for in this joint declaration. Specifically, the declaration calls for close consultation on: (1) international affairs, particularly with regard to sharing intelligence on the Asia-Pacific region; (2)

Japan-U.S. defense policy in response to changes in international security; and (3) military affairs, including the force structure of U.S. military forces stationed in Japan and the restructuring of military bases. Greater consultation on these issues is needed.

Classified as strategic consultations, they have been undeniably sparse to date. Greater sharing of intelligence between Japan and the U.S. is particularly important at present. In today's world, security risks pose a threat, making communication an even more vital element of risk sharing among allies. Deeper cooperation in the sphere of intelligence sharing is required to facilitate communication.

At the meeting between the Japanese prime minister and the U.S. president in Crawford, Texas in May 2003, Prime Minister Koizumi attended a regular presidential briefing by U.S. intelligence agencies. The only foreign heads of state said to be invited to attend these briefings are the British prime minister and the heads of other close U.S. allies. Prime Minister Koizumi's attendance at the briefing had more significance in symbolically demonstrating the close relationship between Japan and the U.S. than practical significance in terms of intelligence sharing, though it should be used as an opportunity to strengthen Japan-U.S. intelligence sharing in the future.

### **C. Enhancing Intelligence Gathering Capability**

Japan's capability for gathering intelligence must be enhanced if Japan and the U.S. are to be able to share intelligence. Toward this end, Japan launched two information-gathering satellites into polar orbit in March of this year, followed by the launch of two additional satellites in September, bringing the total number of satellites operated by Japan to four. Plans are in place to develop a communications network that will directly link the Satellite Information Center in the Cabinet Office, the body in charge of satellite operation management, with the Prime Minister's Office, the Defense Agency, and other departments. The Defense Intelligence Headquarters of the Defense Agency also plans to increase its personnel from the current level of 120 to roughly 160 employees. These steps will enhance Japan's own intelligence-gathering capacity and reinforce the foundation on which Japan-U.S. intelligence sharing stands.

It is the "soft" aspects of intelligence gathering, rather than the hardware, that are issues of future concern. The development and training of experts capable of

analyzing optical imaging and radio wave information once it has been collected is one such issue. Developing these resources will take years, but continuous and steady efforts must be made in this direction. Japan must also institute legislation prohibiting the leaking of classified information.

At the same time, Japan faces even more important pressing issues. Once data is gathered and experts have been trained to provide analysis capabilities, the information must be put to appropriate use, or the efforts made to gather and analyze the data will have been rendered meaningless. If the analysis fails to be delivered to the relevant organizations that need it, or doesn't reach the Japanese prime minister and the cabinet, the massive investment and time involved in training the necessary analysts will have been wasted. The entrenched vertical hierarchy of the Japanese bureaucracy is often denounced, but this vertical structure should not be neglected when it comes to information concerning national security.

National security issues are not an exclusive matter for bureaucrats at the Ministry of Foreign Affairs, nor are they an exclusive matter for bureaucrats at the Defense Agency. These are issues that must be addressed by the government at the highest level, transcending any individual ministry. The Chief Cabinet Secretary was responsible for outlining the content of the Anti-Terrorism Special Measures Law when it was passed in 2001, and the Bill Concerning Measures to Ensure National Independence and Security in a Situation of Armed Attack and the Law Concerning the Special Measures on Humanitarian and Reconstruction Assistance in Iraq when they passed this year, since the focal points of these laws are issues best addressed by the Japanese government as a whole.

The primary objective of the Conference on Administrative Reform (known as the "Hashimoto Reforms") instituted between 1996 and 1998 was to expand and reinforce the fundamental roles of the cabinet and prime minister. This type of reform is particularly necessary in the area of security policy. Security-related information is currently forwarded to the Cabinet Information Research Office, a department under the authority of the Cabinet Secretariat, and comes primarily from the Ministry of Foreign Affairs, the Defense Agency, the National Police Agency, and the Public Security Investigation Agency. The Japanese prime minister and cabinet require greater capacity for integrating the intelligence they receive from different sources, and in this respect, Japan should look to the U.K., a country whose parliamentary cabinet resembles its own.

