CHAPTER SIX

THE FUTURE OF THE U.S.-JAPAN ALLIANCE:
Implications for a Multilateral Cooperation

0. Introduction

In earlier chapters, it has been argued that realism and liberalism are the most
dominant approaches to understand interstate and intraalliance interactions, and
international politics in general. The traditional forms of these approaches were
found inadequate to explain all interstate interactions. However, neorealism and
neoliberalism compete to better explain current international politics and the U.S.-
Japan alliance relations. The former focuses on the state as the key actor in
international relations, on balance of power, on national interests, and on the
structure of international system; while the latter emphasize the importance of
nonstate actors, economic forces and interdependence. Although assumptions of both
approaches are not completely sufficient in explaining a bilateral relationship, they
are still regarded by many theorists as more adequate than any other approaches.
However, constructivism, as it criticizes both neorealism and neoliberalism, may
provide some new expectations and assumptions to overcome the shortcomings of
the previous approaches through its emphasis on social and cultural changes which
help shape identity and national interests.¹

Since the US-Japan security alliance is still viewed by many observers as a
regional stability power, it is important to examine the durability of this alliance and

¹ Joseph S. Nye, Understanding International Conflicts: An Introduction to Theory and History. New
its implications for multilateral security cooperation in the Asia Pacific region, particularly in the Far East setup. The analysis of the links between security and nonsecurity issues in bilateral U.S.-Japan relations shows that the two examined approaches to international relations, neorealism and neoliberalism, could be also employed in the exploration of a multilateral cooperation system or a regional security regime.

6.1. Competing Approaches

The dynamics of the U.S.-Japan alliance relations visibly suggest that both courtiers, and other regional powers, behave according to neorealist expectations, while neoliberalist explanations could provide a peripheral framework for their behaviors and actions. Therefore, a successful institutional model for building peace and stability in the region will be neoliberalist in form and neorealist in essence. This definitely entails the institutionalization of the U.S.-led bilateral ties in the region.

When examining approaches of international relations as they are applied to the US-Japan alliance relations, many questions arise on the strength and roles of the alliance in the region, particularly with the existing unstable factors, political frictions and unsolved territorial disputes. In order to explore the possibility of maintaining peace and stability in the region, it is important to examine the nature of interactions among regional major powers: competition between the US and China for global hegemony and competition between Japan and China for regional dominance. It is noticeable that the interactions between the US and Japan are definitely affected by and have impacts on external events.
If approaches to international relations provide a framework for understanding events in international relations, then these approaches should explain and predict the current and future directions of the US-Japan alliance and its implications for a regional security cooperation.

According to neorealism, conflicting interests among regional powers prevent them from sacrificing their national interests in order to build a new regional institution or regime. This is because regional powers still depend upon their bilateral ties with the US to satisfy their security wants. However, it may be in the US interest to take the initiative in institutionalizing its bilateral ties for greater multilateral cooperation with regional states such as China, the Republic of Korea, and Asean.² Thus, it is possible that the most expected and successful institution would be neorealist in essence (power and interests relations), but neoliberal in form (economic interdependence and liberal values). In this process, the suggested constructivist approach would facilitate bilateral and multilateral interactions and allow the regional states to share community-based characteristics. But whether this expectation is possible within the framework of the U.S. bilateral ties or not, is in fact a crucial question. Then one may ask: For what time regional powers will continue to depend on their ties with the US, and when they will be able to shape their future as the biggest community in the world? Does the American military presence and political influence prevent any real efforts to build a stable Asia? If yes,

² Japanese Prime Minister Junichiro Koizumi in his January 9-12, 2002 trip to the original members of the Association of Southeast Asian Nations (ASEAN) proposed the initiative for Asian "community that acts to gather and advances together" and emphasized the importance of the framework of "ASEAN+3". He stated that the countries of ASEAN, Japan, China, the Republic of Korea, Australia and New Zealand are core members of such a community, but that the proposed community is by no means exclusive and extends to cooperation with the United States, India, the Pacific nations through APEC, and with Europe through the Asia-Europe Meeting (ASEM).
why? All these questions are related to the regional cooperation in the Far East and the whole Asia-Pacific region as well.

The international environment in the Far East consists of four interconnected perspectives: US-Japan alliance relations, US-China competition on a global level, the Japan-China rivalry on a regional level, and the inter-Korean confrontation on a sub-regional level. In addition, Russia has always been active in voicing its own concerns over major security issues in the region. These rivalries are closely linked to bilateral and multilateral trade, and economic interests in the Asia Pacific region as a whole.

