

Toward Facilitating Straightforward Discussion

- In Pursuit of Strategic and Independent Decision Making and Responsible Action -

January 1998

Kansai Keizai Doyukai

(Kansai Association of Corporate Executives)

Committee on National Security

Table of Contents

Summary	----- 1
Introduction	
"The Era of Change"	----- 11
The Clarified Issues through Fact-Finding Missions	----- 13
1. National Security: The Low Level of Public Awareness in Japan	----- 14
2. Deep-Rooted Distrust for Japan in the U.S.	----- 15
3. <i>Okinawa Issues</i> is not Synonymous to <i>Military Base Issues</i> .	----- 16
Suggestions	
Suggestion1:Take Responsible Action Based on Independent Decision Making.	----- 19
1.Japan's Political Decisions: The Introduction of Strategic and Independent Decision-Making	----- 19
2. The Development of Specialists and the Establishment of an Information Exchange Network	----- 22
3. The Institutionalization of Full-fledged Emergency Legislation	----- 25
4. The Realization of a True Japan-U.S. Partnership through Close Information Exchange	----- 27
Suggestion2:Improve Japanese Public Awareness on National Security and Build the Confidence with Neighboring Countries through Open Discussion.	----- 29
Suggestion3:Understand the Real Minds of the Okinawa Residents and Seek Mutually Acceptable Solutions of Okinawan Issues through the Continuous Exchange of Information between Okinawa and the Japanese Mainland.	----- 33
Committee on National Security Activities in 1996/97	----- 36
Standing Committee on National Security 1997 Register	----- 39

Toward Facilitating Straightforward Discussion: Our Honest Viewpoint on Japan's National Security

-- In Pursuit of Strategic and Independent Decision Making and Responsible Action --

(This is the summary section from the entire document published by the Kansai Keizai Doyukai)

<Summary>

“The Era of Change”

The issues on national security today are more diverse and more complicated than those in the Cold War period. In particular, there are many factors contributing to instability in the area surrounding Japan, and this region is said to be one of the most unstable areas in the world.

National security provides the foundation necessary for economic development; it is directly connected to a nation's stable lifestyle and the smooth flow of business activities. Due to the progress in the globalization of economic activity, it is no longer possible for us to discuss Japan's stability separately from regional or global stability. The United States wants Japan to provide with “Personnel Cooperation” in addition to the provision of military bases for American use. It is a pressing need for Japan to solve the various national security issues it faces and establish new policies, systems and ways of thinking which satisfy the international level.

The Clarified Issues through Fact-Finding Missions

Since 1978, the Kansai Keizai Doyukai (Kansai Association of Corporate Executives) has continued to advocate the necessity to establish a comprehensive national security system by making proposals from various aspects.

We recently attempted a new approach to this issue by sending fact-finding missions to Okinawa and the United States. As a result of these activities, the following three points have been clarified with regard to Japan's national security.

1. National Security: The Low Level of Public Awareness in Japan (Way of Thinking, Commitment, Behavior and Practices)

Public awareness regarding national security in Japan lags far behind the level of common sense found all over the world. First, the attitude towards national defense remains "reliance on others" rather than "self-defense." Second, there is a tendency to avoid making decisions which may cause burdens or sufferings. Third, there is lack of recognition that contingencies could occur at any time.

Since the Japanese public comes to have stronger interest in national security issues through facing a variety of current issues, it is high time for us to stimulate discussion about Japan's security on a nationwide basis.

2. Deep-Rooted Distrust for Japan in the U.S.

While recalling Japan's behavior during the Gulf War and suspicions on North Korea's development of nuclear weapons in 1994, American citizens and Congress remain skeptical and distrustful on Japanese ability to take appropriate action in the

event of a contingency.

The recent Japan-U.S. agreement on the new “Guidelines for Japan-U.S. Defense Cooperation” represents a large step forward. Japan should review its relevant laws and regulations to implement what the new Guidelines attempted. Furthermore, Japan must consider whether it is necessary to play broader roles and carry out diplomacy based on its own independent strategies. By launching clear-cut policies and measures to cope with these issues, Japan will be able to strengthen the Japan-U.S. alliance--the basis for regional stability--while earning trust from the rest of Asia.

