

US-Japan Missile Defense Cooperation: Current Status, Future Prospects

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Cooperation on ballistic missile defense (BMD) programs has had a profound effect on the policy, operational, and acquisition aspects of US-Japan defense cooperation. This paper will discuss ongoing developments in US-Japan BMD cooperation and consider the impact of such activities on security in the Asia-Pacific region.

Missile Defense – Debate vs. Reality

Any discussion of BMD must at least acknowledge an endless debate on both the feasibility and appropriateness of missile defense. Supported by an array of vested bureaucratic, industry, and political interests, advocates continue to make expansive claims for missile defense capabilities. Like prophecies of air power in the 1920s and 30s, such arguments tend to dwell more on potential than actual capabilities and often prove misleading, or at least premature. [This is particularly true of heavily politicized claims for National Missile Defense assets recently established on the US West Coast.]¹

Equally entrenched critics continue to assail missile defense measures on the grounds of technical feasibility, cost, and threats to regional stability. Discussion of missile defense in Japan has featured all such lines of criticism.² Much of this debate has been more ideological than substantive and will not receive further attention here. The focus of this discussion is on the slow but steadily emerging reality of US-Japan efforts to develop a regional missile defense structure.

Perhaps the best way to understand US-Japan BMD efforts is to see missile defense not as a vision of 'Star Wars' but in more practical terms of extended air defense – in other words, as an entirely predictable expansion of air defense capabilities against a growing array of threats. Concern with unmanned aircraft and tactical missiles would have led to substantial missile defense activity even if there had never been a Star Wars or Strategic Defense Initiative.³ Development of missile defense systems thus far reflects the pattern of earlier air defense developments; continuous, incremental measures periodically accelerated by applications of new technologies. The results of US-Japan cooperation on missile defense projects are consistent with this pattern.

Regional, or Theater Missile Defense (TMD) against short to medium range ballistic missile threats has become an established capability. Prospects for defense against longer-range, more challenging threats depend on advances in still unproven technologies. In addition to technical issues (can it be done?), governments will have to consider the

implications (should it be done?) of such capabilities for strategic deterrent forces – a matter well beyond the stated intent of BMD measures today.

US-Japan Missile Defense Cooperation – Background

Dialogue on missile defense issues between the US and Japan began not long after announcement of the original Strategic Defense Initiative (SDI) in 1983, resulting in a 1987 agreement on Japanese participation in SDI research. Nothing came of this initiative as neither side was ready to address real capability issues, let alone opportunities for cooperative projects. Substantive US-Japan interaction on missile defense first emerged in the early 1990s through Japanese industry participation in a SDI Western Pacific Region (WESTPAC) Architecture Study. Government dialogue then picked up through a ‘TMD Working Group’ that considered various approaches to Japanese missile defense capabilities. However, nothing beyond dialogue occurred during a time when no clear threat was evident and the US government of the time (Clinton administration) was undecided about how and when to proceed with BMD programs.⁴

In what has become a recurring pattern, North Korea helped to break this deadlock in thinking on missile defense with a test-firing of its Taepodong missile over Japan in 1998. Though continuing to hedge on procurement, the Japanese government opened the way to BMD capability by signing a Joint Cooperative Research (JCR) agreement on missile defense-related technologies with the US in 1999.⁵ Escalating tension with North Korea over the exposure in 2002 of its continued work on nuclear weapons and missile delivery systems finally provided a decisive push for a Japanese government decision to acquire missile defense capability, announced in December, 2003.⁶

Since then the US and Japan have been engaged in continuous rounds of technical studies, policy dialogue, and interaction on specific programs. Major developments over the past three years can be summarized as follows:

- Conclusions in 2005 of a “Joint Analysis Study” on future areas of US-Japan BMD cooperation, as well as an umbrella agreement on joint projects known as the BMD Framework Memorandum of Understanding (MOU).
- Japanese commitment to initial missile defense capabilities through procurement of the ground-based Patriot Advanced Capability 3 (PAC-3) system, refit of its four Aegis air defense system-equipped warships with the BMD-capable Standard Missile 3 (SM-3) plus related software programs, and upgrades of existing air defense sensor and command/control networks.
- US deployments of SM-3 capable warships in seas near Japan, PAC-3 missile units in Okinawa and the installation of a BMD early warning radar in Northern Japan.⁷

- Agreement in 2006 to move from technology projects in JCR to joint development of an upgraded SM-3 missile – SM-3 Cooperative Development (SCD) for use by both countries.