The U.S.-Japan alliance relationship on its bilateral level has already been examined and explored. Therefore, the other interconnected arrays of security rivalry need to be examined in order to gain clearer perceptions about the future.

The direction of the US–China rivalry is very important to peace and regional stability and directly affects the nature and durability of the US-Japan alliance. For China, the US has changed the balance of power in the region in an attempt to contain China and, therefore, has driven the region into uncertainty and mistrust as well. For the US, the American engagement is not to contain China; rather it only serves the public goods. Actually, this argument is based on the assumption that China must not become a “hostile” country or a regional threat to the

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US hegemony in the future. This concern about China is serious because of its growing military capability and its huge market.

The concern becomes more serious because the network of bilateral and multilateral relations in the region is still uncertain. China has a strong relationship with Korea; while the US relationship with North Korea is still unstable. Meanwhile, the US relationship with Japan is strong and durable, while the Japanese relationship with China is recently getting better. In the meantime, the US-China trade relationship is growing remarkably. All these signs could enlarge the US influence in the region. Yet the US, not China is the most influential power in the region. These factors make stability important for both China and the US. China is also concerned about Japan as they still view Japan as a real source of threat in the region. There is a general fear that instability in the region, or any open conflict, may lead to the increase of military capabilities in Japan. That is why China realizes that the US military presence in Japan is important to maintain stability in the region, and to prevent Japan's militarism.

Another key issue in the course of the US-Japan relationship is whether the US policy towards China could help overcome China's efforts to become a "balancer" or a counterbalanced power. Although both nations always emphasize on the importance of having a strategic partnership because of their economic

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8 For details on the development in Japan-China relations see Diplomatic Bluebook 1998 to 2001.
interdependence, they are far from building the confidence needed for a genuine partnership. There are many unsolved issues between both countries, which represent obstacles to build a mutual confidence. These include the Taiwan question, nuclear tests, human rights issues, the US-Japan Guidelines-1997 and American Missile Defense System.\(^9\)

With respect to the competition between China and Japan, it is evident that China distrusts Japan’s alliance with the US. For China, the new guidelines of 1997 have opened the way for Japan to expand its military capabilities. The Chinese noted the guidelines originated from the 1996 Joint Declaration on Security, which was announced shortly after the Taiwan Strait Crisis that year.\(^11\) Japan’s grand plan for the 21\(^{st}\) century is said to become a politico-military superpower by promoting military exchanges with China and Russia, while strengthening its alliance with the US. According to neorealists, the status of politico-military superpower means greater security role. On the other hand, Japan often expresses its concern over the growing military capabilities of China, its missile testing in the Taiwan Strait and its influence in the Korean peninsula—Japan still views North Korea as a threat to its national security.\(^12\) However, Japan’s policy towards China is, in many ways, in harmony with that of the US. Japan believes that the maintenance of a positive relationship with China and the integration of China into the international community will contribute to regional stability.\(^13\) Thus, the future direction of the

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\(^9\) Taiwan is a main issue in the US-China rivalry. The US maintains relations with Taiwan in an unofficial but practical manner. Yet, the does not take a position of the ultimate political disposition of Taiwan, as long as a final solution is found.


Japan-China rivalry is decisive in the process of building a peaceful regime in the region.

Although the trilateral relationship among US, Japan and China is crucial for stability in East Asia, other regional states such as the Republic of Korea are imperative. Both the Republic of Korea and South Korea are worried about any increase in the Japanese regional security role. There are many bilateral issues of contention that can potentially obstruct regional confidence-building measures. These include Japan’s historical heritage, Japan’s claim of sovereignty over Takeshima, conflicts over fishing issues, Japan’s apology for its colonial occupation and recently the reversion of Japanese textbooks. 14 Though all these issues represent difficulties to activate Japanese security participation in the region, optimism in the Japanese-Korean relations is much easier than expected, particularly with respect to trade and economic relations.

Figure (7) Framework of bilateral ties between the U.S. and regional states.
6.2. Theoretical Implications

This section examines how theories of international relations have certain implications for the security setup in the region. First, the regional major powers tend to handle security issues according to neorealist expectations rather than the neoliberalist approach of institutionalizing norms and rules. Despite many sources of uncertainty and conflicts, little efforts have been made by major powers to promote any type of multilateral cooperation—the Asean Regional Forum (ARF) is an exception.\(^\text{15}\) This can be better explained by using a neorealist approach. However, constructivism raises the possibility that security cooperation is feasible through promoting interactions among regional states.

