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CLOSE UP ON THE NEWS

1. "What was wrong with Hatoyama's diplomacy?",
– *Hosoya Yûichi*, Associate Professor, Keio University/Visiting Professor, Sciences-Po Paris.

2. "An Assessment of DPJ's Agricultural Policy",
– *Ohno Tsunemasa*, WTO Researcher.

POINTS OF NEWS

Terashima Jitsurô, «More commonsense in concept and structure: towards a rebuilding of the Japanese-American alliance», *Sekai*, February 2010, pp. 118-125. (translated from the Japanese by Guibourg Delamotte, Asia Centre).

Yara Tomohino, «Why are the American bases concentrated on Okinawa?», *Sekai*, May 2010, pp. 134-136. (translated from the Japanese by Guibourg Delamotte, Asia Centre).

Aketagawa Tôru, «What is the agreement on the bases which is so often mentioned in the same breath as the security treaty?», *Sekai*, May 2010, pp. 136-137. (translated from the Japanese by Guibourg Delamotte, Asia Centre).

Maedomari Hiromori, «Is the term 'sympathy budget' accurate? For whom is it intended and what is it about?», *Sekai*, May 2010, pp. 140-141. (translated from the Japanese by Guibourg Delamotte, Asia Centre).

CLOSE UP ON THE NEWS

1. What was wrong with Hatoyama's diplomacy?

– **Hosoya Yūichi, Associate Professor, Keio University/Visiting Professor, Sciences-Po Paris.**

On June 2, Yukio Hatoyama declared his intention to resign from his post as a prime minister. Japan's diplomacy under Prime Minister Yukio Hatoyama had been at a serious deadlock and under continuous attacks. The biggest reason for this was the Okinawa US military base problem. Hatoyama repeatedly promised that he could "solve" this problem until the end of May 2010. His promise for the "solution" had included agreements between the US and Japanese governments, and also between the central and local governments where the bases are located. Hatoyama said that he would promise not just "a better solution", but "the best solution" with which every party would be fully satisfied. With no doubt, he mistakenly set the hurdle too high without having had any credible ideas for the solution.

What was wrong with Hatoyama's diplomacy? We need to look at three dimensions of the problem. First was the problem of Prime Minister Yukio Hatoyama's leadership. Second was the problem that had been inherent to the Democratic Party of Japan (DPJ) on foreign and defence policy issues. Third was the problem of Japanese political institution and also of Japanese Constitution. Without tackling these problems, the DPJ government will not become a truly reliable ruling party. The institutional problem of contemporary Japanese politics has grown for twenty years since the end of the Cold War. In a sense, Hatoyama was a victim of these interlocking problems.

Yukio Hatoyama was perhaps the weakest of Japan's prime minister since Socialist Prime Minister Tomiichi Murayama who formed the coalition government with the Liberal Democratic Party (LDP) and the Kōmei Party in 1995. Prime ministers such as Yasuo Fukuda, Shizo Abe, Junichiro Koizumi and Yoshiro Mori were coming from the most powerful LDP's faction. It is *Seiwakai*, or the Mori-faction.

With this power base, these LDP prime ministers could largely dominate the Cabinet. Before Mori, two prime ministers, Ryūtarō Hashimoto and Keizō Obuchi, came from the biggest LDP faction then, that is *Keiseikai* or the Obuchi-faction. Tarō Asō was the only exception as he came from a small faction - his own, the Asō-faction. He relied singularly upon his own popularity. This meant that the rapid downfall of the popularity rate was bound to terminate his premiership. This was the end of the LDP regime that ruled Japan for more than five decades.

Hatoyama did not have any stable power bases within DPJ. Powerful Ichirō Ozawa, a former DPJ leader and then almighty DPJ secretary-general, has largely controlled the party as well as the coalition government. Hatoyama was in a sense similar to Toshiki Kaifu who was a prime minister under Ichirō Ozawa's extraordinary influence, who was then LDP secretary-general. The closeness of Hatoyama to Ozawa ensured his victory at the party leader competition in June 2009. His competitor, Katsuya Okada, was distant from powerful Ozawa. But Hatoyama's problem was principally his personality. Hatoyama is far from a "self-made man". His grandfather Ichirō Hatoyama, who was also prime minister in the middle of 1950s, largely gave him his political philosophy and political resources. Ichirō Hatoyama was known as his anti-American political stance as well as his strong passion for a regional integration based on the philosophy of "fraternity".