3. 'Okinawa Issues' is not Synonymous to 'Military Base Issues'

There are vast differences between Okinawa and the Japanese mainland in terms of history and the surrounding environment. The Okinawan resident's discontent with the rest of Japan stems not only from the comparatively higher density of USFJ facilities & areas in Okinawa, but also from the lack of sufficient understanding shown by the rest of Japan for their complicated feelings which are rooted in their history and the burden imposed on them by the presence of USFJ facilities & areas. The Okinawan resident's assertions should not be hastily interpreted as “anti-base” or “anti-security” sentiments. It is indispensable for us to thoroughly understand the Okinawan people's history and their mentality toward the rest of Japan which form the basis for their assertions, and then, hold discussions about the USFJ facilities & areas issues and the economic self-reliance of Okinawa.

Suggestions

Suggestion 1: Take Responsible Action Based on Independent Decision Making.

1. Japan's Political Decisions: The Introduction of Strategic and Independent Decision-Making

Japan should make strategic and independent decisions with the intention of making the best choices for promoting its security and regional stability. Needless to say, Japan must have the ability to carry out diplomacy in a deliberate and skillful manner in peacetime. At the same time, it should prepare to make quick and appropriate judgment in case of a contingency. Japan should seek to make the best decision, not bound by current interpretation of the Constitution.

-The alliance with the U.S. is the best and only choice for Japan. The Japan-U.S. alliance has been recognized as an indispensable asset to the international community for maintaining regional stability, and earned confidence from the neighboring countries.

-Based on the accurate understanding of international circumstances, Japan should transmit appropriate diplomatic signals toward overseas and prepare for contingencies even during peacetime. These measures will help deter wars and conflicts.

-Japan should free itself from the interpretations of the Constitution in determining what actions Japan can take in order to make the best decisions regarding the security of Japan and the stability in the region. It is possible to imagine Japan taking

action which comes close to exercising the right of collective defense. In order to exercise the right of collective defense, it is necessary to stimulate discussion nationwide and establish formal procedures to exercise it.

2. The Development of Specialists and the Establishment of an Information Exchange Network

Adequate political leadership is indispensable for Japan to make decisions on its own. At the same time, the political, administrative, private business and academic circles will have to work together in various ways to create an appropriate system and develop specialists through education and training which focuses on enhancing the ability to gather and analyze information. These skills are necessary to support political decision making. It is desirable that these specialists are organized in a network to exchange opinions and information with specialists in Japan and overseas, so that they can lead discussions about national security issues.

- Political and administrative initiatives should be taken to reinforce the government's decision making capabilities by overcoming boundaries between the ministries.
- To help enhance the capability of private businesses to make policy suggestions, our association will implement its plan to establish the Asia-Pacific Strategy Research Center (provisional name), a think tank, as soon as possible.
- We have high expectations that, through discussions and exchanges with external specialists, colleges and universities will improve the quality of specialized programs and the quality of practical research and development.

3. The Institutionalization of Full-fledged Emergency Legislation

The establishment of legislation necessary implementation of what the Guidelines aimed at is a political issue with top priority. Politicians should continue to study full-fledged emergency legislation to define the Prime Minister's authority in times of emergency and relevant issues, and introduce it during peacetime. Emergency legislation is important to enhance the operability and reliability of Japan's Self-Defense Forces and necessary to make civilian control function effectively. Such legislative initiatives carry significant meaning in that it is supposed to clarify, during peacetime, the scope of the restriction of private rights, pain, suffering and financial burdens required of the people in case of emergency.

-It is important that the emergency legislation provides clear standards for the actions of units and organizations in charge of dealing with contingencies, the Prime Minister's power on issues involving more than two ministries, and the degree of restriction of private rights and the rules for compensation in an emergency.

4. The Realization of a True Japan-U.S. Partnership through Close Information Exchange

It is desirable that Japanese and American policy-makers establish closer information exchange. It is possible for Japan to work as a stabilizer which provides the U.S. with accurate information about Asia and sound basis for the U.S. calm and objective judgments. It is also necessary for the two governments to institutionalize active consultations on how to cope with emergencies. What is more, efforts are required to establish, during peacetime, coordination bodies between Japan and the U.S. alliance and among the Japanese relevant ministries and agencies for dealing with emergencies.

-Information exchange should not be one-way from the U.S. to Japan but should be reciprocal; Japan should also provide the U.S. with useful information. Since decision making by the U.S. government is liable to fluctuate in accordance with public opinion in the country, Japan can provide the U.S. with accurate information about Asia and work as a stabilizer.

