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National Security Policy

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Japan is a major power. It is the world's third largest economy. Despite its recent performance of relatively slow growth, it retains impressive power resources. It possesses an educated and talented population, highly sophisticated industry, and the most modern military in Asia. While China has nuclear weapons and more men under arms, Japan's military is better equipped. It also has the technological capacity to develop nuclear weapons very quickly if it chose to do so. Japan faces severe demographic problems with its population projected to shrink to one hundred million by 2050, and its culture is resistant to accepting immigrants. But Japan retains a high standard of living, a highly skilled labor force, a stable society, and areas of technological leadership and manufacturing skills. Moreover, its culture (both traditional and popular), its overseas development assistance, and its support of international institutions provide resources for soft power.

In terms of national security, Japan lives in a dangerous region. Most striking is the unpredictable dictatorship of North Korea which is poor but has invested its meager economic resources in nuclear and missile technology. A longer term concern is the rise of China, a nation of 1.3 billion which passed Japan as the world's second largest economy in 2010. To the north, a nuclear armed Russia still claims territory that was Japanese before 1945. In addition, Japan depends on imports over sea lanes in contested areas like the South China Sea. Moreover, unlike Europe after

1945, East Asia never experienced the full reconciliation among rivals or the establishment of strong regional institutions.

Faced with this situation, Japan has four major security options. It could change its constitution and fully re-arm as a nuclear nation but this would be costly and dangerous. It could seek neutrality and rely upon the United Nations Charter, but this would not provide adequate security. It could form an alliance with China, but this would lead to too much Chinese influence over Japan. Or it could maintain its alliance with the distant superpower of the United States. This is by far the safest and most cost effective of the options, but not everyone agrees. For example, while polls show his to be a minority view, Sakai Nobuhiko, a former professor at Tokyo University has argued that “eventually the U.S. will for sure decline further and recede into the east of the Pacific. Then it is Japan that is in question.... If the US walks away under such circumstances, the Chinese army will come instead.” (GFJ Commentary, February 10, 2012). Even in the early 1990s when I was involved in re-negotiating the terms of the alliance at the end of the Cold War, high ranking Japanese officials would sometimes ask me if the US would abandon Japan as China became stronger.

The U.S.-Japan Security Treaty has been a central feature of stability in East Asia for over half a century, but every alliance undergoes anxieties over the dilemma of possible abandonment or alternatively entrapment into unwanted conflict. Such uncertainties were prominent at the end of the Cold War, and again after the political realignment and policy changes that followed the Japanese election of 2009. Some observers even thought this could be the beginning of the end. Despite the friction surrounding the Futenma air base issue on Okinawa and political rhetoric about greater independence and closer relations with China, if one compares the situation today with 20 years ago, the alliance is stronger rather than weaker. When the Obama Administration announced its so-called

“pivot to Asia” (more appropriately a “refocus” on Asia) in 2011, it reconfirmed the importance of the region and the centrality of the US –Japan alliance for American security.

In the early 1990s, many Americans regarded Japan as an economic threat, and many Japanese were considering a United Nations rather than a United States centered approach to their national security. Some people in both countries saw the security alliance as a Cold War relic to be discarded. These trends were reversed by the Clinton Administration’s 1995 East Asia Strategy Report which invited China’s participation in international affairs, but hedged against uncertainty by reinforcing our alliance with Japan.

In 1996, the Clinton-Hashimoto Declaration stated that the US – Japan security alliance was the foundation for stability that would allow growing prosperity in a post-Cold War East Asia. As I said at the time when I was serving in the Pentagon, we wished to see a stable triangle with good relations in all three sides between the US, China, and Japan, but the triangle would not be equilateral because our relationship with Japan rested on alliance. That approach has continued on a bipartisan basis in the United States, and despite recent political maneuvering, polls show that it still has a broad acceptance in Japan. This was reinforced by the close cooperation on disaster relief between US forces and the Japanese Self Defense Force in the aftermath of the Tohoku tragedy. That is why I say the U.S. –Japan alliance is in much better shape today than it was 20 years ago, and why I believe that can remain the case 20 years into the future.