Yukio Hatoyama's lack of strong leadership was the most obviously shown in December 2009. Hatoyama of his own initiative promised that he would find the solution for the Futenma US Marine Corps base issue by 15 December 2009. It was widely reported that he promised to do so to US President Barack Obama by simply saying "trust me" during the US-Japan summit meeting in November

that year. He assumed that foreign policy was not so important for electors, and believed that the issue would not threaten his political agenda. Hatoyama optimistically assumed that President Obama could help him find alternatives, though the current agreement on the Okinawa base issue is the result of thirteen years of difficult official negotiations between two countries. Both Okinawa's governor and the US administration had largely accepted this compromise agreement as the best and only practical way to reduce the heavy military burden on Okinawa. Foreign Minister Katsuya Okada and Defense Minister Toshimi Kitazawa suggested to Hatoyama that the current agreement however imperfect was the only practical solution to this issue. Hatoyama almost came to agree. Then the Chief Cabinet Secretary Hirofumi Hirano daringly and carelessly proposed to abandon the current agreement by suggesting that more concessions from the US government were possible. Hirano's risky venture was not based on any credible possibility at that time, but Hatoyama deferred to Hirano's proposal. Then, Hatoyama mistakenly decided to refuse the current US-Japanese agreement without any clear idea for alternatives. This was the beginning of Hatoyama's fall, though he did not realize it at the time.

The biggest reason for Hirano's new initiative might have been largely due to his own arrogance and ignorance. He was possibly influenced also by strong claims from the Social Democratic Party. In the middle of December 2009 the SDP party leader election was scheduled. Several left-wing hardliners within SDP especially from Okinawa criticised their party leader, Mizuho Fukushima, for her weak stance on the Okinawa base issue. Socialist Party had been against the US-Japan alliance and US military bases in Japan, and left-wing radicals within the party still hold that stance. Having faced these challenges in the party leader election, cabinet Minister Fukushima

then declared that she would pull out her party from the coalition government if Prime Minister Hatoyama decided for the current US-Japan agreement. Then, Hatoyama took in this strong voice from the Social Democrats, ultimately at the cost of his own political life. While he rejected the existing agreement, he did not have any clear plan that would convince both the Obama administration and Okinawa people. Nevertheless, he promised that he would “solve” this issue by the end of May 2010 and find an agreement with both US and Okinawa people.

Along with Hatoyama's weak leadership, the DPJ also has a problem of its own with its policy-making process. In the Election Manifesto 2009, DPJ decided not to clarify its position on the Futenma base issue, as the party contained ideologically widespread opinions. Both left-wing socialists and right-wing nationalists have joined DPJ since 1996. Foreign policy has been one of the most sensitive areas for DPJ, the one where coordination is the most difficult. DPJ decided to avoid clarifying its position on difficult foreign policy problems. Stalemates were thus more or less programmed since the election victory of August 2009. The Futenma base issue was undoubtedly one of the most difficult issues among them. But Prime Minister Hatoyama thought that foreign policy would not threaten his position as prime minister, as he felt foreign policy did not occupy an important place in the mind of electorates. This was a mistake. The DPJ should have studied and discussed foreign policy issues more within the party before and after the election. DPJ simply tried to oust bureaucrats from policy-making, and attempted to direct foreign policy from *Kantei* (Prime Minister's Office). The result was Hirano's denial of the official agreement. DPJ is unable to formulate foreign policy, yet it sought to exclude officials when making important decisions.

Moreover, both the Japanese political institutions and constitution contributed to Hatoyama's diplomatic failure. The House of Councillors actually has a nearly equal power with the House of Representatives in legislating. It means that every administration needs to have the majority both in the lower and upper houses of the Diet. This is not an easy prerequisite for every governing party. This was the source of political instability under both the Fukuda and Aso Cabinets. Since DPJ did not hold the absolute majority in the upper house, it needed to ask the Social Democrats to join the coalition¹. This weakness in the upper house was the reason why Hatoyama and Hirano unavoidably accepted Fukushima's aforementioned strong demand in December 2009. If the lower house had stronger power in law-making, Hatoyama would have had stronger leadership regardless his weaknesses regarding both his personality and his party-power base.

