

# Japan's Foreign Policy: A New Evolution Under Mr. Abe?

by

## Tanaka Hitoshi

**Tanaka Hitoshi:** Let me thank the Sasakawa Peace Foundation for inviting me here to speak and I would also like to thank you, Mr. Chairman, for coordinating this seminar. I feel a bit strange because as a private citizen I am never surrounded by cameras. It is as if I did not leave the government. Actually I left the government one year and two months ago as Deputy Foreign Minister and since then I have been going around and speaking to various audiences. Last week I was in Europe and spent about ten days speaking to European audiences. I visited five countries starting in London at Chatham House, then Ireland, Berlin, Paris, Brussels and spent one day in Tokyo teaching at my university, Tokyo University, and just got off the plane this morning.

I would very much like to talk about two major issues of the day: the Korean Peninsula and China. I would like to talk about the foreign policy implications of the changes that have taken place in Japan, the governmental change from Mr. Koizumi's government to Mr. Abe's, and the implications for foreign policy. Let me first talk about the question of North Korea.

### **The North Korean Nuclear Issue**

I have actually observed the scene on the Korean peninsula for the last twenty years and was responsible for the preparation of the Japanese Prime Minister's trip to North Korea in September 2002. I spent one whole year

negotiating with North Korea in various countries. I spent twenty-five weekends away, and my wife was complaining heavily about my absence from our house on those weekends. That is probably why I quit the Foreign Service when I did. I am so indebted to my family for letting me negotiate with the North Koreans for about one year.

Let me confess to you, I have a terrible sense of diplomatic defeat. But this sense of defeat must be shared by you all, by all the countries concerned, because it was 1989 when we first learned that North Korea had nuclear ambitions. I was among the first to receive intelligence briefings by the United States that the North Koreans were reprocessing nuclear fuel. Seventeen years since then, we have now ended up with North Korean nuclear testing. That is enough reason for us to feel a terrible sense of defeat. We failed miserably in our diplomacy regarding the question of nuclear weapons on the part of North Korea. We tried. Many countries did so. The United States, for instance, had what we called the Agreed Framework in 1994. And South Korea changed their policy and pursued the Sunshine Policy. Japan launched its own initiative by sending Prime Minister Koizumi to Pyongyang and made an agreement, the Pyongyang Declaration. We very much wanted to have a roadmap for the settlement of abductions, for the settlement of nuclear weapons, and for the settlement of other questions such as missiles. Prime

Minister Koizumi, from the very beginning, talked about a comprehensive resolution, because without a comprehensive resolution we could not achieve anything with North Korea. Comprehensiveness was a key word for Prime Minister Koizumi's initiative regarding North Korea. But we failed. Why? The reason is very clear in my mind. Two things. One, the lack of policy consistency on the part of us—on the part of the United States, Japan, South Korea, China and all the others. Two, a lack of solidarity, international solidarity among the countries concerned. We have been manipulated by North Korea because of the lack of policy consistency and the lack of solidarity. Therefore we have to learn from the lessons of the past.

Again, I would like to talk about four essentials when dealing with the question of North Korea. First, we will have to stick to international solidarity, centering on the UN. The United Nations has produced two sets of resolutions. First, regarding the North Korean launches of missiles, and second, the North Korean nuclear testing. We will have to stick to the resolutions by the international community. It is time for China, it is time for South Korea to pursue international solidarity among ourselves. I negotiated with North Korea for more than one year, and they see everything as battlefield tactics. When there is room for manipulation, they do it. If any country, five nations in particular out of Six-Party Talks, show differences in terms of policy, they will certainly try to manipulate it. So solidarity must come first.

Second, we must show a clear red line. We must make a clear statement in

relation to the bottom line. People talk about such things as the U.S. bottom line is not the question of North Korea's having a nuclear weapon. The red line on the part of the U.S. is the transfer of nuclear materials to third countries, particularly terrorist groups. There is some talk on the position of China. China may prefer a nuclear North Korea to the collapse of the current regime. South Korea may say that at the end of the day, North Korea will be absorbed by the South; therefore the North Korean nuclear capability may not be a bad thing for South Korea. And people say that Japan may use this situation to arm itself. People talk about the possibility of Japan acquiring nuclear capability. But it's all wrong—dead wrong. How costly would it be to allow North Korea to acquire more sophisticated nuclear weapons? North Korea is the worst possible regime that should have nuclear weapons. Therefore, we must make it clear to them; we must make it clear to the world that we cannot coexist with North Korean nuclear weapons. That must be the bottom line. That must be the red line. We must make it clear to the world that we cannot tolerate a North Korean nuclear weapon. That is point number two.

Point number three. We must be prepared for the worst. We remember the time when we had the first nuclear crisis in 1994. At that time Japan was among the first who drafted UN economic sanctions, three step sanctions, and went around in the UN Security Council, and China declared that they would use their veto power. And North Korea immediately declared that the implementation of economic sanctions would be a declaration of war. And we studied it: the contingency plan, how to

support the U.S. militarily in Japan, massive reinforcements; fighter planes would come to Japan, where to station them; and how to help the Japanese nationals get out of South Korea and how to deal with refugees. We found out that there is no legal basis in Japan to deal with that type of contingency. That is the reason why I was so anxious to agree upon what we call “Defense Cooperation Guidelines” between Japan and the United States. We succeeded in enacting various legislation—including wartime legislation—and actually this first North Korean crisis allowed us to substantiate Japanese contingency planning. So Japan is better prepared to deal with a possible regional crisis. As I said, North Koreans always think of things in the context of battlefield tactics. Therefore, if there is a kind of weakness shown by the rest of the world they will try to manipulate it. Therefore, one has to be prepared for possible adventurous activities on the part of North Korea. Contingency planning must start now rather than later. So the third essential: one must be prepared for the worst.

And fourth, serious negotiations need to be done. I have great respect for the United States. I have negotiated with the United States on various economic issues. I was saying to my friends this morning that I don’t have a great memory of Washington, because when I was dealing with economic affairs it was terrible—semiconductors, automobiles, tobacco. I am a smoker and even in the eighties when I was negotiating with the U.S. about the tariff elimination with Japan, they refused to allow me to smoke. Terrible. A great country, a very strong country. But, there is a weakness though, on the part of the United States.

When there is a high priority issue, the U.S. can produce one solid unified policy; the U.S. makes it through a very competitive policymaking process. But when there is an issue which is not that high in terms of priorities, the U.S. leaves it as it is. With the issue of North Korea it is terrible, because there is a split on Korea policy in the government. One says that North Korea is a rogue state—why should we negotiate with them? The other side says, given that a war on the Korean peninsula would be very, very costly, there is no other thing but to have negotiations with North Korea. No solid, unified policy so far. I think we need to have a strong, solid, consolidated U.S. policy now. I said that these very serious negotiations may lead to a real solution at the end of the day. But for that one has to be determined. One has to be determined in terms of solidarity of the international community. One has to be determined in terms of the bottom line. And one has to be prepared for the worst. Under those conditions we must be prepared for a very serious negotiation. All-in-one negotiations.