Traditionally, the central theme for realism has been war, and the use of power in interstate conflicts. Liberalism, however, concentrates more on economic interdependence and other transnational aspects of international relations. According to realism, state is the key-unitary-rational actor in international politics. Liberals emphasize the importance of nonstate actors in world politics. However, both neorealism and neoliberalism agree upon the importance of the system structure and the assumption of rational choice. Neorealists see that a system consists of a structure and interacting units. This structure may be defined in terms of ordering principle and distribution of capabilities among the units. According to this argument, the structure in any region determines the nature of relations among states, and the systemic structure puts constrains on state behavior. Thus, stability in the

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\(^{15}\) The Asean Regional Forum (ARF) was established in 1994 as a forum for dialogue at which Asia-Pacific countries, including China and Russia, exchange views on political and security issues in the region. The forum plays an important role in confidence-building in the region. ARF is strongly supported by Japan. See Ministry of Foreign Affairs, Japan, Diplomatic Bluebook 1997, Tokyo: Ministry of Foreign Affairs, 1998, pp. 54-56.
region is possible only when structural constraints create a stable order among major states and certain capabilities are distributed within that system.16

On the other hand, neoliberalists argue that strategic interdependence is also a necessary condition that exists along with anarchy.17 They argue that states converge their interests based on their rational calculations and believe that doing so will better serve their interests. Neoliberalists thus argue that institutions may yield fruitful outcomes for promoting security cooperation. According to this assumption, stability in the region may be possible through institutional approaches that can strengthen strategic interdependence among states and enable their interests to converge.

Linking the actual affairs with theoretical debates between neorealism and neoliberalism introduces meaningful implications for discussing stability and peace in the Far East. As mentioned in Chapter Two, there are six main features of the debate between neorealism and neoliberalism: nature and consequences of anarchy, international cooperation, relative versus absolute gains, priority of state goals, intentions versus capabilities, and institutions and regimes.18

When applying these points to the US-Japan bilateral ties and the whole situation in Far East, we find that major powers are unable to promote multilateral security cooperation for peace and stability due to their different perceptions of the nature and consequences of anarchy. The major powers do not respect the value of

16 These assumptions are in details examined in Chapter Two of this study.
18 These main features are summarized from David Baldwin, 1993, Ibid, pp. 4-8.
joint decision making out of fear that they may lose their competitive edge over other
states. According to neorealists, the major powers are preoccupied with their own
survival, leaving little room for cooperative decision-making based on
interdependence. If we consider the neorealist perspective, the leadership role of the
US in East Asia can never be seen as benign, or as a matter of looking out for the
welfare of the region. Other powers may even fear hegemonic defection by the US if
a multilateral regime is built in the region. This may be partly due to the lack of
confidence in the US policy towards Asia.

The second point of theoretical debate which is also relevant is that regional
major powers may find international cooperation extremely difficult, mainly because
of the historical hostility against Japan. Currently, security cooperation in East Asia
may, neorealists argue, require a US military presence, and is likely to be
accompanied by a corresponding increase in Japan’s military role. Yet, most states
are very sensitive to any sign of Japanese remilitarism or any increase in its defense
budget. In this case, historical enmity against Japan’s past behavior is the main
obstacle to promoting multilateral cooperation in the region.

The issue of relative gains versus absolute gains may explain why
multilateral security cooperation is difficult to achieve at this time in history and why
some major powers still view their bilateral ties with the US as the sole security
guarantor in the East Asia. The main argument is that gains earned from multilateral
security cooperation may be regarded as absolute gains, and those earned from
bilateral ties with the US are relative gains. The current situation in the region

19 Andrew Mack and John Ravenhill, “Economic and Security Regimes in the Asia-Pacific Region,”
in Mack and Revenhill (eds.), Pacific Cooperation, Building Economic and Security Regimes in Asia-
indicates that states prefer relative gains from bilateral ties with the US to absolute gains from multilateral cooperation. The reason behind such preference is the fear that absolute gains from multilateral cooperation are unlikely to be divided equally or fairly; it is expected to reflect the balance of power among regional states. Moreover, major actors fear that their security interests may be exploited in the process of multilateral security arrangement. Thus, if major powers in the region believe that absolute gains may not be divided equitably, achieving multilateral security cooperation will become more difficult.

Neorealists argue that a state which obtains greater gains may use its gains to implement a policy intended to destroy the other. In fact, strong and durable security ties between the US and Japan have made other powers, such as China and Russia, believe that gains from multilateral security cooperation will be divided in favor of the US and Japan. This is one of the reasons why regional powers hold strong reservations against increasing the Japanese security role.