-The two governments are currently preparing a bilateral coordination mechanism. The Japanese government, through the cooperation among the relevant ministries and agencies, should endeavor to implement measures necessary to exclude respective interests of ministries and agencies from acting as an obstructive force.

Suggestion 2: Improve Japanese Public Awareness on National Security and Build the Confidence with Neighboring Countries through Open Discussion.

Straightforward nationwide discussions on national security will help improve Japanese public awareness. The Japanese government should explain the objectives and the intentions behind its policies to the people in an understandable manner, disclose as much information as possible and improve education on history and national security. By clarifying the identities and its mission in the international community through discussion, Japan can earn the confidence from its neighboring nations.

- The government should disclose as much information as possible. The mass media and business circles should demand disclosure of information from the government.
- If the Japanese people in general, including businesses and labor unions, become more familiar with national security and discuss it frankly, straightforward leaving from theoretical discussions, they will be able to improve their consciousness on security, heighten neighboring nations' confidence toward Japan and establish the foundation for Japan's national security.
- To increase confidence between Japan and its neighboring countries, our association will continue to keep relationship with Asian countries, and to exchange views with them on the regional security.

Suggestion 3: Understand the Real Minds of the Okinawan residents and Seek Mutually Acceptable Solutions of Okinawan Issues through the Continuous Exchange of Information between Okinawa and the Japanese Mainland.

The Japanese people, as a whole, should understand that the complicated sentiment of the Okinawan residents stems from an insufficient understanding of the rest of Japan on their history and suffering. The Okinawan issues should be considered Japan's national issues. It is necessary that the nation, based on the standpoint stated above, discusses together with the Okinawan people about national security and measures to be taken for Okinawa's economic independence. Our association will make efforts to offer opportunities for the continuous exchange of opinions with Okinawa, introduce the intentions and feelings of the Okinawan residents to the rest of Japan and have Okinawa and Kansai lead the national debate on Japan's security.

- The first step toward the resolution of Okinawa problems is that the entire Japanese people consider these problems as their own problems. It is necessary for the Japanese to understand that the U.S. troops stationed in Japan play a very important role to ensure the regional stability and Japan's security.
- It is important that the whole nation pays attention to the voices of the Okinawan people and considers together with them the measures necessary to fill the 27-year gap caused before Okinawa's return to Japan and promote Okinawa's real economic self-reliance.

**Toward Facilitating Straightforward Discussion:
Our Honest Viewpoint on Japan's National Security**

**-- In Pursuit of Strategic and Independent Decision Making and
Responsible Action --**

(Text)

Introduction - “The Era of Change”

Since the end of the Cold War era, dramatic changes in the international situations, as discussed in the following sections, have ushered in a new era in which Japan must assume a larger role in maintaining regional and global stability.

① The Area Surrounding Japan: Potentially the Most Unstable Region

Security issues today are more diverse and more complex than those during the Cold War. In line with the statement that “winning the Cold War was an end to peace,” ethnic conflicts, regional wars and terrorist attacks have occurred frequently since the end of the Cold War. The nebulous circumstances surrounding the Korean Peninsula and other territorial issues are examples of instability in the area surrounding Japan. The countries in this part of the world are increasing their military capabilities in proportion to growth in their economies and we cannot deny this trend is a potential cause of new instability. The region surrounding Japan is actually said to be one of the most unstable areas in the world.

② The Issue of Japan's Stability Cannot be Separated from Issues of Regional and Global Stability

National security provides the foundation necessary for economic development: it is connected to a nation's stable lifestyle and the smooth business activities. With the globalization of Japan's economic activities and the strengthening of economic interdependence with the rest of the world, any emergency in another country can directly impact on Japanese economic development by stagnating foreign trade and

producing financial losses in overseas investments. Moreover, there are real threats to the lives of increasing Japanese who are living and working overseas. In fact, no one today can discuss about Japan's stability separately from regional and global stability.