### **Negotiating With North Korea**

Even when we engaged in secret negotiations with North Korea, we operated against the background of the strong George W. Bush statement that Iraq, Iran, and North Korea are the Axis of Evil, and the North Koreans were terribly intimidated by that statement. They wanted to improve their relationship with Japan, and in my negotiations with North Korea, half of the time I explained the policies on the part of the U.S. I said to them that the U.S. at the end of the day would not make an empty threat. If the U.S. were

to make an empty threat, world governance would be undermined. Therefore, the U.S., if determined, and if they make plans and the conditions are not met, then the U.S. will use force. That's the explanation I gave to the North Koreans. That's the reason why the North Koreans were terribly intimidated by the U.S. and wanted to improve relations with Japan as their insurance policy. So, I would recommend to the United States government that this time the U.S. be prepared for very serious negotiations. To engage themselves in serious negotiations, the negotiations must be mandated by the very top of the government. Without the authority of Kim Jong Il, no negotiation achieves anything. Only when the President of the United States clearly mandates U.S. negotiators to pursue a comprehensive settlement will there be a slim chance that we will succeed in resolving this issue. We've spent seventeen years, and we've ended up with North Korean nuclear testing. Terrible. The NPT regime as a whole is in danger, no question about it. And regional security in East Asia is at risk. Therefore I think the five countries in the Six-Party Talks must be determined this time to pursue very serious negotiations. For that matter I would very much like to see a solid U.S. policy emerge and for them to engage in very serious negotiations under the direct authority of the President of the United States.

I can't be too optimistic about the future outcome. It would have to be a very painful process. We could easily imagine that North Korea would not give up its nuclear capability that easily. Because they probably feel that a nuclear weapon is a last resort to protect their regime.

There is only one objective for them, that is regime survival. There is no question about it. Therefore, we shouldn't imagine that they would give up their nuclear weapons in a short period of time. It is unfortunate, but we would have to devise a process, a painful process that might take four, five years to come to a final resolution. But it is much better than the current state of affairs. We shall watch that process very carefully. We shall force them to get rid of their nuclear facilities one by one under clear, verified measures. And as I said a comprehensive resolution is the only possible resolution. Therefore, we have to think about various measures. If we were to get a one hundred percent unilateral agreement, that would be fine, but in the world of diplomacy we would have to give them a certain prospect for the future. Not a reward, but a prospect for the future. Therefore, that process would be a painful process; on the one hand, verifiable dismantlement of nuclear facilities and settling various other issues; on the other hand, a future prospect of economic cooperation, normalization, and all sorts of things. That process must be very carefully watched by the international community and by the Six-Party Talks. That probably is the only possible resolution, if there is one.

### **The Challenges of the Rise of China**

Now let me move to the question of China. Nobody expected that China would grow this fast. The World Bank may have projected possibly 4-5% growth. But China has grown 9.4% annually over the last twenty some years. This is unprecedented in two ways. One, when we had huge growth in both the United States and Japan during

the last century, our population was less than 100 million. But now we talk about China with a massive population of 1.2 to 1.3 billion people and growing. When we were growing there were relatively abundant energy resources. Now China grows with scarce energy resources—that is unprecedented. Second, Chinese growth is with the help of the international community. If you look at their GDP, the trade contribution and foreign investment contribution is very significant. Therefore, Chinese growth benefits the rest of the world as well. There is no such thing like a containment policy today. Only one policy stands, that is the constructive engagement policy.

But at the same time we must recognize the huge problems that China will have to encounter. Three things. One: political freedom. How much political freedom are they willing to provide to the people? We saw this terrible anti-Japanese demonstration in April of last year. It started with less than 500 people and in a matter of two hours it grew to nearly 50,000. Why did that massive demonstration take place? It is because of the increased use of the Internet and the increased use of mobile telephones. The society in China is no longer shielded from the rest of the world. We talk about 300,000 Internet police in China, but they cannot stop all of this information shared by the people through other communication methods—mobile telephones and the Internet and all sorts of things. Therefore, sooner or later China will have to face this question of political freedom versus economic freedom.

Point number two: The question of income disparity which exists in China.

If you compare the income in the city to the income in the agricultural lands, it is 3 to 1. If you compare the income in the coastal area to the interior, it's 10 to 1. That is a terrible income disparity, and can cause terrible instability at the end of the day.

Point number three: The question of energy and the environment. Chinese energy efficiency is only 1/10<sup>th</sup> of the Japanese. So without resolving the question of energy and the environment, steady Chinese growth cannot be imagined.

### **Structural Changes in Japan**

So all those terrible questions, unprecedented again, that we need to recognize. People talk about deteriorating Japan-China relations due to Prime Minister Koizumi's trip to Yasukuni, but one should not be misled by that. It may be a very symbolic issue, but at the same time we must consider various structural changes taking place both in Japan and China. Prime Minister Koizumi is in a sense very symbolic of the kinds of structural changes taking place in Japan. One may call it the end of the postwar period in Japan.

First in terms of economic changes. Again, when we operated in the postwar era, the Chinese economy was relatively small, less influential. We still considered China a developing country. But with fifteen years of economic stagnation on the part of Japan, and as I said, huge growth on the part of China, all of the sudden for the Japanese, China is a giant at the doorstep. So relative economic differences emerged.

And second, the psychological changes taking place in Japan after sixty years.

One wonders, why should we be taunted by the question of history? Japan has amply demonstrated its democracy as a peace-loving nation should. I used to talk to Prime Minister Koizumi about the question of Yasukuni. I went in and, since I was a bureaucrat I wouldn't say that the Prime Minister should not be doing this or that, but I stated to him that this is a significant opportunity for us to be able to fundamentally change the relationship between Japan and China for the better. But Prime Minister Koizumi stated to me that we no longer intervene with neighboring nations about crucial domestic affairs.

Koizumi is known for his independence of mind. I sat with the Prime Minister at all the bilateral summit meetings with President Bush. People may say that Japan is such an obedient nation to the U.S., but you don't feel that in the bilateral meetings between the Prime Minister and Bush. All the time the Prime Minister is much more talkative than Bush, and when that bilateral meeting took place it was the question of Iraq on the agenda. I never heard from President Bush that Japan should send troops to Iraq. I never heard that Japan should support the U.S. in attacking Iraq. It was Prime Minister Koizumi who said, I shall make the right judgment—don't say it. That is a clear sign of independence of mind, and a sign that Japan has substantiated its security policy. Japan has also moved a long way in opening its market. The Japanese economic structure is sufficiently modern these days. So, in the mind of the Japanese people, they feel that we are a normal nation and should not be interfered with in our own affairs too much. So Prime Minister Koizumi indeed symbolized those types of

psychological changes taking place in Japan.

Political changes. Again, Koizumi pursued reform. And when he pursued reform he was not able to rely upon the existing political system because the LDP, in his view, was supported by vested interests. In order to get rid of the vested interests he wanted to align himself with the public—but he was not a populist. He did not blindly follow public opinion. His strength was indeed his ability to change public opinion. On the question of Iraq and the question of the privatization of the postal system, public opinion was very much against it; but he decided to send troops to Iraq and he decided to pursue the privatization of the postal system. And he changed public opinion. So all of the LDP members felt that if they opposed Prime Minister Koizumi's policy, they might lose the next election. And that indeed took place when he called for a general election last September. So his strength was his ability to change public opinion and no longer rely upon the traditional party system. And these basic changes that took place in Japanese politics won't change, even under Prime Minister Abe's regime. Some younger politicians make mistakes and misunderstand all of this. They watch public opinion and follow it. It is all wrong. Koizumi's strength was to change public opinion, but this will be the basic tendency in Japanese politics.