Nonetheless, the alliance faces three major changes in a new external environment that will produce challenges over the next decades. One is the danger of an unpredictable North Korea that is going through a period of leadership transition. Second, is Chinese economic growth at over 10 per cent per annum and even more rapid growth in military expenditures over the past decade. Third, is the rise of a new range of transnational threats to vital national interests such as piracy, terrorism, pandemics or climate change.

North Korea's Kim Jun Un is a young and untested leader trying to maintain a totalitarian dynasty in an information age where there are now one million cell phones in the country, and an increased role of black markets. North Korea has shown a willingness to take high risks. It has withdrawn from the Nuclear Non-Proliferation Treaty and from the Six Party Talks, has sunk a South Korean naval ship and killed citizens on a South Korean island. In 2012, it launched a failed missile test even though this undercut the so-called "Leap Year" agreement in which the United States was prepared to provide food aid. Pyongyang has violated its agreements, realizing that China, the country with the greatest potential leverage, is concerned about the potential collapse of the North Korean regime and chaos on its borders. In my book The Future of Power, I call this the "power of the weak;" of those who are "too important" to let collapse. From Beijing's perspective, North Korea is the Lehman Brothers of East Asia. Pyongyang realizes that the United States and Japan are not well placed to use force against it, and that China is unwilling to do so. Ironically, the North Korea's recent risky behavior may have inadvertently helped the US-Japan alliance at its moment of need by reminding the Japanese public of why it makes sense to have American Marines stationed on Okinawa.

Japan is concerned that it not be subject to nuclear blackmail from North Korea (or China) and relies on the American extended nuclear deterrent. Ironically, Japan is torn between its desire to see a non-nuclear world (and thus its endorsement of that objective), and the concern of defense experts that if the U.S. decreases its nuclear forces to parity with China, the credibility of American extended deterrence will be weakened and Japan will suffer the consequences. Discussion among American and Japanese security experts have helped to explain the nature of American extended deterrence, but the public needs to be educated as well.

It is a mistake to believe that extended deterrence depends on parity in numbers of nuclear weapons or the location of nuclear weapons in Japanese territorial waters. Extended deterrence depends on a

combination of capability and credibility. During the Cold War, the United States was able to defend Berlin because our promise to do so was made credible by the high stakes, the NATO alliance, and the presence of American troops that made decoupling of a Soviet attack from American casualties impossible. The best guarantee of American extended deterrence over Japan remains the presence of American troops (which Japan helps to maintain with generous host nation support). Credibility is also enhanced by joint projects like the development of regional ballistic missile defense. Equally important are American actions that show the high priority we give to the alliance and guarantees that we will not engage in what Japan fears will be “Japan-passing”.

The dramatic rise of the Chinese economy has provided an important trade partner for Japan, but the concurrent growth of Chinese power makes Japanese nervous. When we were re-negotiating the U.S. – Japan security alliance in the 1990s, Japanese leaders would sometimes privately ask me if the United States would desert Japan in favor of China. I responded then (and today) that there is little prospect of such a reversal of alliances for two reasons. First, China poses a potential threat while Japan does not. Second, we share democratic values with Japan and China is not a democracy.

Moreover, China’s internal evolution remains uncertain. Political evolution has failed to match economic progress and China is far from free. Unlike India, China has not solved the problem of political participation. This has become apparent in the recent events surrounding the transition to the fifth generation of Communist Party leadership. There is always a residual danger that China will slip into competitive nationalism in the face of domestic problems. At the same time, it is in the interest of the U.S., Japan, and China that China’s rise be peaceful and harmonious (in the words of their leaders). That is why the strategy of integration plus a hedge against uncertainty makes sense for both the U.S. and Japan. In the words of Robert Zoellick when he was in the Bush Administration, it is in our interests to welcome the rise of China as a “responsible stakeholder.” Or as Tanaka Hitoshi has put it, “the key to fostering a secure and

prosperous Pacific region is to focus on enrichment of the security environment, including increasing regional confidence-building mechanisms, particularly with China.” (JCIE East Asia Insights, December 2011).