Another point, which needs to be examined here, is the priority of state goals. Neorealists offer a better explanation than neoliberalists do. As mentioned in Chapter Two, neorealism tends to emphasize security matters to top the list of national goals, while neoliberalism focuses on political economy, and socioeconomic or welfare issues. It is argued that multilateral cooperation in the economic sphere is more likely to be achieved and enhanced than cooperation in security matters. Neoliberalism sees that economic growth in a region increases interdependence and encourages multilateral cooperation. On the other hand, neorealism sees that

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economic growth enhances national power, which is usually associated with subsequent increase in military capabilities. However, in East Asia bilateral ties are still the prevailing form of economic cooperation.

The fifth point of debate between neorealism and neoliberalism is centered on intentions and capabilities. Neorealism focuses on capabilities while neoliberalism emphasizes intentions. This difference between both approaches stems from their different perceptions about sources of conflict or uncertainty. For neorealists, the capability of a state to initiate a hostile policy or action is most important, without consideration for its intentions. However, for neoliberalists, capabilities are not useful if they are not accompanied by real intentions to provoke the other. Major actors in East Asia usually assume that any state with present or potential military capabilities is a potential threat or even a potential opponent. To give an example, any increase in Japan’s military defense or in its regional security role always provokes criticism from other neighboring countries, even though the Japanese intentions may seem benign or harmless. This also happens with China. Any increase in Chinese military capabilities is viewed by neighboring countries as a threat. In both cases, the source of these fears comes from the historical experiences involving both nations.

With regard to the last point concerning the validity of institutions and regimes, neoliberalists believe in the validity of international institutions or regimes while neorealists are doubtful of this. Neoliberalism considers the low concentration of international institutions in the region as a sign of the need to promote a

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21 Yongho Kim, Ibid. p. 211.
multilateral security regime; while neorealism challenges this idea, emphasizing on various conflicts of interest. On this point, neorealists offer more adequate explanations than neoliberals, as states in the region prefer bilateral security ties with the US to a single binding institution for multilateral security cooperation.

From the preceding analysis, it can be concluded that theoretical debates between neorealism and neoliberalism can provide several implications for security and economic cooperation in East Asia. Major states act in accordance with neorealist expectations and assumptions; while the neoliberalist approach of promoting stability and peace by constraining the behaviors of major powers through a process of institutionalization, will not likely bear any fruit. It is obvious that, as neorealists explain, building peace and stability in East Asia is possible only when doing so would meet and serve the interests of major powers in the region.

6.3. Toward a More Adequate Alternative

Constructivism regards national identity as the central concept of international relations. National identity is formed and altered through frequent interactions which, in turn, help to shape national interests. Constructivism indeed criticizes neorealism and neoliberalism because they are inadequate in explaining long-run changes in international politics. Constructivists argue that the rationalist assumption is silent on who the actors or how their interests were constructed. In this, constructivism questions the rationalist assumption on which neorealism and neoliberalism both rely. Moreover, constructivists view structure as a process that

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determines which actors interact with each other and on what terms. But the most significant point in constructivism is that social interaction over various levels between states changes the national identity of leaders, peoples, and institutions, and contributes to reshaping national interests.

Neorealism argues that states have little room for judging what type of behavior, act, or decision would be in their national interests because the influence of the structure of the system is decisive. Neoliberalism defines national interests in terms of interdependence with varying degrees of each state's position in the international system. Thus, the US-Japan alliance is a good example to employ this constructivist approach. For example, neorealists offer several structural reasons for the durability of the alliance and the possibility of its enlargement in the future: to contain China, to maintain balance of power in the region, or to prevent escalating potential conflicts which will harm the political and economic interests of the US and Japan. Neoliberalism views the expansion of the alliance as a process of institutionalizing the alliance system into a multilateral security cooperation. Constructivism, however, emphasizes that the expansion of the alliance is necessary as a result of international socialization and national identity, which help to shape the national interests of the regional states. Thus, according to this perspective, the US-Japan alliance is the institution that has contributed towards shaping the identities, values, and interests of both nations, which can contribute towards creating a certain kind of community identity between them. However, it is important to emphasize that building stability and peace in the region is interconnected with the roles of

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major powers and their ability to resolve their potential territorial conflicts, and economic and trade issue areas. In neorealist context, any multilateral security cooperation is possible only when doing so will satisfy the interests of major powers in the region. But because there is no multilateral cooperation system in the region, it is necessary, as constructivists argue, to increase interactions among regional states in order to develop a community of shared values and common interests which may enhance security and ensure stability. Thus, the permanent peace and stability depend so much on increased cooperation between major powers, which will take some time—unless the major powers including the US and Japan sacrifice parts of their national interests for the sake of the whole.
Figure (8) Framework of multilateralism shows absolute gains obtained from multilateralism compared with relative gains obtained from bilateralism.
CONCLUSION