The U.K. Joint Intelligence Organization was established under the Cabinet Office to ensure that the independent intelligence organizations MI-5, MI-6, and the Government Communications Headquarters (GCHQ) operate in an integrated manner. The intelligence analyzed by the Joint Intelligence Organization is subjected to further analysis and evaluation by the Joint Intelligence Committee (JIC) under the auspices of the Cabinet Secretariat, and finally reported to the cabinet and prime minister. The JIC comprises the directors of MI-5, MI-6 and GCHQ, the Chief of Defence Intelligence, and top officials from the Foreign and Commonwealth Office, the Ministry of Defence, the Inland Revenue Office, the Department of Trade and Industry, the Cabinet Office and the Home Office. Relevant parties from the intelligence agencies of allied countries are also said to attend JIC meetings. This structure allows U.K. government ministries and departments to share intelligence with each other, and provides a mechanism to ensure that this intelligence reaches the prime minister. This type of system is needed in Japan. This intelligence structure is also closely linked to laying the foundation needed to reinforce civilian control. In using the term civilian control, it must be made clear who is in control. In the case of a parliamentary cabinet system, it is the parliament (the Diet), and from a more practical point of view, primarily the Cabinet.

Control lies with the cabinet as a whole, and is in no way meant to be held by individual politicians or cabinet ministers. Without the necessary intelligence, the cabinet will be unable to uphold its responsibilities with regard to civilian control. The question of how to exploit its defense capability, and the national vision on the appropriate use of these capabilities, pose particularly grave problems for Japan today. For this very reason, it is vital that a system that transcends the hierarchy within each ministry and department and allows for the centralization of intelligence at the administrative (cabinet) level be established in Japan.

#### **D. Reinforcement and Revitalization of the National Security Council**

The Law on the Establishment of the National Security Council of Japan was amended in June 2003 in conjunction with the enactment of the Bill Concerning Measures to Ensure National Independence and Security in a Situation of Armed Attack. The amendment provides an opportunity to move toward the integration and reinforcement of security policy at an administrative level that transcends the

hierarchy among ministries and departments, and to rework National Security Council practices. Though focusing primarily on following up on the Bill Concerning Measures to Ensure National Independence and Security in a Situation of Armed Attack by adding basic principles on responding to armed attack to the list of items submitted to the prime minister, the June amendments also created a Task Force to Respond to an Armed Attack to provide the National Security Council with expert assistance.

Prior to this amendment, the National Security Council merely served to rubber stamp the presented policy, providing its seal of approval without any substantive deliberation. Establishing of the National Defense Council, the forerunner to the National Security Council, was a politically motivated move. The National Defense Council was advocated by what was at the time the Reform Party (*Kaishinto*), a conservative opposition party. This council was established in 1953 as the result of a political compromise between the Reform Party and the Japan Liberal Party (*Jiyuto*), then the ruling government party. The Reform Party advocated for the National Defense Council on the basis that an advisory committee was needed to check the autocratic power wielded by the prime minister as a result of the increased authority vested in the office by the postwar constitution. Based on the desire to bring former military officers who enjoyed a great deal of influence over the party into the government's defense policy process, the Reform Party also based its argument on the need for a body to hear the views of private citizens.

The realities of subsequent postwar politics in Japan, however, demanded stronger roles for the cabinet and prime minister, and the Reform Party's policies faded out of focus. The council structure strayed from the Reform Party's initial vision, and in the end came to be made up solely of relevant Cabinet ministers, a structure that remains in place today.

By nature, organizations like the National Security Council are most often in place in countries with executive branches headed by presidents, the classic example being the U.S. National Security Council (NSC). The fact that this type of organization has been established in Japan, with its parliamentary cabinet, is the result of the historical events outlined above.

The practices of Japan's National Security Council should be reworked as part of the future measures taken to enhance the roles played by the cabinet and the prime minister's office. Task Force to Respond to an Armed Attack, for example, should

be utilized effectively to establish a policymaking mechanism that intersects between the relevant ministries and departments. The Cabinet Secretariat staff who provide support to the National Security Council and the Task Force to Respond to an Armed Attack must also be expanded. These government positions should not be mere formalities; more staff members who are truly capable of deliberating defense strategy are needed. Effective utilization of the National Security Council and the Task Force to Respond to an Armed Attack could also contribute to an enhanced capacity for integrating intelligence as cited above. If this were accomplished, Japan's Cabinet Secretariat staff would serve as the counterpart to the U.S. NSC office, making greater depth in strategic consultations between Japan and the U.S. possible.

