

The Japan-United States Alliance:  
The Cornerstone of Peace and Prosperity in the Asia Pacific  
by  
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1. Gentleman, I am truly honored and thank you for the opportunity to make a speech before you, such distinguished ladies and gentlemen, at the USJI today. I was a foreign student at the School of Public Affairs of the University of Maryland from 1991 to 1992, and was in the midst of my youth at the College Park. In those days, the Gulf War had broken out. In Japan, the Self Defense Forces were not allowed to play a part overseas. I felt irritated about it. Partly because of such memories, it is a great pleasure today to talk about my thoughts on the way Japan should proceed and the roles Japan should play, centering on the significance and importance of the Japan-U.S. Alliance.
2. Allow me tell you a story of the fall of Portugal first, not of Greece, gentlemen. Nowadays, we know that in fact Greece is in a great trouble, but this account is of the Portugal of 1755. As you may know, a great earthquake struck Portugal, a great oceanic power at that time. With this as a start she went into a decline. Two hundred fifty years (250) since then, Japan was hit by a great earthquake with magnitude 9.0 on March 11, 2011. This activity caused a gigantic tsunami and even accidents of a nuclear plant. No one has yet been reported dead from the nuclear disaster, but the great number of 16,000 people lost their lives, and nearly 4,000 people are missing even now. This trebled shake has become a great disaster with the amount of total damage of 235 billion dollars.
3. Well, I wonder if Japan will fall like Portugal. The answer is “no.” I am confident that Japan is going to overcome and restore reassuringly. However, let me tell you this: Japan is now on the cusp of a big point of divergence, prosperity or fall, utopia or oblivion.
4. The United States, at the time of the disaster in Japan, provided more than 20,000 soldiers to the stricken areas, known as “Operation Tomodachi.” Moreover, various forms of aid were donated from the people and organizations of the United States. Most Japanese people thank the Japan-U.S. Alliance and have renewed their realization of its

meaning. Taking this opportunity today I wish to express my appreciation from my heart to you all.

5. At the very beginning of the history I recount here, the United States and Japan were foes in the Second World War. The fact that these two countries having totally dissimilar cultures and histories continue such a deepening allied relationship is deserving special mention in the history of the world, does it not?
6. And yet, it can be said that this allied relationship has a different meaning in terms of its significance in comparison between the era of the Cold War and the aftermath of Nine Eleven terrorism of the United States. It seems to me that the value of the United States-Japan Alliance has become greater because of the reality of terrorist attacks. The reason for the growth of the Alliance is that in addition to “deterrence,” we are forced to cope with a real aggressive situation. In this respect, the meaning of the U.S. Marine Corps stationing in Okinawa is great for the United States. The meaning of quick response capability of the U.S Marine Corps deployable immediately to Asia and the Middle East is essential. Very recently President Obama announced that a U.S. Marine division would station at Darwin in Australia. Surely, Darwin is the foothold where missiles from China and North Korea will not reach, but even so, the geographical importance of Okinawa will never lose its value.
7. On the other hand, even for Japan the deterrence brought by the U.S. Marines quick response capability is extremely great. This placement has a tremendous effect for the security of Japan. Of course the people of Japan need to understand this fact well. Surely it is very important that Okinawa should have its burdens reduced, but I must tell you that the U.S. Marines should remain in Okinawa.
8. Also, now the “Japan-U.S. Alliance” has become an important infrastructure to create peace in the Asia-Pacific region. Even ASEAN countries, healing from Japan’s belligerent history, look forward to Japan’s vital activities, and I am sure that Japan must respond to their expectations for the peace and prosperity of Asia.
9. Here is an anecdote. When I was a parliamentary vice minister in the Ministry of Foreign Affairs, I explained to the U.S. government and won its understanding that Japan would launch a quasi-zenith satellite (GZSS) to complement U.S. GPS. Until then, Japan had conducted only academic research on space, but in 2008 I acted as a proponent for the “Aerospace Basic Act” enacted across party lines to make satellites for security. Of course, the satellites are not for invading other countries, but to defend the safety of Japan within the

scope of the Constitution of Japan. Last year, for the first time, No. 1 GZSS to complement GPS was launched. Three more GZSSs are scheduled be launched. If succeeding, 7 sets of GZSS in total will fly in the skies of Asia and Oceania from Japan in a manner to complement U.S. GPS making it possible to accurately spot the geographical and space information. This GZSS has been used for reconstruction works of the recent great earthquakes, and is expected to be utilized for counter disaster measures and safe navigation of ships.