Ensuring stability and building peace in the East Asia can take various forms. Among the available options are creating or enhancing bilateral security treaties, forming a multilateral security cooperation, developing a certain kind of security institution such as NATO, or enlarging the ARF. One possible alternative would be to combine neorealist and neoliberalist assumptions and complementing them with constructivist explanations. This may mean institutionalizing the bilateral ties in the region through increased interactions and interdependence between regional states, which can be neorealist in essence, neoliberalist in form, and constructivist in process. This means that although it is difficult to build a multilateral system or new regional institution, it is possible to institutionalize cooperative links between existing bilateral alliances. In this course, it will be easier for regional states to moderate and reconcile their conflicting interests, which may result from the creation of a new multilateral regime.

In this neorealist process, the US seeks to be the core element in developing current bilateral ties into a higher level of institutionalism, as long as it serves American interests. This is due to the US power and its military and economic influence in the region. In the process of institutionalization, a reshaping of national identity and interests by the regional states is essential for building a regional community in East Asia and the Asia-Pacific region as a whole. Among encouraging signs are, the increasing interactions between Japan and other major actors particularly China and Asean members, and increased Chinese participation in international institutions especially the TWO, the ARF, and the APEC. All these

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developments may help create an effective force in which new norms, attitudes, and roles become embodied in and change the state's identity.

As a final point, despite the fact that the US-Japan alliance plays an important role in regional stability, potential conflicts are sources of instability. Therefore, stability and peace require building multilateral security cooperation or a new Asian community. The increase in economic interdependence may reshape national interests of the regional states, facilitate regional interactions, contribute to resolving potential conflicts, and consequently ensure stability and maintain peace.
CONCLUSIONS

The study reached the following conclusions:

First: This study examines the various approaches to international relations and alliances and finds that the existing approaches are still inadequate in explaining events and interactions in international relations and insufficient in examining the links between security and nonsecurity issues in U.S.-Japan alliance relations. Therefore, the study redeveloped a more cohesive approach to international relations that incorporates all levels of analysis into one single theoretical framework. At the same time, the study undertook a cohesive institutionalist approach to the US-Japan alliance relations. According to this framework, the alliance may not be necessarily an appurtenance to the balance of power as neorealists argue, but instead may serve as a political framework for interstate and intraalliance cooperation in security and nonmilitary issues including territorial, economic and trade issues. Such cooperation might be difficult to achieve in the absence of the alliance relations. The role the alliance may perform decreases the negative effects of anarchy and uncertainty on cooperation in international relations because it (the alliance) provides information, prevents opportunism and reduces the costs of transactions.

In examining the US-Japan cooperative efforts in security and nonsecurity issues during the Cold War period, neorealist explanations of bargaining outcomes were considered and found insufficient. Neorealists expected that cooperation in issue areas with important security dimensions to be most difficult to achieve because of relative gains concerns. The inability of neorealist explanations to account for patterns of cooperation is due to their inattention to how institutional characteristics of the
alliance are important in facilitating cooperation in certain security and nonsecurity issues. The study also shows that the impact of the alliance on US-Japan cooperative efforts varies according to the prominence of security concerns and the nature of the issue itself. So when the issue has important security dimensions, the impact of the alliance on interstate cooperation is high. On the contrary, when the issue has less important security dimensions, the impact of the alliance is low. Moreover, the study shows that the alliance will lengthen the long-run peaceful shadow of the future for cooperation between the US and Japan because it mitigates relative gains concerns and decreases the costs of certain transactions by facilitating side-payments or linkages in issue areas where cooperation is highly dependent upon credibility of alliance commitments.