This brief summary of developments in US-Japan BMD cooperation hardly conveys a sense of the lengthy and difficult efforts needed to resolve policy and legal concerns, as well as overcome bureaucratic obstacles and entrenched attitudes on both sides. Missile defense has proven to be far more than another in a long series of defense equipment programs – US-Japan interaction on BMD is having a profound effect on the substance of defense cooperation, and indeed the very meaning of the term US-Japan alliance.

Missile Defense and the US-Japan Alliance

Development of missile defense cooperation has been critical to a process of “alliance transformation” that ranges from an updated concept of roles missions and capabilities for defense cooperation, to a realignment of the US force structure in Japan.⁸ BMD matters have had significant impact on key areas of alliance activity:

- Policy: Moving from agreement on the need for missile defense to implementing BMD cooperation has brought policy planners on both sides into closer consultation on regional security strategy, arms control/non-proliferation policy, and an expanding scope of bilateral cooperation. The US government has been obliged to rethink its positions on alliance participation in US missile defense programs, as well as the release of sensitive defense technologies to key allies. Similarly, development of BMD activities will compel the Japanese government to reconsider long-standing positions on such policy-sensitive matters as Japan’s self-imposed ban on collective defense operations, and its inflexible approach to arms export controls (see below).
- Operations: Cooperation between Japan and the US on BMD operations in Northeast Asia will require a level of coordination between US and Japanese defense forces that gives unprecedented meaning to the term ‘interoperability.’ Issues of concern here include timely sharing of critical intelligence data, development of an effective command, control, and communications (C3) infrastructure, and revision of outdated policies that obstruct joint response to imminent missile threats.
- Acquisitions: The SCD project initiated last year is also unprecedented in being the first effort to jointly develop a defense system for use by both countries – and probably third country allies as well. While this effort may not seem remarkable to those familiar with multinational defense projects in NATO or the EU, implementing SCD has required substantial adjustments in interaction among program management bureaucracies and defense industries on both sides. Here too BMD cooperation has brought both sides beyond the limits of long-established practices and attitudes.

Missile defense cooperation points to a critical influence on US-Japan alliance evolution often overlooked in discussion of political leaders or key administration officials – the growth of institutional interaction between the US and Japanese defense establishments.

Both in operational activities and capability development, missile defense programs have encouraged interaction among a broad range of government and industry stakeholders with little experience in such engagement, or perceived need for it. This strengthening of institutional foundations for cooperative defense efforts could prove critical to managing further problems in BMD programs that arise from changes in plans and budgets.⁹

Recent progress in implementing missile defense cooperation is all the more impressive given differing perspectives and agendas that the US and Japan have brought to BMD activities. As noted above, initial US engagement of Japan on BMD matters made little progress given indecision over the nature and timing of US commitments. Uncertainty in direction and funding for BMD efforts – especially in the area of maritime missile defense – continued even after the launching of JCR projects with Japan.¹⁰

Another area of concern for US defense officials has been in determining the appropriate level of engagement in joint programs with Japan, or any other international partner. Is Japan to be little more than a component supplier for US developed and managed systems? Or should Japan be a partner with a substantial role in development (and perhaps production) of systems meeting US as well as Japanese requirements? Initially conservative US views on these questions have evolved over the past several years, partly through recognition of common requirements for maritime BMD and partly through appreciation of Japan's commitment to alliance operations, including missile defense capability.

For Japan, missile defense is critical to an emerging security posture that takes a more dynamic approach to the 'sword and shield' concept of defense cooperation with the US.¹¹ For a number of years concerns over feasibility, cost, and political controversy caused the Japanese government to defer action on missile defense acquisition. However, well before a formal commitment to BMD, the Japanese defense community had already focused on its interests in missile defense programs with the US. In the face of continuing shifts in US positions on maritime BMD programs, Japan has consistently pressed for joint efforts focused on Aegis system and SM-3 upgrades.