③ More Needs than What the U.S. can Meet Alone

Although the U.S. has sent its troops into more than 100 countries, it becomes difficult for the U.S. to maintain world stability on its own due to domestic situation, such as financial problems and difficulties in maintaining the necessary military personnel. Moreover, with the collapse of the East-West confrontation in the Cold War era and the lack of a global system which provides clear parameters after the Cold War, it has become very difficult for the U.S. to conduct military activities without gaining public support from the international public opinions. This has prompted the U.S. to request its allies for full cooperation and “active support” in case of contingencies. **Japan should not limit its support, simply providing the U.S. military with bases and finances as it has been doing up to now. There is an increasing need for Japan to provide “Personnel Cooperation” – that is to say – to take specific action.**

There is a pressing need for Japan to widely declare to contribute to promoting regional and global peace and stability. At the same time, Japan must resolve the various national security issues it faces and establish new policies, systems and ways of thinking which satisfy the international level.

The Clarified Issues through Fact-Finding Missions

Since 1978, the Kansai Keizai Doyukai (Kansai Association of Corporate Executives) has continued to tackle with national security issues. We have made numerous proposals from various aspects based on the recognition that in order to ensure Japan's security and stability, the establishment of a comprehensive national security system which extends over many areas including defense, diplomacy, politics, economics, social affairs, food, energy and contributions to the international community, is indispensable.

In line with this tradition, we have continued our efforts during the past two years. We visited Okinawa to gather information in July 1997, and we also sent fact-finding missions to the U.S. soon after mutual agreement was reached on the "Guidelines for Japan-U.S. Defense Cooperation" in September and October 1997 (hereinafter referred to as the Guidelines).

In Okinawa, we visited USFJ and SDF bases. We also exchanged views with the Okinawa Association of Corporate Executives about security issues for the first time as an economic organization from the Japanese mainland. In the U.S., we called on policy-makers at the State Department and the Pentagon, military leaders and major think tanks. We exchanged opinions about Japan's reliability as an American ally and the roles expected to Japan.

Both fact-finding missions were very productive because they provided us with an excellent opportunity to hear new ideas and honest viewpoints which could not have been obtained without face-to-face meetings. As a result of our missions, the issues on Japan's national security, as discussed below, were made particularly clear to us.

1. National Security: The Low Level of Public Awareness in Japan (Way of Thinking, Commitment, Behavior and Practices)

In our opinion, **public awareness regarding national security in Japan, as described below, lags far behind the level of common sense found all over the world.**

①**The attitude towards national defense remains “reliance on others” rather than “self defense.”** As a result, candid debate or discussion about how to protect Japan's security is often regarded as taboo.

②**Costs and sufferings which accompany the implementation of national security efforts should, in principle, be shared by the whole nation. The Japanese people, however, tend to avoid making decisions which may cause them any burdens or sufferings.**

③**There is a lack of recognition that contingencies could occur at any time.** Because peace is taken for granted, if a situation occurs unexpectedly, the public will not afford to cope with it.

Today is a good opportunity to promote nationwide debate about Japan's security issues and heighten the public's awareness towards these issues. This is because public awareness is being raised through daily mass media reports on U.S. military base issues in Okinawa and on the Guidelines, as well as concerns about the responses taken by the Japanese government during the hostage crisis at the Japanese Ambassador's Residence in Peru and instability in Cambodia which required the rescue of Japanese nationals.

Opinions we heard in the U.S. sharply contrasted each other. Based on comments from the Former Assistant Secretary of Defense, Mr. Richard Armitage, we understood that Japan would fall off track if it tried to change too quickly without national consensus about its security policy because discussions about national security have been regarded as taboo for so long in Japan. Mr. Michael O'Hanlon of the Brookings Institute, meanwhile, pointed out that too slow of change would allow the notion of exceptionalism to take root among the nation's people causing them to view Japan as a special country which is exempt from all security affairs. **It is necessary to provide the people with opportunities to discuss national security issues, instead of leaving it only to the so-called specialists, and reform national security policy at an appropriate pace.**

2. Deep-Rooted Distrust for Japan in the U.S.

Japan failed to show a clear position or take quick action at the time of the Gulf War or suspicions on North Korea's production of nuclear weapons in 1994. We had the strong impression while gathering information in the U.S. that **the U.S. citizens and Congress remain doubtful and distrustful toward Japan, seeing it as an unreliable ally because it did nothing in past contingencies.** In case a situation like the Gulf War broke out and Japan again failed to take quick action, the U.S. public's disappointment with Japan would likely be raised, affecting the credibility of Japan in the U.S.

The Guidelines has clearly defined what Japan is expected to do in terms of defense cooperation with the U.S. in situations in areas surrounding Japan, and is a large step forward in eliminating the U.S. distrust in Japan and allowing the U.S.-Japan alliance to function effectively in this new post-Cold War era. At the same time, the

Guidelines has clarified what Japan will be required to undertake.