Second: Before the emergence of the US-Japan security alliance in 1951, the US-Japan relations have been defined as those between rivals and competitor as both countries came to take part in power politics in Asia and resolved to join the ranks of the imperialists. The realist consequence of adversarial relations was a destructive war that ended with the unconditional surrender of Japan and the occupation of its territories. During the occupation, the US acted according to realist explanations and engaged not only in demilitarizing and democratizing Japan, but also in its geographic dismemberment. With the emergence of the Cold War, the US signed a security treaty with Japan, extended a helping hand to reconstructing Japanese economy and opened its market to Japanese products. Therefore, security and economic interests have shaped and strengthened the US-Japan alliance relationship. In turn, the alliance during the Cold War period played an important role in facilitating interstate cooperation in security and nonmilitary issues, particularly in territorial, economic
and trade issues. The analysis of the events during this period shows that there was a strong overlapping between conflicts over territorial issues and the security alliance. The study argues that the alliance serves as a political framework to cooperation between both countries in territorial and economic issues. The alliance officials on both sides have realized the mutual interests from being allied and this realization motivated them to intervene in the negotiations to resolve territorial and economic conflicts, particularly when a certain issue would threaten the alliance. For example, the US accepted the bargaining over Okinawa because she realized that Japan might withdraw from the alliance. On the other hand, Japan realized that the abrogation of the alliance would endanger Japanese security and economic interests with the US. This mutual recognition of benefits from the alliance represents, with the common threat, an important impetus for the strength and maintenance of the alliance.

Third: The links between economic and security issues could be seen in various aspects. For example, economic interests groups on both sides were against the revision of Okinawa because of associated economic costs. But, when they realized that the conflict over the issue might undermine the alliance relationship, they completely support the reversion and contributed to resolving the issue. Another link between security and economics is also seen in the conflict between interests groups on both sides. The US pressed Japan to open its market to protect domestic industrial interests and to limit bilateral trade conflicts. On the other hand, Japanese government could not press domestic economic interests groups to import more American goods because this matter involved the profit and lose process. However, because the Japanese government realized the significance of its alliance with the US, and that continuing trade deficits might seriously harm the durability of the alliance, it
succeeded in reducing restraints to import more goods in order to reduce the trade deficits with the US. Now the trade deficits were already reduced and tensions have been remarkably moderated.

Fourth: The impact of the security alliance on economic and trade cooperation is different from its impact on territorial and defense issues. The alliance concerns in bilateral defense relations were most prominent, while the alliance concerns in economic and trade issue vary according to the nature of the issue and its security dimensions. For example, the concerns to maintain the alliance were apparent in certain trade conflicts in particular in energy affairs, because of their security dimensions. On the contrary, the impact of the alliance on some trade issue areas such as gas and coal was low because the issues have low security dimensions. This means that the impact of the alliance on security and nonsecurity issues usually depends upon the nature of the issue and the mutual perception that there is a need to resolve the issue in particular, if such an issue could threaten the maintenance of the alliance.

Fifth: Theoretical Conclusions

(1) Neorealists failed to explain the patterns of inputs and outputs after the emergence of Japan as a main economic power in the beginning of the 1960s. Conditional neorealism emphasized that the competition between the US and the Soviet Union and the American policy of containment were the main reasons in moderating the US policy toward Japan, as Japan played an important role in maintaining the balance of power and containing the Soviet and Communist threats. Thus, America’s recognition of the importance of Japan’s role represented an incentive for the US to resolve the bilateral issue areas, which were closely linked to territorial conflicts. Although this
neorealist explanation was correct and the common threat was a main impetus for the strength of the alliance and for the resolution of issues between both countries, it might be misleading. Neorealists indeed ignore that the alliance serves other roles both allies attached to it, which represent incentives for both nations to maintain and strengthen their alliance in the future. In addition, the security alliance has contributed to establishing institutionalist norms and patterns of behavior that facilitate cooperation in security and economic issues. Therefore, the normative alliance obligations have positive impact on economic and trade transactions. The most important normative obligation appeared in Article II of the 1960 Mutual Security Treaty, which stimulates both parties to promote economic cooperation and resolve bilateral economic conflicts. The importance of these normative obligations is that the alliance actually increases the costs of illegitimate bargainings and decreases the costs of legitimate transactions.

(2) The neorealist view of obstacles to cooperation is found inadequate in explaining the absence or the presence of cooperation in economic issue areas. Because unconditional neorealism argues that hegemonic states might be less sensitive to relative gains, the US-Japan cooperation in economic issues particularly in energy was expected to be less problematic during the 1950s and more problematic in the 1980s and 1990s after the relative decline of the US hegemony and the collapse of the Soviet Union. Therefore, neorealism encounters difficulties in explaining the continuation of a high level of trade cooperation in the post-Cold War era.