While US officials still debate the appropriate extent of their engagement with Japan, their Japanese counterparts are intent on not only acquiring BMD capability, but having a voice in the direction of future program development and ensuring that missile defense contributes to the development of Japan's defense industrial/technology base. Japanese Ministry of Defense (JMoD) and industry officials expect a broader role in BMD systems development, and assume that current joint development projects will lead to joint production of missiles and related hardware as well – not a safe assumption given an all but certain collision between the Japanese government's rigid approach to arms exports restrictions and likely US insistence on making any jointly developed/produced BMD products available to third country allies.¹²

All talk of alliance harmony notwithstanding, engagement on missile defense programs will thus encounter significant areas of tension for the foreseeable future. So far US and Japanese officials have managed to reconcile changing and sometimes conflicting agendas in efforts to develop BMD capabilities. Common interests should continue to outweigh differences in advancing missile programs, but US and Japanese policy makers can

never take such an assumption for granted. Success in implementation of missile defense cooperation will continue to require close engagement on all levels of concerned government and industry participants.

Regional Impact of US-Japan BMD Cooperation

The following discussion of US-Japan missile defense cooperation on security in the Asia-Pacific region is not concerned with strategic deterrence (e.g. US-based interceptors vs. Chinese ICBMs), but on regional threats from short to medium range ballistic missiles.¹³

China: While both US and Japanese officials are careful to focus on North Korea as the object of current missile defense activities, it is widely understood that China's missile force is the more serious, longer-term concern. From US-Japan TMD dialogue in the 1990s through the Shangri-la security conference last June¹⁴ China has repeatedly attacked US-Japan missile defense activities as threatening to regional stability in:

- Providing Japan an offensive military capability;
- Encouraging Japanese militarization;
- Being used to protect Taiwan;
- Triggering a regional arms race.

Such arguments have varied little over the years, as have their lack of credibility given the steady build-up of both nuclear and conventional Chinese forces.¹⁵ Contrary to its usually cautious approach toward China on any matter concerning defense, the Japanese government has shown little concern for Chinese objections to its pursuit of missile defense capabilities – a good indication of the importance Japan attaches to BMD.¹⁶

How will planned US-Japan BMD deployments affect Chinese missile capabilities? Current PAC-3/SM-3 forces will be effective against the short-medium range Chinese missiles similar to those developed by North Korea, while upgraded SM-3s will also have capability against intermediate-range (IRBM) Chinese missiles.¹⁷ All of this could be relevant to Taiwan but, as argued below, the likelihood of US-Japan BMD becoming a direct factor in the defense of Taiwan appears overstated.

Taiwan: China's 'military option' is key to its leverage over Taiwan. Pre-emptive attack on critical Taiwanese infrastructure is in turn essential to this military option. Deployment of short range ballistic missiles across the Taiwan Strait has become China's primary instrument for pre-emptive strike. Chinese defense planners also see tactical missiles, perhaps including retargettable ballistic missiles, as obstructing US intervention in an attack on Taiwan. Meanwhile, Taiwan's response to its growing vulnerability to pre-emptive attack rests on:

- BMD measures (PAC-3 missiles, early warning radar, hardened infrastructure);
- Counterforce actions (strikes on Chinese strategic infrastructure);

- Trilateral ties with the US and Japan.¹⁸

There has been political support for US-Japan-Taiwan security cooperation in both Washington and Tokyo, as well as unofficial trilateral dialogue on such matters. However, it seems unlikely that such exchanges will have substantive effect, especially on missile defense, due to concerns with:

- Internal constraints in Taiwan: Taiwan remains both inadequately equipped and institutionally unprepared to collaborate on BMD matters;
- Interaction with the US: Unease in Washington over Taiwanese posturing on independence and problems with arms programs have seriously strained political and defense cooperation;
- Japanese policy: Considerations of collective defense and arms transfer restrictions, as well as reluctance to confront China on Taiwan matters, all weigh against tangible Japan-Taiwan defense ties.¹⁹

Korea: North Korean missile launches and nuclear weapons testing last year have given Japan further reason to emphasize BMD operations and acquisition programs.²⁰ Current and planned US-Japan activities are likely to offset the regional threat posed by Nodong and Taepodong missiles, but do not directly address North Korean nuclear programs or the problem of weapons and missile proliferation. At best, BMD developments can provide leverage for current Six-Party talks on North Korean nuclear capabilities and, eventually, general resolution of tensions on the Korean peninsula.