### **E. Permanent Legislation for International Security**

Enactment of the Law Concerning the Special Measures on Humanitarian and Reconstruction Assistance in Iraq has prompted discussion on the need for permanent legislation. The previous Council of Defense-Strategic Studies report pointed to the need for a law addressing rear area support for multinational forces, a need which has grown more imperative since.

Japan has experienced a series of events that do not fall neatly into the framework of the traditional five PKO principles – including Japan's response to the situation in East Timor in 1999, the enactment of the Anti-Terrorism Special Measures Law in 2001, and the Law Concerning the Special Measures on Humanitarian and Reconstruction Assistance in Iraq this year. Similar situations will certainly arise in the future. Responding with special legislation to each particular situation leaves Japan vulnerable to the danger of being unable to mobilize for a timely response. It is this danger that makes the institution of permanent laws imperative. These laws should permit, when political conditions allow, the execution of rear area support as deemed necessary by the Japanese government, with or without a United Nations resolution.

As the Law Concerning Measures to Ensure the Peace and Security of Japan in Situations in Areas Surrounding Japan already authorizes these activities, it should be possible to sanction rear area support activities with or without a United Nations resolution. The argument that "rear area support for the U.S. was authorized in the Law Concerning Measures to Ensure the Peace and Security of Japan in Situations

in Areas Surrounding Japan because the U.S. is an important ally," but "that this support cannot be authorized in spheres outside of Japan-U.S. cooperation" does not hold. If the danger exists for the military to become unmanageable without a request from a United Nations resolution or other international body, it should be addressed through greater control of the Diet, a step that should be taken in any case in light of fully developed civilian control.

The issue of whether the role of the Diet should be to provide authorization prior to or after the action is also the subject of debate. The feasibility of establishing legislative measures by which the Diet could vote to suspend operations that have already been authorized, responding to changing conditions, is another subject worth investigating. Overseas dispatches of SDF for rear area support may be long in duration. The decision to suspend operations in response to a volatile situation should be made by the Diet.

Both the war on terror and Iraq reconstruction assistance are matters for Japan involving regions that lie beyond its immediate surroundings, constituting issues of international security. If, however, one accepts that, as has been argued here, the formation and preservation of a stable world order is in its own self-interest, Japan should also actively participate in these campaigns. In conjunction with the legislation of permanent laws, logical standards regulating the use of weapons in accordance with specific duties should be developed based on Japan's practical experiences and on the discussions that have taken place to date.

## **F. Reevaluating the Concept of "Integration with the Use of Force" in Areas Surrounding Japan**

Permanent legislation is needed to make rear area support for multinational forces possible from the viewpoint of global security. Issues, however, concerning the areas surrounding Japan – hypothetically, an emergency on the Korean Peninsula – cannot be handled in the same manner as rear area support for multinational troops working to ensure international security, since they directly and significantly impact Japan's own security. In this context, the current interpretation that SDF rear area support for U.S. troops in the form of integration with the use of force in areas surrounding Japan is prohibited under the Japanese Constitution must, of course, be re-evaluated.

The reasons for this are twofold. First, situations that may violate the rules of

engagement will undoubtedly arise in the field. The current Law Concerning Measures to Ensure the Peace and Security of Japan in Situations in Areas Surrounding Japan stipulates that the SDF provides search and rescue activities in “rear areas,” as distinguished from areas in which combat is taking place. In reality, however, areas that require search and rescue activities are likely to be situated near combat front lines. It is difficult to imagine that these activities will take place in rear areas.