Besides, the limit to Japanese military power causes Japan's reliance upon US military bases. Without sufficient autonomous military power, it is largely believed that Japan cannot deter any future aggression and intrusion to Japanese territories. While the sentiment of Okinawa people largely suggests that Japan should reduce US military bases, Japan cannot fulfil the gap that such a reduction will cause. Article 9 of the Constitution of Japan presupposes US military bases in Japan, though it does not say so. At the same time, the crises in the Korean peninsula and the rapid increase of Chinese naval power suggest that the weakening of the US-Japan alliance would come at a huge cost. Hatoyama's philosophy of “fraternity” in the current unpredictable environment would not ensure Japan's security.

1 NdR: Thanks to one defector, it barely holds it today without the Socialists or New People's Party.

These are the main resources for the deadlock in Hatoyama's diplomacy. Even though DPJ can change the face of prime minister, it cannot overcome these difficulties. Japan needs a radical transformation of its political institutions to smoothen the policy-making process – it would be the first time since the US occupation. Unwillingly, Prime Minister Hatoyama has taught us this necessity. The essential challenge to DPJ is not just to replace its prime minister, but to renew Japanese political institutions to fit Japan's new environment.

2. An Assessment of DPJ's Agricultural Policy

– Ohno Tsunemasa, WTO Researcher.

Free Trade Agreements/Economic Partnership Agreements (FTA/EPA): The global level background

Under the provisions of the WTO agreements, WTO member states must abide by a principle of the multilateral trade system: any custom unions and free trade agreements must be consistent with the provisions of the GATT's article XXIV and the GATS's article V. However, in recent years, a worldwide trend has emerged to make up for the long-running WTO negotiations with international and inter-regional FTAs and EPAs that aim to strengthen economic relations in a broader range of areas by, for example, defining rules on investment, movement of people, and intellectual property. The establishment of the EU, the enforcement of the NAFTA and many other cases illustrate that this principle has been gradually eroded by the proliferation of FTA/EPAs.

Especially after the impasse of the Doha round negotiations at a WTO ministerial conference in Geneva in summer 2008, many countries have decided to shift gear towards FTA/EPA negotiations. While the Doha round consultations at a technical level are still on-going, those countries have decided to transfer many staff members from their WTO division to FTA/EPA divisions, some anticipating that the Doha round will not be reaching a conclusion any time before 2013. The launch of the EU-Canada EPA negotiation, the conclusion of the EU-Korea EPA negotiation, and the resumption of the EU-Mercosur EPA are other good examples. Major trading partners have strategically taken advantage of FTA/EPA negotiations to gradually and fundamentally expand their influence. In the EU's case, it carefully makes

efforts to translate its regional standards and trade rules into newly signed FTA/EPA with developing countries so that the standards/rules of those developing countries will be harmonized with those of the EU, in return for opening the EU market for agricultural products from those developing countries. For instance, the EU-Korea EPA includes the provisions of the Geographical Indication, one of the areas the EU is most interested in. In China's case, it rushes to conclude FTA/EPA negotiations with ASEAN countries, giving away its agriculture market at the cost of its national businesses, as China has an ulterior motive of expanding its influence over the ASEAN members under such economic integrations.

The Challenge Japan faces in FTA/EPA negotiations

Given the current political and economic situation, there is no way to avoid accelerating the creation of an FTA/EPA network, in Japan's interest. With Japan, however, its agriculture sector is always a sticking point. The competitiveness of the Japanese agriculture sector is in general low due to its historical background (discussed below), protected by a high level of national boarder measures. However, it is pointless for Japan's trading partners to begin FTA/EPA negotiations with the complete exclusion of Japan's agriculture sector from the negotiation table only for the sake of mutually satisfactory outcomes.

In 2007, the Ministry of Agriculture of Japan released its trial evaluation to predict the economic damage to Japan's agriculture sector if the current national boarder measures were all removed for the purpose of allowing the free trade in the agricultural sector. According to its evaluation, 42% of its total value of agriculture production (3,600 billion yen) would be lost and the self-sufficiency rate of food supply would

drastically decrease from 40% to 12%. This trial evaluation is based on the assumption that the current agriculture policy is enforced.

Hence, it is essential to set out a clearly illustrated vision for the agriculture sector of Japan on how to adjust itself to such drastic future challenges with a proper safety net, if Japan pursues the swift establishment of FTA/EPA with its trading partners.