Meanwhile, South Korea has taken a very different approach from Japan to missile defense. Focusing first on the long-standing threat from the North, South Korean policy makers continue to believe that dealing with the North is as much a matter of negotiated reconciliation as military countermeasures. Korean political and military leaders are also suspicious of all major regional powers – especially Japan, where the “history issue” remains very much alive.²¹

Thus South Korea has pointedly refused to join the US and Japan in work on a regional missile defense system. However, recent North Korean missile and nuclear activities have convinced Seoul of the need to take some independent action on missile defense. This has led to the establishment last year of an Air and Missile Defense Command in the ROK military structure. Not surprisingly this group is focused on the threat of short range missiles and artillery rockets from the North. Planned acquisition of sensors and weapons will also provide potential for more expansive missile defense activities, but current Korean defense planning has not yet addressed this issue.²²

Russia: Russia has been at odds with US on missile defense measures since announcement early in the Bush administration of its intent to withdraw from the ABM Treaty and develop a National Missile Defense (NMD) system.²³ Like China, Russia has never accepted the argument that a limited NMD capability against accidental or rogue-state/terrorist missile launches has no impact on strategic deterrence. Russia has been even

more disturbed by US efforts to bring forward elements of a missile defense shield to Europe, especially in the territory of former Warsaw Pact allies – thus its fierce resistance to proposed BMD deployments in Poland and the Czech Republic.

On the other hand, Russia has had little to say on US-Japan missile defense activities. Russian officials have occasionally joined Chinese counterparts in voicing concern over BMD cooperation as a tool for extending US influence in the Asia-Pacific region. Otherwise Russian dialogue with Japan has raised missile defense in the context of defusing problems with North Korea.²⁴

Australia: Over the past ten years Australia has broadened the scope of its defense operations under a long-standing “Defense of Australia” policy. While not a return to the “Forward Deployment” posture of the early Cold War years, Australia’s current approach allows for greater multinational engagement on regional security matters.²⁵

Reacting mostly to the development of ballistic missile capabilities by China and North Korea, Australia has gradually developed BMD cooperation with the US. through upgrade of its early warning radar capabilities and other technology research. Australia has recently announced its intent to procure three Aegis system-equipped warships. Provision of BMD capability for these ships is still under study, but is expected to be announced in the near future.²⁶

Regional engagement by Australia increasingly features interaction with Japan. The Japan-Australia Joint Declaration on Security announced last March has significantly broadened the range of existing exchanges on policy, intelligence and operational/ training matters. Growing bilateral interaction on defense issues in turn extends to trilateral engagement with the US. Missile defense is part of this trilateral dialogue; the launching of a Regional BMD Forum earlier this year parallels exchanges in other areas of security policy and defense capabilities. Australia has not yet decided to participate in US-Japan BMD activities, but appears to be moving steadily in that direction.²⁷

Summary: So far developments in US-Japan missile defense cooperation have not had the destabilizing effect on regional security forecast by various critics. Current and projected work on regional BMD systems by the US and Japan will impact the threat of short to medium range ballistic missile deployments by China and North Korea, but there is no serious evidence to support fears that BMD is feeding a more aggressive military posture by either country. Even in the case of Taiwan US-Japan missile defense programs are unlikely to have a serious effect on current tensions. On the other hand, joint BMD activity can contribute to regional security as a complement to arms control/non-proliferation efforts – per nuclear dialogue with North Korea – and a promoter of multilateral engagement in defense planning and operations.

Prospects for US-Japan Missile Defense Cooperation

By the end of this year Japan will have achieved an initial operational capability in both ground and maritime BMD programs; deployments of PAC-3 batteries and BMD refits

to four Japanese Aegis-equipped warships will be largely complete by the end of this decade. US deployment plans now project a continuous presence of three Aegis BMD-capable warships in the Western Pacific in addition to the US PAC-3 batteries in Okinawa. Recent BMD consultations have raised the possibility of Japan adding the Theater High Altitude Air Defense (THAAD) system to its missile defense forces.²⁸ Meanwhile the SCD project on development of an upgraded SM-3 missile will be the centerpiece of joint program efforts for some years to come.