Second, even if search and rescue activities for U.S. soldiers are conducted in rear areas, SDF withdrawing from rear areas in cases in which combat is suddenly sparked will have effectively abandoned U.S. troops. This scenario could most definitively trigger strong anti-Japanese sentiment in the U.S. Situations in areas surrounding Japan, such as an emergency on the Korean Peninsula, clearly have a direct impact on Japanese security, and Japan must therefore take on proportional risks. The Japan-U.S. alliance could collapse if the U.S. military sacrifices its own men, while Japan accepts no risks at all.

The prohibition against the dispatch of SDF overseas should also be reconsidered in conjunction with a re-evaluation of the idea of integration with the use of force. Overseas dispatches must be at least logically defined and brought into line with reality. The Resolution Prohibiting the Dispatch of Self-Defense Forces Overseas was adopted by the House of Councilors on June 2 immediately in advance of the Defense Agency Establishment Law and the Self-Defense Forces Law legislation enacted on June 9, 1954. At the time those laws were enacted, however, the dispatch of SDF to help protect international security, as is taking place today, was inconceivable. The purpose for which the SDF is currently dispatched is not in any sense participation in direct combat; these troops are dispatched to contribute to peacekeeping operations and to provide rear area support. The prohibition against dispatching SDF overseas invites misunderstandings on the issue and, on this basis, should be reconsidered.

Moreover, the current Law Concerning Measures to Ensure the Peace and Security of Japan in Situations in Areas Surrounding Japan is also problematic from a different standpoint. Although this law sanctions support for the U.S. military, it could also mean to prohibit rear area support for forces from other countries. Aside from a situation in which a resolution is passed by the United Nations Security Council, SDF dispatched under this law to respond to an emergency on the Korean

Peninsula in which a coalition of the willing (multinational force) was mobilized would be put in the contradictory position of providing support to U.S. troops, but not to Australian troops, for instance. In order to avoid this type of scenario, remedies should be sought, including the issue of supplementing current laws with a law for rear area support as mentioned above.

## **G. Moves to Develop Defense Capability**

Looking forward over a period of ten years or more, Japan is expected to have reached a period of full-scale population decline and the rapid aging of its population, in which the proportion of national resources allocated for defense will be overly taxed. The importance of ranking individual items in order of greatest priority within the allocation of defense resources, and of investing selectively in priority items, is therefore growing. While NATO countries are able to allocate the bulk of their defense resources to building up defense capability for duties concerned with international security (these duties are labeled “crisis management duties” by NATO) rather than to the defense of their own borders, Japan is not necessarily able to do the same, confronted by the North Korea issue.

Despite this, however, within the broader global trends, developing a defense capability oriented toward international security will also become important to Japan. In the future, international security will have less to do with confronting clearly defined territorial threats, becoming more characterized by risk management. The trend in developing defense capability is likely to move in this direction. First, in general terms, a notable exception being the North Korea issue, defense build-up will need to shift focus from specific threats to the ability to quickly mobilize responses to all types of situations. Second, this new focus will generate the need for a certain contingency capability that enables Japan to deploy defense forces anywhere at any time. Third, in terms of risk assessment, defense build-up will need to focus on enhancing military surveillance capability, as typified by the positioning of information-gathering satellites. Fourth, in terms of efficient resource distribution, the need will grow for a defense build-up based on a clear division of "roles and missions" between Japan and the U.S. A clear global trend toward the division of labor between the U.S. and its allies is already underway. In the case of East Timor, the international troops and subsequent peacekeeping operations were led by Australia, while the U.S. commanded rear area support (logistics). The U.S. has,

however, taken the lead in commanding troops in other military actions involving major combat situations, as in the cases of the military action in Afghanistan and the Iraq war.

A structure is clearly emerging under which the U.S. military takes command of troops in major combat operations, and U.S. allies take charge of peacekeeping activities and similar operations. Japanese efforts to develop their own defense capability have long focused on the division of labor in the image of the idea of “the U.S. as the arrow, the SDF as the shield.” It is now time, however, to study ways in which defense capability can be developed in line with international security trends toward an international division of roles with the U.S. at its core.

## **H. Accelerating Missile Defense**

Advancing missile defense is at present the most pressing of the critical issues related to defense build-up. Basically, four options in countering the risks posed by weapons of mass destruction and ballistic missiles exist. A country may choose to avail itself of: arms control, disarmament, and other forms of foreign diplomacy; nuclear retaliation as a deterrent; preemption; or missile defense and similar defensive measures.