(3) Neorealist insight into obstacles and incentives for cooperation is not useful in explaining the Japan-US conflicts over some trade issues with less security
dimensions (e.g. fishiers conflicts). However, neorealism is adequate in asserting that relative gains may be important to states, particularly when mutual interests are low. According to this assumption, neorealists expected cooperation between Japan and the US in trade issues to be easier to achieve than cooperation in territorial or defense issues. This is because in case of cooperation in trade issues with less security dimensions, relative gains concerns should be least prominent. Although trade disputes in some respects resembled a zero-sum game as in the case of fishiers conflicts, closer examination of the related issues of trade reveals some positive-sum elements in the conflict. The main reason why both countries have not realized potential mutual gains through cooperation in trade issues is the relative importance the alliance officials attached to the conflicts. Although bargaining outcomes tended to reflect asymmetries in capabilities, as neorealism would expect, the overall capabilities of both countries were irrelevant.

Sixth: Scenarios and Roles

The study attempts to explore the future of the US-Japan alliance and finds that in general there are various scenarios, each of which involves certain costs. It seems that these scenarios will mainly depend upon the Japanese behavior and intentions. Among the most important expected scenarios are replacing bilateral alliance with a multilateral security framework or a regional regime, which seems to be the most possible and achievable alternative; depending upon collective security systems; establishing a continental alliance or a coalition with China and/or Russia; adopting an autonomous security policy; and reviving the neo-coProsperity idea. Multilateralism and the collective security system may both fall within a peaceful
scenario of the Japan-US relations. Other scenarios are not expected without adopting a nuclear option or creating a free-nuclear zone in the Asia Pacific region.

With respect to the significance of the alliance for the US-Japan interests, the study shows that both countries are interested in maintaining and strengthening the alliance because both nations attach great value to roles that the alliance may perform in facilitating interstate cooperative endeavors in security and nonsecurity issues. Among these roles are: (a) serving as a political framework for bilateral cooperation; (b) maintaining regional stability; (c) protecting American hegemony; (d) increasing deterrent capabilities against common threat; (e) containing China; (f) preventing Japanese remilitarism; and (g) contributing financially to the American military operations.

Despite all these positive images and incentives to maintain and enhance the US-Japan alliance, there are many important stresses, which could weaken or even undermine the alliance if they were not resolved or moderated. Among these stresses are: economic and trade frictions, burdensharing stress, global partnership, leadership and mutual adjustments.

Another issue the study attempts to explain is that the US-Japan alliance as a regional security power has its implications for any possible multilateral cooperation system. Therefore, when examining the alliance implication in the regional setup, the study finds that conflicting interests of the regional powers prevent them from sacrificing their national interests to build a regional security institution or create a new regime. But because major powers in the region fear that absolute gains obtained
from multilateralism will not be divided equally, they prefer to depend upon their bilateral ties with the US to justify their security needs. However, multilateralism is dependent upon three interconnected perspectives: the US-Japan alliance, the US-China competition, Japan-China rivalry, and the inter-Korean confrontation, in addition to roles of Asean and Russia.

Seventh: Perspectives for the Future of the U.S.-Japan Alliance

The strategic security outlook in North and East Asia seems never to have been so positive on the account of the almost simultaneous improvement in bilateral relations between each of the four major powers in the region - Japan, China, Russia and the United States - during the last few years. The improvement in the US-China relationship particularly after 1997\(^1\) has also caused some ambivalent feelings in Japan concerning the bilateral security alliance with the U.S. While Japan also welcomes better U.S.-Chinese relations, they do not welcome them at the expense of good Japan-U.S relations.\(^2\) In this newly evolving geopolitical order, Japan increasingly fears being passed over.\(^3\)

The new tendency to institutionalize multilateral security dialogues rather than conflict resolution mechanisms suggests that the analytical tool of multilateralism

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\(^1\)The two Jiang-Clinton summits in late October 1997 and May 1998 marked the beginning of a new strategic partnership between the U.S. and China after the bloody Tiananmen events in 1989 and the Taiwan crisis in 1995-96. These two summits have enhanced trust, reduced differences and developed cooperation that promises to avoid open confrontation, as in the Taiwan crisis in 1995-96. It forced the two leading great powers in the Asia-Pacific region to develop a workable strategic framework for the management of their relationship into the 21st century.

\(^2\)Frank Umbach, Ibid. 145.