Japanese defense officials are preparing procurement proposals for the final two years of the current (2004-09) JMoD Mid Term Defense Program (MTDP), and will soon begin planning for the next MTDP. BMD funding, which has had a major share of MTDP allocations so far, will be adjusted to meet other acquisition priorities. The next several years are likely to be a period of consolidation for Japanese missile defense programs.²⁹

Just as missile defense offers great opportunities for US-Japan defense cooperation, it also poses challenges that may test the limits of such cooperation. The most serious near-term issue for Japanese missile defense capability – and US-Japan BMD cooperation – lies not in programs, but in operational coordination. This means infrastructure needed to link various systems and control centers, as well as established and practiced procedures for joint missile defense operations.

Beyond technical issues of coordination and program management, there remain questions of how far each side is prepared to accommodate an integrated missile defense capability. The US approach to disclosure of sensitive defense data remains obstructively strict – if anything, more so in recent years. Though valued as a close ally, Japan still raises questions within the US government over access to the leading-edge technologies at the core of BMD systems.³⁰

Meanwhile Japanese officials often speak of the need for an “independent” missile defense capability. Does this mean ensuring that Japan retains operational control over use of its BMD forces? To what extent is concern for independent control entangled in the Japanese government’s increasingly untenable ban on collective defense operations?³¹ Does thinking behind an independent capability go further to support development of indigenous systems that may – or may not – have necessary interoperability with US counterparts?³² Consideration of such questions suggests two possible paths to future US-Japan interaction on missile defense systems and operations:

1. Mutually supporting US and Japanese capabilities based on:

- Resolution of policy issues affecting joint operations;
- Interconnected command and control systems with timely information sharing;
- Jointly developed and produced hardware (weapons and sensors) supported by interoperable software;
- BMD platforms (ships, aircraft, satellites) that share jointly developed technologies;
- Sustained joint planning, training and exercises;

- Expansion of missile defense activities to other regional partners.

There has already been notable progress toward this goal – more than many observers might have thought possible just a few years ago. However, further progress is by no means assured. All of the activities listed above will require continued policy vision as well as effective program management to work through ever-present budgetary, bureaucratic, and perhaps political obstacles.

2. Cooperative – but not joint – missile defense capabilities:

- Functional interoperability between BMD forces, but limited information sharing;
- More emphasis on “independent” Japanese capabilities and operations;
- Case-by-case cooperation on acquisition of missile defense systems, with substantial Japanese effort to develop and procure indigenous systems;
- Regional BMD cooperation will be more difficult to implement

This is the ‘default’ path to future US-Japan missile defense cooperation. Here, all parties would proceed on established tracks to implement current programs, accomplishment of which would in itself be a substantial achievement. However, political and bureaucratic agendas limit the extent of future integration on BMD activities. Budgetary problems, or resistance to compromising national programs, will make some tasks simply ‘too hard’ to see through.

Can missile defense continue to “lead the way” on defense cooperation between the US and Japan? There can be little question that US-Japan interaction on BMD has been critical to transition from a relatively passive security relationship to a more proactive alliance. From the perspective of capabilities development and operational activities, missile defense has energized engagement between US and Japanese defense institutions to the point where it is almost self-sustaining. Only a major shift in alliance relations would derail the process of BMD cooperation now established. Still, the degree of US-Japan interaction – as summarized in the ‘integrated’ and ‘default’ paths described above – remains uncertain as both countries continue to seek their way through untravelled territory.

¹ For examples over the past several years, see John Newhouse, “The Missile Defense Debate” in *Foreign Affairs*, July/August 2001; U.S. Congress, Congressional Research Service “Missile Defense: The Current Debate” (Washington, D.C. GPO, July 2005); Martin Sieff, “The Ballistic Missile Defense Debate” (UPI report, July 6, 2006).

² The basics of the Japan BMD debate remain those discussed in Patrick L. Cronin, Michael J. Green, and Paul S. Giarra, “The Alliance Implications of Theater Missile Defense” in Michael J. Green and Patrick L. Cronin, eds. *The U.S.-Japan Alliance* (New York: Council on Foreign Relations Press, 1999) pp. 177-79. For a more recent summary of Japanese reservations on BMD, see “Missile Defense Plans Have Their Skeptics” at *Japan Times online*, July 28, 2006 (www.japantimes.co.jp).