DPJ's policy on FTA/EPA

It is unclear if the Democratic Party of Japan (DPJ) intends to be engaged in the swift establishment of FTA/EPA in general. But at least, as the East Asian Community (EAC) idea is one of the major diplomatic policies under the Hatoyama administration, the DPJ must be interested in a FTA/EPA within East Asia. In the context of the EAC, Japan and Korea seek to resume their FTA consultations in the near future, which have been practically suspended since 2004 due to controversial sectors including Japan's agriculture sector. After the change of regime last summer, the first meeting of the inter-ministerial consultations on WTO/EPA affairs was held in October 2009 to discuss its basic policy towards FTA/EPA in the middle of the stalled WTO negotiations. Meetings have been called at least once a month since then. In the meetings, the agricultural sector is always problematic for an efficient coordination of strategy.

In July 2009 before the turning-point election, "Manifesto 2009" was released, stating that the DPJ intends to facilitate deeper economic ties with the US through a FTA between Japan and the US. It seems that the top officials of the DPJ including the then Secretary-General Mr. Ozawa Ichirō believed that they could eventually convince the agricultural sector that the DPJ's direct farm income support plan, named the

“individual farm household income support system” could function as a safety net to compensate for the negative impact of drastic agriculture trade liberalization at the time of the drafting of the Manifesto 2009. That is why the manifesto even referred to the most controversial FTA plan with the US, whose agriculture export accounts for 32% of the total agriculture import of Japan. When the Abe administration of the LPD announced the launch of the Japan-Australia FTA negotiation in December 2006, a fierce battle was fought by the domestic agricultural sector. The same thing happened with the DPJ’s Manifesto 2009. As the DPJ leaders were afraid of losing support from the rural areas in the upcoming election, the manifesto was modified to ease the tension and severe criticism from the agricultural sector; the manifesto’s contents were in effect aligned with the policy of the then ruling party, the LDP. Interestingly, the then acting head of the DPJ, Mr. Kan Naoto (now the Prime Minister) said, “Any trade agreements will not come at the price of the customs reduction of crops including rice.” Following this statement, in October 2009, the US ambassador to Japan Mr. John Roos stated in a press meeting with *Nikkei Shimbun* that the US expects to form a comprehensive FTA with US and such an agreement must include agriculture.

The historical background of the lack of competitiveness of Japan’s agriculture

The average scale of farmland per farmer in Japan is 1.8 ha, with 180.2 ha for the US, 16.9 ha for the EU, and 3,385 ha for Australia. Immediately after World War II, the vast majority of broad-scaled farmlands owned by nonresident landowners were forcibly re-distributed to tenant farmers actually living and farming them in accordance with the liberalization policy for the rural areas. Thus those tenant farmers became land-owning farmers with small scale farmlands.

Due to the tight regulation over transactions of farmland, non-farmers could practically not purchase farmlands from farmers and this explains the survival of small scale farmers throughout and after the period of the high-growth economy in 60s to 80s in Japan. The majority of those newly land-own farmers were typically loyal supporters of the LDP.

Naturally, the LDP was not particularly interested in interfering with the established power hierarchy in rural areas. This environment allowed small-scale, inefficient farms to remain without sufficient transfer of labor forces from the agriculture sector to other industries, along with proper accumulation of farmlands into large-scale farms.

In 2009, more than half of farming areas in Japan did not have farmers under 65 years old. That will lead to a catastrophic situation in the agriculture production of Japan 5 to 10 years from now. The fact is, the total value of agriculture production has dropped from 6,100 billion yen in 1990 to 3,600 billion yen in 2005.

LDP’s agriculture policy

During the LDP regime, until the introduction of a gradual suspension of the price support system for rice in 2004, approaches to agriculture reform was limited to the rice production adjustment system along with public construction projects in rural areas. At the end of its regime the LDP launched several structural reform policies, which were designed to encourage small farmers to sell or rent their farmlands to farmers planning to expand their production scale.

During the final years of the LDP regime the then Agriculture Minister Ishiba Shigeru wanted to tackle the fundamental reform of the rice production adjustment system as well as to pave a path to an EU-type direct income payment decoupled from production in order

to strengthen support for business-oriented farmers engaged in farming for 60 days or more under 65 years old. However time was up for him with facing resistance to such reform by farm groups and fellow LDP lawmakers.