\(^3\)These sensitivities on the Japanese side should also take into account the fact that Japan’s traditional postwar role as a bridge between the two cultures of Asia and the West is no longer necessary given the numerous new direct institutional links between these two regions (APEC, ASEM, ARF, CSCAP etc.). See Elizabeth Dahl, “The Implications Of Japan Bashing For U.S.-Japan Relations,” A Journal of International Affairs, Vol. VIII, No. 2, Spring 1999, p. 2; see also Umbach. Ibid. p. 145.
versus bilateralism is too simplistic and consequently gives rise to a false debate for the multifaceted regional security environment in the Asia-Pacific. As the new multilateralism, as well as the violent crisis and the forced unilateral response by the United States particularly in 1995-96, have demonstrated, both elements are necessary in establishing a viable, double-layered security structure in the Asia Pacific region that is able and flexible enough to cope with the new challenges and uncertainties of the transformation processes into the 21st century. The security structure in the Asia-Pacific region thus comprises of strong bilateral relationships interwoven with multilateral security arrangements such as the ARF. Both components are not mutually exclusive but mutually reinforcing and supportive. To this extent, the U.S.-Japan alliance and the other four bilateral defense relations of the U.S. with the Philippines, Thailand, Australia and South Korea remain the basis of security and stability in the region.

The U.S. presence is still perceived to be crucial by most East Asian states, as a counterbalance to any attempts by regional powers such as China, Japan or India to expand their influence at the expense of smaller countries and to adopt a destabilizing assertive role in the region. In this light, the strengthening of the U.S.-Japan alliance, particularly in the last few years, has demonstrated the U.S. determination to retain an active role in the Pacific. Against this background, the redefined bilateral security treaty serves major purposes for maintaining security and stability in the Asia-Pacific region.

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With the consolidation of the U.S.-Japan Security Alliance, Japan's increasing independent role as a major security actor is now less sensitive for the rest of East Asia (though with the exceptions of China and North Korea). At the same time, however, new Japanese calls (in the light of the current economic and financial crisis) for a reduction of U.S. bases and the Japanese host nation support to carry the largest burden among the U.S. allies are continuing, as was demonstrated by the former Japanese Prime Minister, Morihiro Hosokawa, in 1998.\(^5\) Given mutual expectations on both sides of the bilateral relationship in the current financial and economic crisis, both parties will continue to cooperate to avoid a crisis of mutual confidence in order not to undermine the overall regional security construction.\(^6\) In this regard, from a liberalist institutionalism view of international relations, it is necessary to base the future bilateral security alliance between Japan and the U.S. more on an equal partnership and common interests, shared effort as well as shared decision-making that ultimately serve the goals of security and economic interests and maintain regional stability.\(^7\)

In this context, it is important for the U.S. and Japan to demonstrate that the aim of strengthening and maintaining their alliance is the preservation of security and the enhancement of economic interdependence rather than the containment of China. At the same time, Japan should play a visible role in the multilateral security institutions for easing tensions on the Korean peninsula or in other potential conflicts.

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\(^{6}\) See Umbach. Ibid. p. 146.

Given its traditional strategic security culture of "reluctant realism" as a guiding determining factor and philosophy of Japan's international relations after World War II, Japan will, to some extent, still remain a "reluctant power" in the foreseeable future although the strategic security culture of realism is gradually and incrementally increasing as recent shifts in the evolution of Japan's security and defense policies, particularly after the Indian and Pakistani nuclear tests in May 1998, and North Korea's three-stage Taepo-Dong missile launch at the end of August 1998, as well as the dispatching of JSDFs to Afghanistan in November 2001. Institutional enhancements, such as the establishment of the Japan Defense Intelligence Headquarters in 1997 and a strategic planning unit in 1998, as well as an increasing active defense diplomacy (including military exchanges, training, multilateral forums) are also indicators of a more active independent defense policy, though these changes and enhancements may contribute to the strengthening of the U.S.-Japanese security alliance. To this extent, the Japanese role within the alliance is clearly growing, and Japan is at the same time becoming an equal partner for the U.S., which will bolster the Japan-U.S. security alliance into the 21st century.

1 From realist perspective, Japan was heavily defeated in the World War II and was dependent on the United States for its security and prosperity. This dependence pushed the policy makers and the leaders of the state to ally themselves with the US and the West. A realist analysis of the Japanese foreign policy emphasizes the nations' security relationship with the United States to explain its relatively low military expenditures during the Cold War. Therefore, an adequate explanation of Japan antimilitarism requires to look beyond international structures and to examine the domestic cultural – institutional context in which defense policy is made. This means that Japan has developed beliefs and values that make them reluctant to resort to use of force after the World War II. The reasons of this reluctance are the historical experience and the way in which the domestic political actors interpreted those experiences. However, according to this perspective, it is expected that rapid change in Japanese military cultures of antimilitarism is likely only if it is challenged by an external shock.


3 Japan sent four armed destroyers to support the U.S. forces in its war in Afghanistan. Recently, the Department of Defense calls Japan to send another forces and destroyers to the area. Al-Jazeera: www.aljazeera.net 30 April 2002.