### **Sino-Japanese Relations**

There were many changes, even in relation to China. A pro-China policy was pursued by the strongest political faction in Japan, the Tanaka faction. The faction politics are no longer here. And

again, this is the very basis of the structural changes taking place in Japan and China.

I think that Abe's trip to China must be seen as a success. But that is only a beginning. What we need to do is to address the key issues that exist between Japan and China and re-create a big power relationship. It's not a big power versus developing country relationship. We need to establish a big power relationship between Japan and China. In order to do that, we need to address three major issues.

One is the question of history. History must rest in the right place and not be politicized. But for that Japanese political leaders must observe some basic rules. You cannot deny the fact that Japan inflicted a lot of pain on the countries in the region—Korea, China and other neighboring nations. So the political leaders must have that basic recognition of the past. This does not mean that we should argue about how many people the Japanese killed in Nanjing and that sort of thing. But there must be a basic rule that Japanese political leaders must follow. Based upon that, the two political leaders must agree that history shall not be politicized, and history should be left to the historians. This joint history debate shall be taking place soon between Japan and China.

Point number two: I think there must be a much more transparent security policy between China and Japan. In ten years time the Chinese GDP will be equal to ours most probably, as will their military capability. Therefore we need a much more transparent security policy, and there would have to be a device between

Japan and China to make sure that their respective security policies become much more transparent.

Number three: There will have to be a very serious cooperative mechanism between Japan and China in relation to energy and the environment. Japan has the technology to address the question of energy inefficiency in China. Also the question of the environment—there will have to be a very serious mechanism to deal with this question between our two countries. It is not just a question of China, it is a question of us, because skyrocketing energy prices also effect us a lot. So we must recognize this as our own issue as well. Three major issues must be dealt with and we need a grand bargain in the relationship between Japan and China. Prime Minister Abe, as I said, made a good start in his trip to China and Korea. It is not just the question of Yasukuni Shrine, this is a question about the restructuring of the big power relationship. We should not forget about this.

### **East Asian Economic Community**

Now having said that, I would like to talk about foreign policy in East Asia more generally. I think we need to establish a process for East Asian economic community building—not a political or security community, an economic community. We have seen a surge of nationalism in China, Korea, and Japan. That surge of nationalism may become a confrontational nationalism as we see the Olympics being held in China in 2008 and the World Exposition in 2010. Depending upon the outcome of the question of North Korea, there may be a very exclusive nationalism emerging in the

region. There must be something in common, something like a common pursuit of regional interests. That is why I strongly advocate East Asian economic community building. I would like to see it first in the form of multilateral free trade agreements in the region. We talk about ASEAN Plus Three, but I would like to talk about ASEAN Plus Three Plus Three: ASEAN plus China, Japan, Korea, India, Australia and New Zealand. Japan has been pursuing bilateral free trade agreements with various countries in the region. That needs to be multilateralized. I think that an economic community is a possibility in the future. We should not have any illusions because there are huge differences in terms of the development stages in those countries, and we need to provide more resources for capacity building to reduce the economic differences existing in the region.

In terms of security, I would like to see the United States play a very major role in this. For hard security, again, I cannot imagine a multilateral security mechanism in the region at the moment. Regional security must be maintained by bilateral systems. U.S.-Japan, U.S.-Korea, U.S.-Australia and such things. But yet, there are such things as cooperative security. Like countering the proliferation of weapons of mass destruction, counter-piracy, defense cooperation. These are the confidence building type of cooperative security. I think it is time for us to talk about a cooperative security mechanism multilaterally, with the participation of the U.S. I do not see a substantive reason why the U.S. would participate in economic community building because the U.S. is a global economic power. The U.S. won't join the European

Economic Community. So I would like to see an East Asian economic community, but at the same time I would like to see a multilateral, cooperative security mechanism in the region with the United States. And again, the question of the Six-Party Talks. If they are a success, however remote a possibility that might be, they could become a good regional confidence building mechanism. There are plenty of other issues which need talking about, but since there is a time constraint I'll end here. Thanks very much for your patience.

**Mike Mochizuki:** Well, first I would like to thank the Sasakawa Peace Foundation and John Ikenberry for inviting me to participate. It is indeed an honor to be on the same platform with such distinguished colleagues and especially to hear Mr. Tanaka Hitoshi speak about Japanese foreign policy. I have always been a fan of his, every time I used to meet with him in the Foreign Ministry I learned so much and came away very reassured that there was indeed serious strategic thinking going on in Japan. He's very modest so I would like to plug some of his writings. Being an academic I tried to do my homework before coming today. There is in Japanese a book called *Kokka to Gaikou* (State and Diplomacy) in which he lays out very clearly and with much detail his vision for Japanese foreign policy. Also, on the Japan Center for International Exchange website he has published three very good policy briefs on many of the issues he talked about today, and I would recommend that all of you take a look at that if you have not done so already. And in fact many of the themes that he underscored today he has already underscored on many occasions

in Japan and in conferences in the U.S. and on Japanese television. So it is a great privilege to be here so that I can press him on some of the issues he has raised.

### **North Korea Policy**

First, in terms of Korea. In many ways Mr. Tanaka is very much the consummate diplomat. I think he was very polite in saying that we all suffered a terrible defeat. Of course one of the problems is a lack of international solidarity and the other is a lack of policy consistency. But I guess this raises the question—what kind of consistent policy should we have pursued that might have led to a better result than the one that we are at now? Given that analysis it might then allow us to think about what we should do from now on. My sense is that we were on the right track. It is not clear that it would have worked perfectly, but toward the end of the Clinton administration with the Perry report and the establishment of the trilateral coordination and oversight group, we were developing a sense of solidarity, a comprehensive engagement approach and trying to deal with North Korea on a variety of issues which would ultimately transform North Korean incentives so that North Korea would not have had to have tested the nuclear weapon. So it seems to me that although you were never explicit, what was implicit in your remarks was that there was an abrupt shift in policy regarding that and the shift comes in the U.S. with the advent of the Bush administration and basically pursuing a policy of turning over the achievements of the Clinton administration and basically abandoning many of the ideas in the Perry report. At

the same time, Japan too had to pull back from a comprehensive engagement policy because of the continuing tragedy of the abduction issue.

So it seems to me that the question is, now that North Korea has tested their first nuclear device, whether it is possible to go back and try to revive this comprehensive engagement strategy. You seem cautiously pessimistic but you feel this is the only way to go. I guess my concern is that I am not sure whether the U.S. is free to go in that direction. I mean we already have the rhetoric out there that we don't want to reward bad behavior and we also have said adamantly that we don't want to engage in bilateral negotiations. So I am pretty pessimistic as to how much flexibility there is in the Bush administration to change tracks on North Korean policy.

So the question that I have for you, and here I'm cheating because I watched you on television when you talked about North Korea. You said at the time that the U.S. does not have the energy to engage in bilateral discussions with North Korea. So there is a role for Japan to play. This was of course before the North Korean nuclear test and while the Abe government was being formed. What is interesting about the last week or so is that Japan has gone on a very forceful track in terms of sanctions towards North Korea and has been staying in line with the United States. So my question to you, Mr. Tanaka, is whether there is an opportunity at this time for Japan to play some kind of role, because Japan is the ally closest to the U.S. on this issue. And if so, what kind of advice can Japan give and what kind of role can Japan play?