10. I want to stress that Japan has long, so far, so much depended on the United States, even in the area of space, but now at our own cost Japan is trying to complement and strengthen the schemes of the United States. For the future, not only this area of space, but I am confident that also the relations of both countries should be enhanced in the areas of counter cyber-terrorism and missile defense, and thereby the stability of the Asia-Pacific region should greatly be increased.
11. On the extension of strength of the Japan-U.S. Alliance, the ease of restrictions of the "Three Principles of Arms Export" took place recently. Japan prohibits arms export basically, but by this ease of restraints, as for the U.S.-Japan joint development of such devices as missile defense, it becomes possible for Japan to export to the United States Japanese technology. Moreover, I wish to endorse the exercise of the right of collective self-defense. In principle, it is desirable that the Constitution should be amended and stipulates clearly the justification of the exercise of the right of collective self-defense. However, constitutional amendment will take too much time. The actual international situation changes day by day. I feel that by a certain revision of interpretation of the Constitution, the exercise of "the right of collective self-defense" should be recognized. I am sure that this exercise is to connect to upgrading the Japan-U.S. allied relations. On the other hand, from the viewpoint of strengthening the relations with European states with which Japan is taking part in PKO activities, my thought is that Japan should revise its stance on the standard of use of arms to meet international standards so that Japanese troops who engage in the same activities as their international brethren could protect and defend them.
12. In this context, when I was the parliamentary vice minister for the Ministry of Foreign Affairs, the "Counter Piracy Act" was established to counter piracy in the Bay of Aden off the coast of Somalia. The law defines that Japanese self-defense forces are to protect foreign ships as well and eased the use of arms. I think this reality of coping with stateless outlaws is a big step in extending the roles the JSDF can play. Last year, an overseas base of the Japanese Self-Defense Forces was set up in Djibouti for the first time. Thinking over the time when I was

studying at the University of Maryland, I do feel a generation gap. It is an epoch-making change. In order to create world peace, I support the idea that Japanese Self-Defense Forces should conduct such overseas activities. Based on togetherness with fine coordination with the United States in accordance with the Japan-U.S. Alliance, I feel that Japan should strengthen cooperation with European states and NATO.

13. In this connection, I may be allowed to make some comments on North Korea. First of all, China, with a great deal of resolution, now hopes for a stable Kim Jong-un regime of North Korea. Confusion and a destabilized North may bring about an inflow of refugees to China. More than that, if the North explodes in an insurgent situation, it will be overwhelmed by the United States and South Korea, and the North might forcibly be absorbed by South Korea. China fears such a situation. At the time of transition from Kim Il-son to Jong-il, there was a move of insurgency two years after the death of Kim Il-son. I presume that China thinks that although the situation seems stable at present, vigilance should never be relaxed. My second view is that North Korea may wish President Obama to be reelected in the U.S. presidential election. The second term of president normally seeks the results of performance and achievement. Actually it seems to me that even President George W. Bush at his second term of administration conceded considerably in a way of removing the specification of a terrorist-state. Is concession more likely especially when the administration is of democrats?

14. Let me change the topic to that of economy. I have seen various things up close at the Ministry of Economy, Trade and Industry including the trade friction between the United States and Japan and its negotiation. Now, we don't have a locking of horns over the issues, and again I feel a generation gap, but you may know that there is heated debate over the issue of TPP. I am a person who promotes Japan to participate in the negotiable table in an early stage. In this connection, Mr. Taku Eto, a member of the national Diet and intimate friend of mine, is wary. He is not at all a person to oppose Japan's joining in the TPP. If time permits, I wish him to talk a little about it. I hear that some days ago many groups of the Japan Democratic Party opposing the TPP visited Washington, D.C., but as for me, I feel the role of the TPP important for development of the Asia-Pacific. I am confident that free trade, promotion of investment negotiations and protection of intellectual property rights will increase one another's wealth. In the current state where the WTO has no function, the TPP, should be extremely important for the colleagues of developed countries such as the United States, Australia and Japan to form new rules to be like a model. And it must be important for us to demand other countries in the future, that is, newly-rising states like China and Russia, to conform to the rules as the above for the investment and protection of the intellectual

property through such forums as APEC and ASEAN + 6. I am never going to emphasize that only the promotion of the TPP is important, but I advocate that on the basis of the TPP, in various types of frameworks such as APEC and ASEAN+6, such circumstances as free trade and investment could be multilayered and competitive in the Asia-Pacific region. The TPP will become a primer for that architecture. In this connection, I may demonstrate: As Japan has showed an interest in the TPP, the EU, which has never faced Japan, has begun to have an interest in EPA negotiation with Japan. At present we are conducting prior consultations called SCOPING EXERCISE. I can say that just centering on Japan as a free economy sphere is now in the process of multilayered structuring in the Asia-Pacific region, and between Europe and Japan. Even for the sake of development of the world economy I feel Japan would like to play a core role.