DPJ's agriculture policy

Over the last few years, DPJ has maintained in its election manifestos that a farm direct payment system should be created in order to secure food production in Japan. At the end of 2008, the DPJ shadow cabinet sought to materialise this proposal by introducing "individual farm household income support system" without matching it with a potential source of funds. Just before the election 2009, the DPJ indicated that farmers growing rice, wheat, soy beans, and oil-seeds would be covered by a pilot program of direct payment from 2010, and the coverage of beneficiary farmers after 2011 would be expanded once the system was fully implemented (the estimated budget amounts to 1,400 billion yens). After the change of regime in September 2009, the details of the DPJ's pilot program were as follows:

1. Fixed payment of 15,000 yen per 10 acre of farmland to the rice farmers that agreed to permanently switch their production from rice to other products, such as wheat, soy beans, and rice for livestock.
2. Payments to rice farmers to compensate for the gap between the actual sale price and the standard price. The "standard price" is calculated from the historical prices over the immediate preceding five years with a certain adjustment.
3. The amount of the budget for this program is 554 billion yens.

DPJ lawmaker Mr. Shinohara Takashi, a former

agriculture minister in the DPJ shadow cabinet who had engaged in this scheme planning long before the change of majority in 20092 was caught by surprise when the details of this pilot program were revealed. He stated his view on 11 November 2009 on his blog: *"I was seriously shocked that the long-awaited system was going to be introduced in such an imperfect state. The system could fully function only if the coverage of beneficiary farmers included growers of wheat, soy beans, oil-seeds, buckwheat and other crops for livestock. If these farmers could benefit from the system simultaneously, we could sort out the issue of excess production of rice as well as effectively boost the self-sufficiency rate of food supply. All plans will crash if the first farmers to benefit from the system are rice farmers only, excluding others. That is too bad."*³

There is a fundamental underlying question about this pilot program as Mr. Shinohara pointed it out. As the coverage of the beneficiary farmers includes only rice farmers, there remain many small-scale and inefficient farmers with a high level of customs protection. It is difficult to justify the subsidies involved from the taxpayers' viewpoint. The taxpayers could only see advantage to the system if they enjoyed cheaper prices for agriculture products through trade liberalization. Therefore, under the current scheme, this system can be considered nothing but a different version of the former rice price support system.

To make this system function properly and for

2 Shinohara Takashi was appointed Deputy Minister for Agriculture from 8 June 2010 after Kan Naoto took office as Prime Minister following Hatoyama Yukio's resignation. He is said to have a close relationship with Prime Minister Kan. He worked for the Ministry of Agriculture for more than 25 years and was in charge of the WTO Uruguay Round negotiations, OECD affairs and food security policy before entering politics and running for the Lower House elections.

3 <http://www.shinohara21.com/blog/archives/2009/11/index.php>

it to benefit all parties, the coverage of this pilot program should rather include livestock and vegetable growers where the level of customs is already low and the production efficiency in the agriculture sector relatively high. Elimination of duties is not that difficult as long as the gap between sale price and the standard price of products is paid. Unlike for rice, where the level of duties is over 700%, the necessary funds for livestock and vegetable farmers would be smaller. The introduction of this pilot program to rice growers could exacerbate the necessary reform process in the rice sector, as the current system contributes to the survival of small-scale, inefficient farms. It could also discourage part-time rice farmers to rent their lands to business-oriented farmers, as they would be able to make more money from the direct payment system coupled with the rice production adjustment program.

Conclusion

The main premise for shifting to agriculture trade liberalisation through FTA/EPAs is to strengthen the competitiveness of the domestic agriculture sector before liberalising. To this end, shifting from the traditional protection through a high level of national boarder measures to a direct income payment system is a good move.

However, due to the wrong choice of target of the beneficiary farmers, the current pilot system could prevent the entire agriculture sector from implementing required structural reforms, and move the sector in a wrong direction by preserving small-scale and inefficient farming. An adjustment of the farmers targeted by the system is urgently needed.

Additionally, the DPJ should show taxpayers a clear calendar towards the liberalization of agricultural trade, as the funds of such direct income payment could be justified only if it benefited both farmers and taxpayers by allowing for trade liberalisation and ensuing cheaper prices for agriculture products.

POINTS OF NEWS

Terashima Jitsurô^α,

«More commonsense in concept and structure: towards a rebuilding of the Japanese-American alliance» [Jôshiki ni kaeru isô to kôsô - Nichibei dômei no saikôchiku ni mukete], *Sekai*, February 2010, pp. 118-125. (translated from the Japanese by Guibourg Delamotte, Asia Centre).

From Japan's standpoint, a return to commonsense means that there is hope for an acceptance of what is obvious to the rest of the international community: that it is not normal for a foreign army to be stationed for a long time in an independent state.