## **China: History and Military Transparency**

Turning to the other issue of China. You've said this many times about the importance of depoliticizing the history issue, the importance of a security dialogue with China, and working for military transparency along with cooperation on energy and the environment. I support all of those things. I guess I have two questions. One is on depoliticizing the history issue. There is much speculation as to what signal or what promise Prime Minister Abe made to China. I think the official line is that there was no promise made, that it was basically sticking to an ambiguous position. But from China's perspective there seems to be a feeling that Mr. Abe would not go to Yasukuni Shrine while he is in office. Now if that is true, then is this sufficient to depoliticize the history issue? And conversely, if Mr. Abe did indeed not signal that he would not go to Yasukuni during his term, if he were to go to Yasukuni maybe a year from now, then what would happen to Sino-Japanese relations?

The second issue I have about China is the need for military transparency—and I'm all in favor of that. I'm just not sure whether military transparency is the panacea to the security problem that is emerging with the rise of China. It doesn't take much to figure out what China's military programs are. If you go to the open sources it's pretty clear, and the rationale is that China wants a secure strategic nuclear capability, wants to have the military capabilities to prevent the independence of Taiwan, and wants to become a general maritime power. So even if we were to have military

transparency, it doesn't necessarily solve the security problem. So I guess at this point I don't see an explicit security competition between Japan and China. China has been building up and Japan has decided to participate in missile defense. But other than that I don't think that there has been a real Japanese military build up. And the reason for that is that the conventional military balance is still in favor of Japan. With the U.S. and Japan, the two countries together have both air and naval superiority over China. But in five to ten years that military balance may shift. And at that point the Japanese will face the critical decision of whether to upgrade its military capabilities to stay ahead of China. We may be then in a period of some kind of arms spiral leading to a security dilemma. So I guess the big question is what mutual security interests are we willing to accept on the part of China, on the part of the U.S., on the part of Japan that could lead to some stability or are we inevitably going on the road to an arms race? It hasn't started yet but that is the possibility.

## **East Asian Economic Community**

On the East Asian economic community idea: I am basically in favor of that and I think it is terrific that you are in favor of supplementing that with a multilateral cooperative security framework that includes the U.S. Because you know that the United States is always nervous that somehow the Asians are talking to each other without the Americans, although the Americans talk to other people without the Asians, but you know that's the insecurity of Americans. But in the end, one wonders whether the East Asian economic community is necessarily the most optimal framework.

I thought that President Clinton's vision of a Pacific community was the way to go. APEC was probably the right formula but it had a checkered history. So I am wondering if ultimately we might want to connect the East Asian economic community with the U.S. And here I was wondering what you felt about the United States and Japan negotiating a comprehensive economic partnership agreement that would establish a high standard for how to manage economic interdependence in a global age.

### **The New Japanese Cabinet**

The final issue is something that you did not mention today because you are a diplomat. But you mentioned it on television in Japan as the first thing you would desire from the new administration in Japan. This relates to what alliances are all about—and John Ikenberry has written about how alliances are good because they give voicing opportunities to allies—but the interesting thing is that you talked about how Mr. Koizumi talks a lot in the summit. I am really wondering how much of a serious voicing opportunity Japan has in the context of the alliance. We talk about an equal alliance but the reality is that it is not an equal alliance. The U.S. will decide what it will do and then consult with the rest of the world to get their support. But to what extent can Japan really exercise a voice and influence American policy on important issues? North Korea, Iran, Iraq, anything. My feeling is that no matter how good the alliance is—even in the U.S.-British alliance our allies do not have much of a voice. And so your answer to that on television was the first thing, distance, *kyori*, right? That there

should be some distance between the United States and Japan. In a sense, that distance is possible because the U.S. and Japan are so close together. And so what I wanted to press you on is this: on what issues would there be some distance between the United States and Japan and on what issues ought Japan pursue autonomy for the better interests of both the U.S. and Japan. Thank you.

**Randy Schriver:** Thank you very much for including me in this discussion and for having me sit alongside such distinguished guests. And thank you for acknowledging the new addition to the family [Ikenberry mentioned earlier that his wife recently had a child]. I was actually sitting in this very spot, Allen Romberg was with me, when my cell phone started going crazy, text messages, 'get to the hospital' and so I actually wasn't able to finish my participation in an event here at Carnegie last week. So the good news is I am a lot more relaxed today. The bad news is after a week-long stay of a new infant I am a lot more tired. So if I do not make sense in my remarks today it is not the government trained obfuscation that I am employing, it's the lack of sleep. But again, thank you. I guess I construed my role, even though my own service is further and further in the rearview mirror, as giving a bit of a U.S. view on looking ahead at the Abe administration and your characterization of where Japanese foreign policy might go. Of course we have a terrible habit as Americans and as officials and former officials of critiquing other people's foreign policies and their domestic policies as related to foreign policies. Some would say, not even critiquing, we meddle. So before I meddle—I'll meddle later—let me speak first on the U.S. and

our view of Asia. And then let me come back to the observations you made about the direction of Japan's foreign policy.

### **U.S. View of Asia**

Sitting here I would say that I agree essentially with the observations of the National Intelligence Council study that looked out to the year 2020 and I think identified beyond the shadow of a doubt that Asia is the center of gravity for virtually every aspect of human activity as we go forward. By 2020, 56% of the world's population, 6 out of 10 of the world's largest economies, 7 out of 10 of the world's largest militaries, 5 out of 10 of the world's largest energy consumers, 5 out of 10 of the world's largest polluters, et cetera. So by virtually any objective standard, Asia is and will continue to be into the future, the center of gravity of human activity.

Not only is it big and important, the first point, it is also extremely dynamic. Things are changing rapidly and evolving rapidly. It is quite fashionable to talk about the rise of China and the emergence of China. Of course we have some form of re-emerging Japan or whatever your term for it might be. There is the Asianization of India. India is following its own "Look East" policy. There is the potential for increased radical Islam activity in Southeast Asia and throughout the region. So it's big and important. It is also dynamic and evolving.

The modalities and mechanisms for problem solving and addressing challenges are also evolving. It's not just the case that the U.S. is the great Pacific power, not Asian power, but Pacific power, alongside our allies and can hold

forth on what we think policy should be, and others fall in line and carry it out. People have their own agendas and own interests and they are setting about creating new modalities for pursuing those interests. I think we have started to touch upon some that are either now in existence like the East Asia summit, ASEAN Plus Three, or are future mechanisms that are envisioned. So this is also adding to the challenge for the United States.

And finally from the U.S. perspective, whether or not we can walk and chew gum at the same time, or any of the other expressions I have heard recently. Suffice it to say we have a lot going on in the world right now and there is significant attention to another region of the world. Attention including the time and attention of senior leaders but also resources and military capability, et cetera.

So all of these things combined, for me to say as we move forward, that the U.S. badly needs help in Asia. This is not a region that, if we ever could go it alone, we want to go it alone if we have any hope of securing our interests. It's commonly observed that for Japan, a strong alliance with the United States and a strong commitment from the U.S. is vital to Japan's security. I think the inverse is true. It has always been true, but as we move forward, for the United States a strong alliance with Japan is going to be key for our ability to project influence and our ability to secure and look after our interests in Asia.