If, by some mishap, China does turn aggressive, it will find that Asia contains others such as India and Australia as well as Japan that would contain its power. In the past few years, Chinese assertiveness in the South China Sea has turned its neighbors against it. But it would be a mistake for the US and Japan to turn to containment as our strategy. If we treat China as an enemy, we guarantee enmity. Integration plus a hedge against uncertainty is a better approach. The task for American and Japanese security is not containment but to shape the environment in which China makes its choices so that it has incentives to act responsibly. This involves maintaining a strong defense capability. This does not require constitutional revision, but merely a broader set of interpretations. Japan must do more to prepare for low level provocations, and the US and Japan should discuss a new set of Defense Guidelines which make clear the responsibilities for responding to acts in the middle between low level provocations and high-end conflict. Japanese officials must do more to foster jointness and tactical mobility and logistical capacity in the Self Defense Forces. Moreover, Japan should do more to resolve historical tensions that inhibit more effective defense cooperation with South Korea. Rather than a series of pure “hub and spokes” alliances between the United States and East Asian countries, Japan can work to encourage the development of more networking among the spokes.

Third, in the coming decades, the U.S.-Japan alliance will have to face the challenge of a new set of transnational challenges to our vital interests such as health pandemics, terrorism, and outflows from failed states. Security is taking on new dimensions beyond just military. Chief among these challenges is the damage that can be wreaked by global warming where China has now surpassed the United States as the

leading overall (but not per capita) producer of carbon dioxide. Fortunately, this is an area that plays to Japan's strengths.

Some Japanese commentators complain about the unequal nature of our alliance in the traditional security field. This will remain the case because of history and the limits that Japan has put on its the use of force, but in these new areas, Japan is a more equal partner. Japanese overseas development assistance in places ranging from Africa to Afghanistan, Japanese participation in global health projects, Japanese support of the United Nations, Japanese naval participation in anti-piracy operations, and Japanese research and development on more efficient uses of energy are all at the forefront in dealing with the new transnational challenges. As Tanaka Akihiko, JICA's new president has said, "JICA has accumulated decades of field, administrative and intellectual experience. We should exploit this vast knowledge bank." (JICA's World, June 2012) Former Asahi Shimbun editor Funibashi Yoichi put it well when he said that Japan has to become a global civilian power. By using its economic and soft power as well as its military resources, Japan can contribute to the global public good of stability that undergirds security.

As the Kansai Keizai Doyukai looks ahead to the requirements of Japanese security over the next twenty years, it is important for the U.S. and Japan to reaffirm the alliance that is the best option for providing security for both countries. It will be important to reject misleading metaphors of decline or flawed predictions of the United States abandoning the region. Hawaii is in the midst of the Pacific and Guam is closer to Tokyo than to Washington. Our alliance with Japan enjoys strong bilateral support in the US. Even though domestic political realignment in Japan caused a period of minor frictions in the traditional security agenda, our common interest remains overwhelming and the alliance is likely to prosper unless we handle things very poorly. This will require greater patience and even closer consultation between Washington and Tokyo than in the past. As Richard Armitage and I concluded in our third report on the alliance which

was released in August 2012, “With the dynamic changes taking place throughout the Asia-Pacific, Japan will likely never have the same opportunity to help guide the fate of the region. In choosing leadership, Japan can secure her status as a tier-one nation and her necessary role as an equal partner in the alliance.” There is enormous potential for an equal partnership, working with others, in the provision of global public goods which will be good for the United States, good for Japan, and good for the rest of the world. In short, there are grounds to be optimistic about the future of the U.S. – Japan alliance over the next twenty years.