Let us repeat the main facts:

- It is now 65 years since the end of the war, and 20 years since the end of the cold war, but Japan still plays host to 40,000 American soldiers (50,000 if their families are included) and the bases occupy an area of 1,010 square

kilometres, which is 1.6 times the area covered by all 23 urban districts of Tokyo.

- Out of the five major US bases overseas, four are in Japan (Yokosuka, Mizawa, Kadena, and Yokota).

- The joint Japanese-American committee set up under the Status of Forces Agreement may decide to establish a base anywhere on Japanese territory (*zendo kichi hôshiki*). Nowhere in the world are there bases like Yokota, Yokosuka, Zama, and Atsugi on capital territory.

^α Chairman of the Japan Research Institute (Nihon sôgô kenkyûjo).

- No other country, apart from Japan, bears 70% of the costs of the US forces.

- The status of the bases under the Status of Forces Agreement is the same as that laid down by the agreement on administration during the occupation.

- Japan's share of the costs has been increased outside the terms of that agreement.

When I was invited in December to take part in a conference in Washington on economic matters, the Japanese press considered me to be an emissary from my childhood friend Hatoyama, to discuss the problem of the relocation of the Futenma base. I heard journalists from *Nikkei* and *Yomiuri* declaring that if the Indian Ocean operation was not continued, or if the 2006 agreement on the Futenma relocation was not implemented, that would be the end of the Alliance. But what do these people believe "good relations between Japan and the US" should be? They take that relationship to be like the one between Koizumi and Bush when, if the Americans asked us to "show the flag" in the Indian Ocean, or to send Defence Forces units to Iraq, we did so. In other words, they want the status quo to continue.

But I have observed the failure in Iraq. The United States have had 5,300 of their men killed in Afghanistan and Iraq. Around 100,000 Iraqis were killed, and even Bush himself has conceded that the war was launched on the basis of erroneous information. Since then the Americans have elected Obama, who opposed the war. I find it strange that so few Japanese have said that it was a mistake for us to have got involved in it. And yet, without reviewing the situation, we cannot build a new future relationship with the United States.

In his Memoirs, Yoshida wrote that the security treaty was not imposed by the United States or requested by Japan, but was proposed by John Foster Dulles to make up for the fact that Japan had been disarmed. "It goes without saying" he wrote, "that when Japan has recovered sufficient strength, or when the international situation is more favourable and the treaty no longer seems necessary, it can be denounced"^β. With the fall of the Berlin wall, this provision should have been taken up. But the situation in Japan was not favourable. After the Miyazawa administration, which was the last to be led by the LDP alone, there was a succession of Prime Ministers who held office for a short term - from Hosokawa to Mori - followed by the LDP-Socialist coalition under Murayama, and the changes which should have taken place in the field of defence and foreign relations could not be implemented. Like Germany in 1993, we should have revised the security arrangements between the US and Japan, but they were retained in the belief that the cold war was not over in Asia. Instead, the new directives signed by Hashimoto and Clinton replaced the geographical boundary area of the Alliance (the "Far East") by a situational clause: if the peace and security of Japan were to come under threat, Japan could count on the co-operation of the United States^γ. Without looking more deeply into the issues, we simply followed US global strategy.

What are the current threats facing Japan? Russia is no longer the same threat as in the past. North Korea is a threat insofar as it is a rogue state, but it does not have expansionist ambitions. In order to deal with the instability caused by its nuclear programme, we should continue to promote the creation of a nuclear-free East Asia.

^β *Editor's Note: A legal term: «to give formal notice of termination of a treaty» (OED).*

^γ *Editor's Note: these directives refer to the «Asia-Pacific region» and they envisage more specifically «an emergency situation in the areas off Japan».*

What is the level of the threat from China? That country's defence budget has increased over the last 21 years and is currently far greater than Japan's. Considering China's standard of living, there is every reason to believe that this went into new equipment. Yet it is a mistake to believe in a need to "strengthen the alliance to confront China". On the one hand, Sino-US relations are undergoing a change at the moment. The ongoing strategic economic dialogue between the two countries since 2006 was extended by Obama to include defence matters in April 2009. Nearly 500 American companies belong to the Sino-American Business Council. But on the other hand, would the United States intervene or not, if China were to invade the Senkaku Islands in the East China Sea? Only if it considered action feasible in consideration of American public opinion would the US government seek to defend the islands.