### **The U.S.-Japan Alliance in Asia**

So this is where I want to swing back now to some of the observations and

some of the other commentary that is out there on the direction of Japanese foreign policy. And let me caveat this: I was glib upfront about meddling, I think it's wrong for Americans or anybody else to say that Japan should do this or that on their constitution, that Japan should do this or that on Yasukuni Shrine, or this or that on deploying forces overseas. However, I don't think it's wrong for Americans to say that we have important interests in this region and we have a vision for the particular role that we want to play in the Asia-Pacific and a correlating vision for the U.S.-Japan alliance. Now maybe that strongly implies our hope that Japan takes certain actions or certain steps with respect to these various domestic debates. I do think it is a subtle yet important distinction. To say that this is where we want to go does not suggest there is a single path to get there. Japan does need to debate a variety of these things and come to its own decisions. I do think it is fair for us to say this is what we hope to see out of the alliance.

So with that in mind, I think from our perspective—and when I say ‘our’ I very much mean a certain school of Asianists within the U.S. foreign policy community, maybe an Armitage School, maybe that wouldn't surprise you, but those that I think have a long history of valuing the U.S.-Japan partnership and have a vision for where they want to take it—so our view is that Japan needs to be a full partner as we go forward. We are not just talking about burden sharing, we are talking about responsibility sharing, we are talking about leadership sharing, we are talking about action sharing. It is critical for the U.S. to have a likeminded partner alongside us in Asia. Not that there can't be distance, that there can't

be disagreements between us from time to time, but this is the guiding principle that we would like to operate under. I think Japan is likely trending in that direction. There are discrete decision points along the way and I've alluded to some of them, about the constitution and deploying forces overseas.

### **U.S. Role in Sino-Japanese Issues**

I want to pick up on a couple of other things you have mentioned. Not that it is not trending in the right direction, but where we have some immediate and near term challenges. I think the China relationship is something that needs to be addressed and it needs to be primarily addressed by Japan and China. But there probably is a U.S. role in trying to facilitate a quality comprehensive and constructive relationship between Japan and China. I think that the agenda, Mr. Tanaka, that you suggest is very sensible. I agree with Mike a bit on, what I think you were implying, the ability to depoliticize the history issue. In Washington, when people say that we need to depoliticize an issue, it is the surest sign in that there is no chance in hell it's going to be depoliticized and that's their excuse for not doing anything on it. I don't think that's the way you meant it but certainly depoliticizing history is quite a high bar to get over. I think that by its very nature it is going to be political. For that reason and others I do not think it is a particularly good issue for the U.S. and others to get in the middle of and be involved in. I think it's extremely difficult, even if we were able to be an objective, neutral, outside party, that role is extremely difficult to play in an issue area like history where emotions are so high and segments of history are under debate about what's relevant to

resolving this difference. I think it's not necessarily where the United States would be best employed to try to facilitate a better Japan-China relationship. But I do think some of the other areas you mentioned, things like energy security, environmental cooperation, I'm not sure anybody mentioned maritime security. Particularly as an alliance partner of Japan, and the military aspects of that, these are areas that I think we can involve ourselves in promoting trilateral cooperation. And I think it could be very positive. I think the sort of hot economics-cold politics is not sustainable forever.

There is one line of thinking out there that a little bit of tension between Japan and China is good for the U.S., particularly for those of us who are interested in defense issues, because it's something that we can employ to strengthen our defense alliance with Japan. I find that very tempting, but also having worked in more than one federal agency, find it very hard to believe that we have the deftness and the rudder control to actually get that right amount of tension. The more likely case is that it would veer back and forth between high tension and modest tension and those periods of high tension are just too risky. So I think there are ways that we can employ ourselves as a third party and as an alliance partner of Japan to try and help. I think there's a trap to avoid. The trap is that tension between China and Japan is not in the U.S. interest. The U.S., being an alliance partner of Japan, has more influence in that relationship and therefore our role, naturally, is to apply pressure to Japan. I think that's a logic train we want to avoid, we don't want to be seen as pressuring Japan in

the hope of improving China-Japan relations. But again, avoiding issues where we are not likely to be terribly successful, like history issues, and focusing on issues where there are real requirements, like energy security, environment, and maritime security, and ones where it's natural, where we have a comparative advantage given our military presence, to play a positive role. So I think there is a role for the U.S., and we have to be careful how we play it.

As we go forward, I do think that the U.S. should be looking for a full partner in Japan in Asia. That does not mean to say that Japan should do this or that on issues, but it certainly does imply a direction we want to go in. I have been extremely impressed with Prime Minister Abe. He inherits a difficult position with regards to the popularity of his predecessor, and I think popularity well deserved. As Americans I think we should be grateful to Prime Minister Koizumi and his investment in the alliance and his strengthening of the alliance. But I think that Prime Minister Abe is also off to a very good start recognizing the importance of the relationships in the neighborhood. He deliberately chose to go to China and South Korea before making that traditional first trip to Washington; I think that was a very good move. Although he has a very tough slog leading up into the summer elections—perhaps just by virtue of being a victim of previous success—I think nonetheless he is off to a very good start and is very able to get there. I think the U.S., although we need to avoid the meddling that I talked about, if we embrace the agenda I hear Prime Minister Abe talking about, I think we will be on a good path.

**John Ikenberry:** Thank you very much. And with that I want to give our guest speaker just a couple of minutes, if he feels strongly about any of the points that he has been pressed on already, whether it's the autonomy, separation issue—the last of Mike's questions—or any of the others. If you want to respond to whichever you are feeling most passionate about and then we'll open it up.

### **Japan's Role in Negotiating with North Korea**

**Tanaka:** Thank you very much for those very intelligent comments. I would like to respond to Mike's question—his first question on the Korean peninsula and Japan's role to play. Yes, indeed, there is a significant role that Japan should play. I think Japan has been placing itself in the right position to play a certain role vis-à-vis North Korea. 2002 was the typical case. Japan is a good ally of the U.S. and given the fact that North Korea is so intimidated by the United States, Japan is the right country to negotiate with North Korea. Prime Minister Abe is known for his very tough stance against North Korea. This adds to the possibility of Japan playing a significant role because countries like North Korea see things in terms of power. They dismiss those without power immediately. North Korea will face those with power. So Abe, who is known for his very harsh stance against North Korea, may have a very significant role to play vis-à-vis North Korea. But this will have to be based upon international solidarity among the countries concerned. I don't think any country, not the United States, nor Japan, can play a good negotiating role if there is a hole, like China helping North Korea or South Korea helping

North Korea. Once and for all, we must consolidate ourselves based upon the U.N. resolutions. So negotiations and the sanction regime will open up possibilities.

### **Historical Issues**

The question of history vis-à-vis China. I think the question of history is a double-edged sword on the part of China, because again, the anti-Japanese sentiments regarding history could easily become anti-Chinese government. Therefore this is a question that needs to be dealt with in a very careful way. I do not expect Prime Minister Abe to go to Yasukuni. It depends, but as you say Mike, if Prime Minister Abe went there the Sino-Japanese relationship would deteriorate further. So I think at least that Prime Minister Abe should expect further deterioration of the relationship if he decides to go to Yasukuni. The point I am making is that through the Japanese government's domestic policy we must find the right way to respect those who passed away during the war. But at the same time, we need to have a grand bargain with China, with how to treat history being a part of it. The grand bargain must consist of history, security policy, the environment, energy efficiency, and those sorts of things. We also have some things we want China to do. So in that grand bargain I think the Japanese Prime Minister should find some other way to pay his respects to the war dead.