15. Expecting that core role for Japan, I wish you to realize that there is a clear distinction for Japan not to be able to concede in the fields of food security or health insurance program. If I may illustrate this unique distinction, let me raise the case of the agriculture. The United States has in its agriculture 100 times the acreage of a farm as Japan, and Australia has 1,500 times. Still, as can be seen in your very favorite Japanese food, Japan is confident and proud of producing appetizing farm products superior to those of America and Australia. However, whatever the product, the scale is too different in terms of the farmland, and there is much cost difference. This example compares the United States and Australia. Even if Japan would decide to liberalize import of agricultural products, we must take heed that only Australian farm products would be imported. The purpose of my visit this time is to explain properly about Japan's position together with listening to the idea of the United States, and to make a profound effort to smooth the TPP negotiation with a Japan-U.S. coordination.
16. As to Japan's economy, deflation continues, in addition to the super devaluation of the dollar against Japanese yen, and a rise of energy cost caused by the incident of nuclear reactor is added, all causing a harsh economic condition. The trade balance between January and November 2011 shows a deficit of nearly 30 billion dollars (approximately 2.3 trillion yen). Payment overseas for alternative fuels such as oil, LNG and coal along with the stop of nuclear reactors has been increasing. The solution, first, I think is primarily that drastic monetary policy must be implemented in order to rectify the deflation. Moreover, to correct the excessive devaluation of the dollar and euro, I feel it is necessary to have a "New Louvre Accord" in the 21<sup>st</sup> century associated with the "Louvre Accord" of 1987 which was formed in cooperation among Japan, the United States and Europe in order to rectify the excessive progressive devaluation of the dollar after the 1985 Plaza Accord. Second, in order to curb the rise of energy cost,

I have a strong hope for the United States to expand the supply to Japan of shale gas.

17. As for the European debt crisis, the future prospects are murky. I don't have enough time to make comments on this, but, it must be correct to say that the problem of Europe must be solved within Europe.
18. However, prolonged debt crisis in Europe will have a greatly negative effect on the world economy. Japan is being disturbed by the appreciation of the yen and depreciation of the euro. Even China, which must have money enough and to spare, has become cautious. I heard an interesting episode in Beijing last year: Right after the Chinese announcement to provide school buses to the EU, accidents of school buses occurred one after another. Apparently those accidents happened allegedly because more than two times the quota of schoolchildren was squeezed into a bus. So many critics appeared on the net saying that China should design and supply its own school buses before aiding other countries, the net was overloaded with anger.
19. So, China is disqualified to support Europe, leaving only Japan. I support the idea the Bank of Japan create a fund to acquire foreign bond with a scale of 600 billion dollars (approximately 50 trillion yen). Doing this fund acquisition will become an aid to Europe and a rectification of the yen appreciation and the euro depreciation. As the Director of the Treasury and Finance Division of the Liberal Democratic Party of Japan and responsible for policymaking, I study various methods including enactment of legislation.
20. About China, the United States, Japan, Europe and Asia states will not be divided by China. And we must coordinate in multi-country frameworks, and urge China to firmly be aware of a responsibility as a member of international society and to achieve responsibility as the second largest economic power. Of China, as it is developing with some problems of instability, the difficulty of ruling the inner country is well understood, but I am sure that it is important for China to engage in bilateral dialogue and at the same time to repeat dialogues at the multi-country forums.
21. So far, for so long, I have mentioned my thoughts on the roles Japan should play as well as the situations surrounding world peace and economy. Let me emphasize again that the role of the Japan-U.S. Alliance has become more and more imperative after the nine eleven terrorism, and it has become the basic, extremely indispensable infrastructure for the peace and prosperity of the Asia-Pacific region. May I conclude my speech by praying for the design of a closer coordination between Japan and the United States? Ladies and gentlemen, thank you very much for listening to me.