Consequently, the nature of the threats which might commit us to joint action is far from clear. In the murky context of East Asia, the US presence in Japan serves essentially to guarantee that Japan is not alone.

What kind of alliance should we seek in the 21st century?

- We need to set up a framework for strategic Japanese-US dialogue which would deepen our relations in both economic and security matters.

- With regard to security, Japan must tell the US what kind of long-term alliance it wishes to see. While conceding that there must not be a "strategic vacuum" in Asia, it needs to raise the question of such issues as the purpose of the bases and their supporting facilities, and to aim at reducing them by half over the next ten years.

- There should be a phased integration of the US and Japanese bases, and steps taken towards their joint administration.

- In view of the Asian situation, we need to maintain the US presence and create an emergency force based on Hawaii and Guam, financed by Japan and South Korea.

- The Futenma base is dangerous, and the United States has agreed to its relocation by 2010. Legislation must be passed to enable that to happen.



Yara Tomohino^δ,

«Why are the American bases concentrated on Okinawa?» [Naze beigunkichi wa Okinawa ni shūchū shite iru no desu ka], (Ten questions on the Japanese-US security treaty), *Sekai*, May 2010, pp. 134-136. (translated from the Japanese by Guibourg Delamotte, Asia Centre).

In reality, it is not so much “why?” as “because”: they are there because it is Okinawa. Japanese people in general accept the reason which they have been given, namely that Okinawa is strategically important, and the media have not questioned it. Terms like deterrence and the special geographical location are brandished like talismans.

The nation hosting a foreign base decides where it shall be located. Japan listens to the needs expressed by the American forces and looks for a place to meet their conditions. If it is the country of origin which decides where to put their forces, that is because the host country is under occupation. Hence, if the US forces are present on Okinawa, that is because Japan has made the decision to put them there, rather than , due to the war and the post-war situation.

In 1995, following the rape of a little girl by some Marines, Okinawa became a topic of discussion. At that time, the US informed the Japanese government that they were

prepared to relocate the Futenma base to the main islands if the Japanese government so wished. In a joint meeting, Secretary of Defence William Perry indicated that they would look at the different options available throughout the territory of Japan. Joseph Nye, who was at that time an adviser to the Assistant Secretary, stated specifically that relocation onto the main islands was one of the options to be considered.

During the discussions aimed at reducing the financial burden of the bases on Okinawa, which coincided with the change in the US administration, the US produced a plan for relocation to the main islands. But Japan wished to retain the current arrangements.

The question needs to be asked as to why any future US presence should be as large as it is currently.

Initially, the US Marines were based in the Gifu and Yamanashi prefectures. If they were relocated to Okinawa, that was not for military but for political reasons. Out of the

^δ Journalist, *Okinawa Times*

18,000 Marines on Okinawa, 8,000 are to be moved to Guam [under the terms of the 2006 agreement], and that was also a political decision. Significantly, the Marines' command control centre has been relocated to Guam, from where it will exercise long-distance control over the Marines on Okinawa, Iwakuni [Yamaguchi prefecture] and Guam itself. Given that the headquarters will be on Guam, it hardly matters whether the Marines are on Okinawa or anywhere else.

At a difficult moment in the negotiations with the Americans over the Futenma base, related to the change in the Administration, Koizumi Jun'ichirō raised expectations when he stated that consideration could be given to moving the base elsewhere in Japan or overseas (on October 7th 2004). Then, during a visit to commemorate the fallen, Koizumi replied to a journalist's question by saying "All the prefectures are for it in theory, but against it in practice; none of them wants the bases in their area". Okinawa has proven to be a problem which cannot be solved at the national level (on 23rd June 2005).



Aketagawa Tôru^ε,

«What is the agreement on the bases which is so often mentioned in the same breath as the security treaty?» [Anpo to setto de yoku mimi ni suru “nichibei chii kyôtei” to wa donna mono desu ka?] (Ten questions on the Japanese-American security treaty), *Sekai*, May 2010, pp. 136-137. (translated from the Japanese by Guibourg Delamotte, Asia Centre).

Under the terms of article 6 of the security treaty, Japan provides military bases on Japanese soil. The agreement on the bases lays down the way in which they are to be administered and in which they may be used, their legal system, the conditions for personnel entering and leaving the bases, and the provisions for their eventual return.