### **Security Cooperation**

Third, the security question. I think that we will have to pursue multi-faceted policies. We need a hedging policy; the Japan-U.S. alliance would have to be

further strengthened even for that. Hedging policy being needed, we would like to develop our relationship with Australia, Korea, New Zealand, India—all those democratic countries. And we would like to have a bilateral mechanism in which security transparency would be achieved, but at the same time we would like to have a multilateral-type security cooperation mechanism with the United States in it. You talked about trilateral cooperation—that may be one of the methods of doing it. I think we need several solid policies to deal with the future military capabilities of China.

### **U.S.-Japan Partnership and Article Nine**

I don't see any way of negotiating a close economic agreement between Japan and the U.S. because we are the two largest economies in the world. How could we do this without undermining the World Trade Organization's global trade negotiations? And again, I think East Asia is much less developed in terms of economic capability. By advocating closer economic arrangements, the free trade agreements in the region, we are talking about enhancing the economic capabilities of East Asian countries. That, at the end of the day, would benefit the United States as well.

The alliance partnership, equal partnership. Unfortunately, I think we need to further enhance our capabilities in order to claim an equal partnership with the United States. One thing is quite clear in my mind—we need to review the question of collective self-defense. It does not make sense for us to stick to the current interpretation of the constitution. It's based upon many fictions. I can say

it because I am out of the government, mind you! This doesn't make sense—the Prime Minister in the Diet states that because the Self Defense Forces are present in a certain area of Iraq it is a non-combat area. I mean, this is a tautology, it doesn't make sense. And it does not make sense that the British and Australians are in charge of security while the Japanese Self Defense Forces are involved in humanitarian assistance and the reconstruction effort. It doesn't make sense. So I think that before debating constitutional changes we must reinterpret the constitution so that Japan will be able to exercise the right of collective self-defense. I think that democracy is partly a procedure. We need to have a clearer procedure in which the government or Diet decides the cases where Japan may exercise the right of collective self-defense. I am sure that Prime Minister Abe will be able to do it. I hope he will do it. Again, this is not the only solution to making the partnership more equal. We need to be more proactive in our diplomacy to East Asia. Being very proactive and playing a leadership role in East Asia would make Japan a worthy partner of the United States. So let us not be too passive in terms of our diplomacy in East Asia. Let's be proactive so that the U.S. will regard us as a worthy partner in Asia. I have never said that we should distance ourselves from the United States. I am known as a pro-American diplomat, although I am no longer a diplomat. Thanks very much.

### **Q&A**

**Ikenberry:** Very good. Okay, so we've got questions. Make them short and we'll collect a few and then ask our panel to respond, please.

**Questioner:** You mentioned the importance of the U.S.-Japan alliance, the contribution to Iraq, no one would disagree. But what if the United States were to attack Iran? How would that affect the alliance?

**Questioner:** Thank you for the excellent presentation. I am very happy to hear from someone who has spent so much time negotiating with the North Koreans. In regards to the prospects for engagement with North Korea, you mentioned that North Korea was drawn to seek some rapprochement with Japan because of the “Axis of Evil” speech and apparent threat. That broke down and a lot of that revolved around the abductee issue. Two part question: Why would the North Koreans make the abductee issue a block to what seemed to be in their strategic interest? Secondly, Is it possible in terms of Japanese domestic politics that the abductee issue could be separated from negotiations with North Korea on missiles and nuclear development?

**Questioner:** I didn’t hear the word Australia mentioned. I know that there was a trilateral dialogue that took place, I know that Australia is an ally of the U.S. From many I have heard that the U.S. relationship with Australia is quite strong and that the relationship with Japan is quite strong. But it’s the third link between Japan and Australia that needs development. I wonder if the panel would agree with that statement. What can we expect under Mr. Abe’s rule? What efforts should be taken to bring Australia into the kind of relationship we are discussing here today? Thank you.

**Ikenberry:** Why don’t we take those now as questions and pick and choose as you wish. As a professor that’s what I do.

### **Attacking Iran?**

**Tanaka:** I don’t believe that an attack on Iran by the United States is a feasible policy, so there is no point in us arguing about the possible Japanese response to it. Seriously, I think it would create huge repercussions and there would have to be a thorough debate on that because it will create huge instabilities in the Middle East as a whole. I was also a negotiator vis-à-vis Iran and they were so anxious to have direct talks with the United States. The whole time I operated with the strength of U.S. behind me. I think in relation to Iran that this kind of solidarity among all of the countries concerned would be something we should pursue first.

### **The Abductees**

Question of the abductees. I don’t know why the North Koreans held back on that. North Korea refused to admit their abductions for more than twenty years. We negotiated with North Korea and we demanded that North Korea acknowledge it, apologize for it, and get all of the survivors back to Japan—and they agreed. Kim Jong Il, when he met with Prime Minister Koizumi, he acknowledged it and apologized. But why did he do it? Because we had given a comprehensive prospect for the future if we resolved things with the abductees, the nuclear weapons question, and missiles. My guess is that in North Korea, everything is of the same root. Therefore we unfortunately cannot imagine resolving the question of the

abductees without resolving the question of nuclear weapons and missiles. They use these issues as their leverage. We need to deal with the very basis of their policy. There needs to be a complete transformation of policy on the part of North Korea. Therefore to answer this we have two options: to attack and destroy them or to negotiate in a comprehensive way and watch the process of resolving things in a very, very tight way. I would certainly prefer the second solution.

### **The Role of Australia**

The question of Australia. Yes, indeed. One day I went to Australia and talked with the Foreign Minister and others and asked them: “Are you Asians? Are you Europeans? Are you Americans? What is your orientation?” And I said to them, “When we see the future, your involvement in Asia will have to be expanded. Please consider this—you need to be active in the affairs of Asia, although Asians sometimes see Australia as a deputy of the United States. I would very much hope that Australia will understand the sensitivities on the part of the countries in East Asia so that Australia can be a full-fledged actor in East Asia.” The triangular consultation—we had a strategic talk between the U.S., Japan, and Australia. But that type of strategic talk would be more effective when Australians understand the sensitivities on the part of Asians, and Japan becomes more proactive in her diplomacy vis-à-vis East Asia.

### **Japanese Military Normalization?**

**Ikenberry:** One of the themes of your talk is the need for comprehensive

settlements and grand bargains—a comprehensive settlement with North Korea and a grand bargain with China. My question is, do you have the same thinking when you think about the evolution of Japanese security policy? There is a view in Washington that Japan should step up to the plate, should normalize, should reduce the self-imposed constraints on its military and become a full partner in many new ways—a kind of Britain in East Asia. I guess the question is how far do you think Japan wants to and is willing to go down that path, number one; and number two, to what extent do you think going down that path needs to be linked to a grand bargain with the region about security cooperation, in effect making progress simultaneously on your idea of a multilateral cooperative security mechanism? Are they tied and how do you move along those two tracks?