³ For a discussion of extended air defense in the NATO context, see David Martin, “Towards an Alliance framework for extended air defense/theater missile defense” in *NATO Review*, Vol. 4, No. 3, May 1996, pp. 32-35.

⁴ See Chapter 8 of *The U.S.-Japan Alliance* for early US-Japan engagement on missile defense

⁵ JCR efforts focused on 1) study of a future maritime missile defense interceptor, which became the Block IIA version of SM-3 now being developed in the SCD project; 2) joint research on four components of that missile.

⁶ Statement of the Chief Cabinet Secretary on “Introduction of Ballistic Missile Defense System and Other Measures,” 19 December, 2003 (available at www.kantei.go.jp).

⁷ See the Statement of the US-Japan Security Consultative Committee (SCC) May 1, 2007 (www.state.gov), and “Missile Defense Program Overview” 29 January 2007 (MDA briefing for Washington Roundtable on Science and Public Policy; (www.marshall.org/pdf/495/pdf)).

⁸ For summaries of alliance development, see the SCC Statements of February 1, 2005; October 29, 2005; May 1, 2006; and May 1, 2007 available on Departments of State and Defense websites.

⁹ Observations in these paragraphs are based on the author’s experience as an advisor and participant in coordination of BMD and other US-Japan defense programs.

¹⁰ At first US maritime BMD focused on the Navy Theater Wide (NTW) system. The initial US-Japan study under JCR focused on an advanced interceptor for NTW. Following reorganization of US BMD efforts in late 2001 NTW became Sea-based Mid-course Defense (SMD). MDA decided that SMD requirements could be met with the Block 1 SM-3 interceptor already under development; no further versions would be needed. Japan continued to press for an advanced SM-3 that would utilize JCR-developed technologies. Eventually the US Navy supported this approach and pressed MDA to support joint development of the SM-3 Block IIA.

¹¹ Initial “roles and missions” planning between US and Japanese defense officials in the early 1980s envisaged a US ‘sword’ (power projection forces) working with a Japanese ‘shield’ (defense of Japanese territory, and support through US bases and other facilities in Japan). Current defense planning emphasizes a Japanese shield both less static and more closely coordinated with US forces. Missile defense embodies such interaction.

¹² Though Japan’s “Three Principles” policy on arms exports adopted in 1967 is not in itself especially strict, “Guidelines” on this policy announced in 1976 all but preclude defense exports (with exceptions only for some tech transfers to the US – and hardware only in the case of joint BMD projects). Third country transfers of jointly developed defense systems and technologies have yet to be seriously addressed.

¹³ The threat of cruise missiles, though generally recognized, is still not on the agenda in US-Japan consultations.

¹⁴ “China warns U.S., Japan against missile defense” *Washington Times*, June 7, 2007 (www.washingtontimes.com).

¹⁵ Though dated, “China’s Opposition to US Missile Defense Programs” *Center for Nonproliferation Studies*, 2000 (<http://cns.miis.edu>) remains an excellent summary of Chinese positions. Chinese posturing on BMD issues has always been undercut by the obvious hypocrisy of saying, in effect, that it is all right for China to aim WMD-armed missiles at Japan, but “destabilizing” for Japan to undertake any defensive measures against such a threat.

¹⁶ Discussions with Japanese foreign and defense policy officials since the late 1990s have shown notable consistency in focus on missile defense needs (well before becoming an official position) as well as determination to resist Chinese pressure.

¹⁷ See summary of Chinese missile capabilities in “Chinese Ballistic Missile Designation and Characteristics” *Center for Nonproliferation Studies*, 2003 (available at www.nti.org/db/china). See also Chapters 1-3 of Hideaki Kaneda, *Japan’s Missile Defense* (Tokyo: Japan Institute of International Affairs, 2007) for discussion of evolving missile capabilities.

¹⁸ See discussion of Taiwan defense priorities in Gregg A. Rubinstein, “Defense Acquisition Priorities for Taiwan” in *Taiwan Defense Affairs*, Vol. 3, No. 4, Summer 2003, pp. 6-28. See also the more recent summary of Taiwanese concerns in “Taiwan hopes to join U.S.-Japan missile defense project” *Kyodo News*, June 13, 2005 (www.kyodonews.com).