This agreement is often a cause for friction on account of the bases' autonomy, particularly on Okinawa which has 75% of all US military installations in Japan and 70% of its military personnel. The situation is particularly acute when there is an incident or an accident which falls under the purview of the US: until Japan initiates its own legal proceedings, these are conducted by the United States. But Okinawa, has requested that Japan should be able to detain a suspect even prior to legal proceedings whenever there is a victim involved, and that in such cases the United States should comply.

Over the 35 years since the return of Okinawa there have been 4,000 criminal acts, including

thefts, affecting people's life, security, and property, when the guilty party has sought refuge on the base to fabricate an alibi and return to the United States. The Japanese government has requested that in the case of violent crimes, when it asks for the accused to be handed over in order to open proceedings, the US should pay compensation to the families affected. In 2009 a sixty-six year old man was killed in an assault and the guilty person fled to the base; the arrangements between Japan and the US turned out to be inadequate. The agreement on the bases provides for mutual assistance between the US and Japan in conducting initial inquiries and gathering evidence. But Japan only obtained custody of the accused after two months. Even when an incident has occurred outside the base in an area under the competence of the Japanese police, as happened in August 2004 when a helicopter crashed onto Okinawa's International University, they were unable to gain access to the site. Despite the calls for the agreement to be revised, it has remained unchanged for 50 years.

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Maedomari Hiromori^ζ,

«Is the term ‘sympathy budget’ accurate? For whom is it intended and what is it about?» [Omoiyari yosan to wa seishiki meishō desuka? Darenī taisuru, dono yōna yosan deshō ka?] (Ten questions of the Japanese-American security treaty), Sekai, May 2010, pp. 140-141. (translated from the Japanese by Guibourg Delamotte, Asia Centre).

The term “sympathy budget” is used to designate the expenses linked to the American bases which are paid from Japanese taxes but do not fall under the agreements covering the bases. As any expenditure in a State under the rule of law must have a legal basis, the government had to explain its choice of terminology. So it claimed that the question of financing the American bases had to be approached through showing an understanding of the US position (Kanemaru Shin, June 1978).

But Japan found itself having to bear costs which it had not incurred under the terms of the agreement on the bases, because of the United States’ financial difficulties. A confidential document from the Ministry of Foreign Affairs in 1973 stated that “in the light of the financial pressures on the armed forces caused by the oil crisis in particular, the United States has requested a lessening of the fiscal burden which they bear to maintain their bases in Japan, and we have stated that we would

do our best within the framework of the agreement covering the bases”. So from April 1st 1978, Japan took on both the mandatory and the supplementary social security expenses, as well as the personnel management costs for the bases. From April 1st 1979, it also undertook to pay the difference between the wages and the retirement payments of employees on the bases and the amounts payable to the different grades in their countries of origin, in addition to other expenses like language courses.

The first point laid down by article 24 of the bases agreement is that, throughout the duration of the agreement, the United States would bear the costs associated with the upkeep of the bases, apart from those specified in the second point, which would be borne by Japan. This point no. 2 specified that Japan, for the duration of the agreement, would provide the infrastructure, the land, and the access routes used by the forces (compensating the landowners when necessary). On the other hand, in the implementation of the agreement, the construction costs of the buildings, their

^ζ A journalist for the *Ryūkyū shinpō* (*The Ryukyu News*).

upkeep, and the management costs were to be borne by the United States.

However the *omoiyari yosan*, which began in 1978 by undertaking to bear a part of the medical costs (6.2 billion yen), expanded last year to include a part of the wages and maintenance costs. What was intended to be an exceptional measure, ended up in 1978 by completely distorting the bases agreement as it rose to 100 billion yen.^η In 1991, it rose to 200 billion yen, and to 271.4 billion by 1995 with the inclusion of the costs of energy, and water provision and treatment. In 1996, the costs of moving the bases and training were added. Since the year 2000, the *omoiyari yosan* has amounted to 200 or 250 billion yen each year. Paradoxically, this special budget was increased in the 1990s, when the economic climate in the United States was actually good.

The term *omoiyari yosan* is a Japanese coinage; for their part the Americans refer to *host nation support*, to shift the emphasis to its value in security terms. The United States does not wish to see this contribution disappear, but in response to Japan's request it was brought back down to 192.8 billion yen for the 2009 fiscal year, and to 188.9 billion yen for 2010. So it has finally returned below the 200 billion yen level.

^η That is 910 million euros at the current exchange rate.

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