**Tanaka:** First of all, the substantiation of Japanese security policy. I don't think we should have power projection capability; that must be left to the United States. But yet, I think that we should develop a much more effective missile defense mechanism. We should change the interpretation of the constitution so that the Japanese Self Defense Forces can be dispatched to foreign countries. Basically under a resolution of the U.N. Security Council, but like the Germans we should leave room so that we can deploy the Self Defense Forces independently or along with the United States. But those concrete cases should be examined in a very careful way. Japan will not send troops for a combat purpose alone. Combat may have to take place as a result of peace maintenance, peacekeeping, or various other actions. Therefore it would have to be a step-by-

step approach. We cannot jump to complete normalcy of our military capability nor power projection capability. But defensively, we must substantiate and have a much more substantive defense policy as well. Even in a case of cooperative security like countering piracy—at this juncture we still have a lot of limitations. We cannot provide arms, we cannot provide weapons, we cannot provide ships to foreign military entities—even for counter-piracy operations. Therefore, without addressing those sorts of limitations in Japanese security policy, we cannot achieve multilateral cooperative security in the region.

**Questioner:** As for a sense of solidarity, how exactly do you want to create a sense of solidarity? What kinds of cards and methods do you have in mind? As you can see in the Six-Party Talks, the interests of the five nations have not really converged, and their interests are still diverging. Now, China and South Korea are beginning to work in favor of a solution but only under the shadow of the Japanese going nuclear. So is that actually using this card? How exactly do you see the successful creation of solidarity? A brief second question, you mentioned that you welcome the inclusion in some way of India, Australia and New Zealand in an East Asian economic community. I have read the book that Professor Mike Mochizuki mentioned, and you suggested, not explicitly but reading between the lines, that it is geared to tame China. So in your vision of East Asian economic community, what is the role and status of China and Japan? Do you see China playing the number one role and as the predominant country in the East Asian

economic community you have in mind? Thank you.

**Questioner:** Thank you very much. My first question is addressed to Mr. Tanaka. The question is concerning the Yasukuni Shrine issue, first raised by Mike and then responded to by you. As for Prime Minister Abe's visit to China, he supposes is it very important for Japanese to pay their respects to war dead. He would not want to politicize the matter and would not say if he is going or if he visited or not. This is a formula he has devised and I suppose this is a different formula from what Prime Minister Koizumi has done. You have said that Prime Minister Koizumi symbolizes the major changes that have taken place in Japan—to deal with what the Japanese people should do and to handle it by ourselves. I suppose Prime Minister Abe's formula is different, but it is based on the same thing—that it should be left to the Japanese peoples' judgment on how to deal with this question. But it still avoids the political questions with neighboring countries. So I am wondering if you could give me an assessment of my reading of this situation and how do you feel about it?

A second question to Randy. You stress the importance of the U.S.-Japanese alliance in dealing with Asian affairs. You commented on what the U.S. and Japan can do with China. I would also like to welcome your comment, in the face of the North Korea issue, what is the area that is most important for the United States and Japan in this question.

### **Solidarity Towards North Korea**

**Tanaka:** North Korea and the question of solidarity. You said in your question

that interests diverged among the countries concerned. I do not think so. Interests converged in relation to one statement: we cannot tolerate North Korean nuclear weapons. We cannot coexist with a North Korean nuclear weapon. Debatable, arguable, but yet I think we come to the conclusion, all the countries in the region—I am not entirely sure about Russia—but I am absolutely sure that the United States, Japan, South Korea and China would come to the same conclusion. We cannot coexist with a North Korean nuclear weapon. That is a converged interest. I think this time everybody must expect huge repercussions out of North Korea's nuclear status. I don't think that will serve the interests of any country in the region. Therefore, this time one must have a clear understanding that we cannot tolerate a North Korean nuclear weapon. Then, I think there is a way.

### **China's Role in an East Asian Community**

The question of East Asia community building. We must make an assessment of China's entry into the WTO. It has been a good thing for us all because China is bound by various rules. An East Asian economic community is also full of procedures and rules. And I think that China will also have to be bound by those established rules. I think that is good. It is not a question of containment; it's a question of any country following the rules. That is the kind of thing that we need to have in East Asia—China being bound by rules. So that is one of the elements of East Asian community building.

### **Yasukuni Shrine**

The question of Yasukuni. Since I am not in the government I do not know what the deal was between Japan and China. My understanding reading the newspaper is that, yes indeed, the bilateral summit meeting would take place and the assumption was that Prime Minister Abe would not make clear his intent to visit Yasukuni Shrine. But since he is the Prime Minister, when he visits Yasukuni next it would have to have a certain amount of publicity. So what would be the effect on the Japan-China relationship as a result of this? I don't know. It would become much worse than during the tenure of Prime Minister Koizumi. I think the point I'm making is the question of whether the Prime Minister should visit Yasukuni or not and whether there is any alternative to this needs to be decided by Japan itself. But at the same time we should respect the views of other countries like China and Korea. I said that Prime Minister Koizumi did this as a symbol, but I am sorry to say that Yasukuni was the wrong issue to choose. So as far as the question of Yasukuni is concerned, my view is clear, we need to find the right alternative. But since we need China to do some other things, this type of thing needs to be placed in one basket, and the questions of history, security and economic cooperation must be agreed upon as one grand bargain.

### **U.S.-Japan Cooperation on North Korea**

**Shriver:** Thank you for the question. I didn't spend any time in my brief remarks talking about U.S.-Japan cooperation on the DPRK because I think it's been just terrific, I think it's

been very good. I think, particularly if you go back to the summer and look at the missile exercise on July 4<sup>th</sup>, that was an absolutely brilliant model of how we should work bilaterally to address a problem and a challenge and then take that bilateral cooperation into a multilateral setting. We had extensive consultations before the July 4<sup>th</sup> missile test, which resulted in an immediate rollout of a coordinated strategy. We did the same thing prior to the nuclear test, and I think the work has been just outstanding. So I don't have any specific thoughts on how to improve upon that, other than to say that we've got a problem if the state of play persists that we have experienced from September 19<sup>th</sup> to the point of this first nuclear test. And that state of play as far as I can tell is really the emergence of two camps within the Six-Party framework: a U.S.-Japan camp that favored addressing North Korea through greater pressure and negative forces to try to achieve a certain outcome, and a China-South Korea camp, which favored more positive engagement, more positive inducements to, I think, achieve the same outcome. That is not sustainable because they don't work alongside each other, particularly when the community of two, China and South Korea, have much more influence on the state of North Korea's economy and the ability of the regime to survive, et cetera.

So the question in my mind is at what point does the provocation on the part of Kim Jong Il and North Korea become too great for China and South Korea to sustain this policy? We could change where we are coming from, but I don't think that is the right course. I think it's the question to ask of China and South Korea. I think the test has had a great

impact in South Korea. You can tell from the polls and the public debate that it has called into question some of the policies there. Not completely calling for undoing 'Sunshine' and engagement, but certainly talking about a need for greater pressure upfront before more positive engagement. I'm not sure it's achieved that in China yet. I think Tang Jiaxuan and the Chinese should appropriately receive credit for diplomacy this week. It looks like a good outcome. I unfortunately don't know if we are at the point that you describe, Mr. Tanaka. The Chinese have demonstrated that they are prepared to live with a nuclear North Korea, particularly if it's the choice of living with a nuclear North Korea and other outcomes that they view as against their interests and very dangerous for China. Would a second test put them over the top? I don't know. I think this is our challenge as an alliance to use this as an opportunity to strengthen U.S.-Japan-South Korea interactions, maybe get back to, as Mike was suggesting, the successful trilateral coordination effort under the Clinton Administration. And then collectively work on China to try to bring them on board.