¹⁹ The US-Japan-Taiwan Trilateral Security Dialogue is the best of known trilateral forum; see the site of its Taiwanese sponsor (www.taiwanthinktank.org) for further information. See “US Warns Taiwan to Clean Up Defense Procurement” *Defense News*, September 11, 2006 for a sense of current US government views of Taiwan defense matters. Japan-Taiwan matters remain as described in David Fouse, “Japan-Taiwan Relations: A Case of Tempered Optimism” in *Asia’s Bilateral Relations* (Honolulu; Asia-Pacific Center for Security Studies, 2004), Chapter 4.

²⁰ See discussion of US, Japan, and international reaction to NK missile and nuclear tests in U.S. Congress; Congressional Research Service “North Korea’s Nuclear Test: Motivations, Implications, and US Options” October 24, 2006 (www.loc.gov/crsinfo).

²¹ The “history issue,” meaning Japan’s occupation of Korea and aggression in China, remains a flash point in regional relations – deliberately stoked by the Korean and Chinese governments as well as recalcitrant posturing by Japanese politicians.

²² “S. Korea plans affordable missile defense shield” *Chosun Ilbo*, December 21, 2006 (<http://english.chosun.com>). Korea plans to procure surplus PAC-2 systems from Germany for its initial missile defense force. Korea’s new KDX III Aegis system-equipped destroyers will also have potential BMD capability – if and when Seoul opts for maritime missile defense.

²³ “Remarks by the President on NMD,” December 13, 2001 (www.dod.mil/acq/acic/treaties/abm/remarks.htm). NMD is based on Ground-based Missile Defense (GMD) sites on the US west coast and early warning radars deployed overseas.

²⁴ For example, see remarks of Russian Foreign Minister Ivanov as described in “Russia urges Japan to include neighbors in missile defense” *Kyodo News*, April 2, 2003 (www.kyodonews.com).

²⁵ Desmond Ball, “Whither the Japan-Australia security relationship?” *Austral Policy Forum* 06-32A, September 21, 2006 (www.nautilus.org/~rmit/forum-reports/index.html).

²⁶ A US-Australia MOU on missile defense cooperation was signed on July 7, 2004. See also Australia MoD discussion of future Air Warfare Destroyer capabilities at www.defence.gov.au.

²⁷ “Australia-Japan Joint Declaration on Security Cooperation” March 13, 2007” (www.dfat.gov.au). Trilateral dialogue on BMD matters began last February, with talks on air mobility following in May and defense ministerial consultations in June. For discussion of Australian views on joining US-Japan BMD efforts, see “Australia weighs joining U.S. and Japan on missile defense” *International Herald Tribune*, June 5, 2007 and interview with Australian Defense Minister Brendan Nelson, June 5, 2007 (www.defence.gov.au).

²⁸ THAAD has been raised at US-Japan BMD consultations since 2005. Discussion with JMoD officials indicate interest but, reflecting both the US program development schedule and Japanese funding constraints, a procurement decision is unlikely prior to 2011-12.

²⁹ This projection is widely shared among JMoD and Japanese industry observers.

³⁰ Such concerns are inflated, for example, by Japan’s long delayed action in concluding a General Security of Military Information Agreement (GSOMIA) – finally signed on August 10 of this year. More seriously, a recent leak of Aegis systems data at JMoD has compelled a thorough review of Japanese government security procedures.

³¹ Reflecting a long-standing fear of entrapment in US military operations, Japan has been very sensitive to the perception that its BMD resources would be just an element in a world-wide US BMD network. Thus Japan’s insistence that it retain visible control over any BMD launch. A more serious matter is the Japanese government’s position that Constitutional restrictions on defense preclude joint operations in any but a strict ‘defense of Japan’ contingency. This ban on collective defense activities clearly undercuts joint BMD operations with the US. As with arms exports, the Japanese government needs to adjust a politically volatile but outdated policy to current realities.

³² As is the case elsewhere, foreign procurement vs. indigenous development has been a regular theme in Japanese defense acquisitions. Too often, international or indigenous alternatives are still seen as a zero-sum game by an “indigenous lobby” of Japanese defense officials, contractors, and politicians. Such attitudes are especially serious in light of future BMD capabilities, where a ‘cooperative acquisition’ approach to capabilities development will be critical to effective joint operations.