If we apply these options to the moves by North Korea that are currently in the spotlight, underlying public opinion dismisses the option of nuclear retaliation as a deterrent in light of the undesirable impact it would have on the Japanese three non-nuclear principles, as well as the strategic environment in the region.

At this point, with no imminent threat of a ballistic missile launch, preemption in terms of launching strikes against missile sites is not an option that Japan could unilaterally adopt. Unless the United Nations Security Council approved preemptive military action, it would conflict with the current national policy of maintaining a strictly defensive, non-offensive, posture with regard to defense.

Clear signs of an imminent launch of Nodong missiles by North Korea at Japan, however, would alter the circumstances of preemption as described above. Japan would be able to justify a strike in this situation, which would fall within the scope of the country's right to self-defense. The propriety of this type of defense is clear-cut and not the subject of debate.

The only remaining realistic options are therefore diplomacy and missile defense or similar defensive measures. The U.S. missile defense system provides

multi-layered defense against three technical missile phases: boost, midcourse, and terminal. In December 2002, the U.S. set 2004 as its deadline for deploying its ground-based and sea-based mid-course defense systems. The development of the U.S. missile defense system is designed to be flexible with two-year units (development blocks) having been selected, in order to allow for capacity enhancement every two years.

The terminal phase defense system is equipped with Patriot PAC-3 missiles. The U.S. currently possesses nine battalions of these missiles, with a target final arsenal of 50 battalions. Other countries, including Germany, the Netherlands, and Greece, also possess PAC-3 capability, though Japan lags behind in its own Patriot missile development. Ongoing joint Japan-U.S. technological research on a Navy Theater Wide Defense (NTWD) system has been conducted since 1999. In addition to strengthening Japan-U.S. cooperation in this area, the Standard Missile-2 currently deployed on Aegis-equipped warships should be upgraded to the Standard Missile-3, and no time should be lost in developing plans to subsequently replace these missiles with Patriot PAC-3 missiles. Considering the remarkable technological developments in the area of missile defense, and the U.S. adoption of a development system under which its capability is to be enhanced biannually, Japan has no choice but to continue to cooperate with the U.S. on the development of its own missile defense system, and refrain from setting an end date by which the project is to be complete.

### **I. Reevaluating Japan's Three Principles on Arms Export**

Coping with the risks posed by the proliferation of weapons of mass destruction is the most vital global security issue, and the U.S. has taken the lead in this regard by introducing the Proliferation Security Initiative (PSI) as an international approach to this problem. This initiative is an ambitious attempt to provide for information sharing among states around the world, and to preemptively seal off all channels by which weapons of mass destruction can be proliferated, including land, sea and air routes. President Bush introduced the PSI initiative in a speech at the end of May this year during a visit to Poland. Eleven countries, including the U.S., Japan, the U.K., Australia, France and Germany, are now working together to review the initiative. The feasibility and propriety of the measures called for – refusing to provide clearance for flyovers or landing for refueling to suspicious

aircraft even if requested, and forcing aircraft exhibiting further suspicious behavior to land – are currently under review. Confronted as it is with the North Korea problem, Japan’s active participation in the PSI initiative is recommended.

The Three Principles on Arms Export policy currently in place has become outdated. Certain technologies, though useless to the development of weapons of mass destruction, are designated as weapons under these principles. Their export is therefore expressly forbidden, while technologies in common use are not addressed at all, even if they can be used in the development of these weapons. In countering the risks posed by the proliferation of these weapons, it is vital that states focus on constant surveillance of the flow of people, goods, and money, intelligence sharing, and other forms of cooperation with involved states as necessary. Tighter controls and responsive measures in the face of heightened risk are also key. Reevaluation of the Three Principles on Arms Export is needed to correct a situation in which only weapons are regulated and all other aspects of weapons development are left unchecked. This is in no way meant to suggest that Japan should relax its ban on arms exports. Reassessment should focus on the issue of proliferation of weapons of mass destruction and be carried out in conjunction with, and reevaluated in the context of, the PSI review.