**Ikenberry:** It looks like we've got about ten more minutes so we'll take a bunch more questions and then we'll ask for responses. Make them short if you can...and punchy.

**Questioner:** I would like to touch upon the final part of your presentation, especially with regards to East Asian regionalism. You said that everyone in East Asia wants the U.S. to play an active role. But in reality, if we were having this meeting today in Kuala Lumpur or somewhere in Southeast Asia, the audience perhaps would have

quite a different attitude. So as I understand the situation happening now, there is a Japanese initiative—East Asian Community. But really, EAS, the East Asian Summit, is more leaning toward the Chinese EAS idea. So I would like you to elaborate more on your understanding of this in reality.

**Questioner:** Sorry, I have to ask another Yasukuni question. To what extent do you think the Yasukuni issue affected the lack of solidarity between the five nations in the Six-Party Talks? The second question is, Professor Mochizuki, from your statement today am I correct to understand that the U.S. has already given the steak? In your book you mention the steak and the sledgehammer; the steak was already presented to North Korea in September last year. But they just blew it. So now the U.S. has no flexibility, therefore the U.S. must use the sledgehammer—probably economic sanctions.

**Questioner:** I've written about you over the years so it is very nice to see you in person and listen to you. Anyway, there is such a strong view that the U.S.-Japan alliance has been a success and is only getting better that saying otherwise is almost like a heresy. I am just wondering if you see a downside or risk in the way the alliance is being carried out now. I find it very interesting that in the current North Korea tension, the scenario that has been floating around seems to be the one in which the U.S. and Japan will cooperate to intercept North Korean ships, and China would be desperately trying to prevent that. The U.S. and Japan almost look like loose cannons in this. Looking back over several years, stronger U.S.-Japan relations—I guess it worked out in the case of Iraq—but it

also seems to have contributed to rising tensions in the region, especially regarding Japan and China. Not that I am saying the U.S. is responsible, but I wonder if Prime Minister Koizumi would have behaved the way he did were it not for such strong personal and country to country relations.

**Questioner:** With all of those challenges that Japanese diplomacy is facing right now as Mr. Tanaka mentioned, public support is invaluable. Public opinion itself is very important but it can be guided or convinced sometimes. I'm sure you are trying your best to mobilize Japanese public opinion in the right direction, but in this regard how would you evaluate the current role of the Japanese media in this sense.

### **Japanese Leadership in Asia**

**Tanaka:** The question of East Asia community building, in particular EAS. China is big, no doubt. But when we talk about the free trade agreement in the region and how to develop the economic and governance capabilities of East Asian countries, you should not underestimate the strength of Japan in terms of modern capability—economic capability, technology, capital, and rule making. I never thought of China taking leadership in that regard—no way, no way. Therefore, given the fact that we are pursuing economic community building, which is indeed not just a gathering but full of rules and cooperation to expand the economic capabilities on the part of East Asian countries, I do not think that China can take leadership. It's only Japan that will be able to take leadership.

### **Effects of Yasukuni Visits on the Six-Party Talks?**

Yasukuni and the Six-Party Talks. I don't see any linkage. Yes indeed, we could have had lots of consultations with the Chinese and South Koreans in the absence of the political deterioration of the relationship between the two countries and Japan, symbolically caused by the Yasukuni Shrine. It's a pity. But yet when you talk about national security issues such as North Korean nuclear development, I do not see where the question of Yasukuni comes into the minds of policymakers in China or Korea.

### **Areas for Improvement in the U.S.-Japan Alliance**

Downside of the alliance. Yes, I do see lots of downsides. I wanted to see much more enthusiastic support on the part of the United States for Japan's bid for UN Security Council permanent membership. I feel it very awkward to see that the question of Iran is being debated among the P5 plus Germany. Japan has a substantive stake in relation to Iran. It is a question of the alliance—why was the U.S. not enthusiastic about including Japan in that type of thing? I simply don't understand why Americans may say this relationship is excellent. But I say 'wait a minute, how are our interests being accommodated by the U.S.?' So we shall not be misled by all these rhetorical things. I do see that there is a substantive good relationship between Japan and the U.S., but there is room for improvement—no question about it.

### **A Comprehensive Settlement of the North Korea Issue?**

**Mochizuki:** On the North Korea issue, I have always argued that we should at least try a 'grand bargain' approach towards North Korea and unfortunately we have not really tested that possibility. I don't know exactly what happened last September. There was a fragile agreement that seemed to be ironed out in the Six-Party Talks, but soon after that the United States imposed sanctions on financial transactions with North Korea. Of course I can see the rationale for that, but if you wanted to really build upon a fragile agreement, that was probably not the right thing to do so soon after that fragile agreement was put together. This, in my mind, leads me to think that there are severe divisions within the U.S. Administration about how exactly to approach North Korea. The policy that we had in place was one designed to fail. We had, on the part of the U.S. and Japan, two countries pursuing a small stick policy, and South Korea and China giving small carrots. This gave all the leverage to North Korea. What we really need is to be united on the big sticks. Hopefully because of this North Korean nuclear test there will be solidarity behind the big sticks—I don't know whether the sledgehammer is the right approach. But we also need to provide a way out for North Korea and this requires presenting some incentives if they cooperate. So I don't think we should paint ourselves into a rhetorical corner by constantly saying 'we won't be rewarding bad behavior.' Of course we shouldn't be doing that, but we should leave open the possibility of cooperation from North Korea.

## **Risks of the Alliance**

**Shriver:** Just very briefly I just wanted to comment on the question of risks. Maybe it's a bit awkward for our Japanese friends to talk about the risks of being so closely allied with the U.S., so I'll say it. Of course there are risks to Japan. Nobody has talked about Taiwan during the course of our discussion, but of course there are risks. There are risks to us too, by the way. The very definition of our alliance is that we are willing to put one of our great cities at risk to sustain a credible nuclear umbrella over Japan. So there are risks in both directions. But the real question going forward is, if you believe anything about my presentation on future challenges in Asia, where do you minimize your risk best? In a strong alliance, in a strengthened alliance, or one in which you are diverging on different paths? To me that answer is quite clear.

**Ikenberry:** The question on media, Mr. Tanaka?

## **The Japanese Media and Foreign Policy**

**Tanaka:** Yes, thank you for giving me the floor in relation to the media. Yes, I think the role played by the media is getting more and more important in the making of foreign policy. I think that in the Japanese context we need to consolidate a strong public opinion based upon very professional thinking. The media tends to have much more sensational reporting, a more populist approach. I said in my initial statement that if an official becomes a populist, he would surely lose the next election. If a newspaper always pursues a populist

approach, it would lose its circulation. You must make sure that you analyze things and report in a fair way and make sure that the newspaper will become much more professional than the current state of affairs. I very much hope that the media would think about its own role, a very important role in the making of foreign policy. Thanks very much.

**Ikenberry:** Thank you, well that's the last word. Thank you for coming and join me in thanking our speakers.

[End]