Japan should immediately undertake a review of domestic laws and regulations and make a consideration of how to coordinate functions within the Japan-U.S. alliance, so that it may be able to put the Guidelines into practice. Furthermore, it is necessary for Japan to investigate if it should play a larger role in terms of security and how to carry out diplomacy based on its own independent strategies.

If politicians decisively deal with these challenges and launch clear-cut policies and measures, this will strengthen the Japan-U.S. alliance which is the basis for regional stability, while at the same time, help raise confidence in Japan by the other Asian nations.

3. 'Okinawa Issues' is not Synonymous to 'Military Base Issues.'

Prior to our fact-finding mission to Okinawa, we had two contradictory hypotheses: the existence of military bases would place the Okinawans in an environment where they are conscious of national security in their daily lives and Okinawans would have strong anti-base, anti-American sentiments and, consequently, think little of national security. In fact, as a result of our discussions, we heard the following opinions: "The existence of military bases would expose Okinawa to enemy attacks in an emergency;" "We have suffered a great deal because of the military bases;" "The people of Okinawa Prefecture are not in appropriate circumstances to discuss on national security;" and "In elections, candidates cannot win seats without expressing opposition to the bases and their wishes for peace." However, it was also found that the people did not necessarily have strong anti-base or anti-American sentiments. Beyond these findings, we were made to understand for the first time, by hearing their

viewpoints in person, that underlying the Okinawan public's beliefs are a set of complex feelings about the rest of Japan.

There are large differences between Okinawa and the rest of Japan both in history and in circumstances:

- Ryukyu [(the old name of Okinawa)] was invaded by Satsuma [a realm in Kyushu ruled by a Daimyo feudal lord] in 1609;
- The Ryukyu Dynasty was abolished and replaced with Okinawa Prefecture in administrative reforms by the Japanese government in 1879;
- During World War II, Okinawa was the only place for ground fighting in Japan;
- By the San Francisco Peace Treaty signed in 1951, Japan recovered independence by cutting off Okinawa and left it in the hands of the American military rule which continued for 27 years thereafter;
- Okinawa was later returned to Japan but even today 75% of the U.S. military bases in Japan are concentrated in Okinawa¹;
- The gap between Okinawa and the rest of Japan which was generated during the 27 years under U.S. rule, has not been narrowed.

The Okinawans' discontent with the rest of Japan comes not only from the existence of USFJ facilities & areas but also from the lack of understanding on the part of the rest of the Japanese concerning the history of Okinawa and the complex sentiments of the Okinawans which stem from the burden of military bases imposed on them.

¹ 25% of the military facilities jointly used by the U.S. military and the Japanese Self-Defense Forces in Japan are located in Okinawa.

Assertions by the Okinawans should not be understood as anti-base or anti-alliance sentiment. It is necessary for us to consider the military base issues in Okinawa and its economic independence together with the Okinawan people based on a thorough understanding of their history and sentiments toward the rest of Japan which form the basis of their assertions.

Needless to say, efforts should be directed to resolve the military base issues in Okinawa. As part of such efforts, the relocation / return of the Futenma Air Station is being discussed based on the agreement by the Special Action Committee on Okinawa (SACO) in December of 1996. Also, such measures as the transfer of live fire training over prefectural roads to another prefecture and obligation to attach license plates to U.S. military vehicles are in progress. The U.S. military, as a part of its efforts to establish a good-neighbor relationship with the Okinawans, has fundamentally prohibited “night landing practice” at the Futenma Air Station and has changed the departure and arrival routes to the sea side from the town side. Ambassador Hideki Harashima (Okinawa Liaison Office) is currently working on the production of a video for the education of U.S. recruits coming to Okinawa. We strongly support these efforts and consider it necessary to initiate additional measures in the future.

Suggestions

Suggestion 1: Take Responsible Action Based on Independent Decision Making.

1. Japan's Political Decisions: The Introduction of Strategic and Independent Decision-Making

Japan should make strategic and independent decisions with the intention of making the best choices for promoting its security and regional stability. Needless to say, Japan must have the ability to carry out diplomacy in a deliberate and skillful manner in peacetime. At the same time, it should prepare to make quick and appropriate judgment in case of a contingency. Japan should seek to make the best decision, not bound by current interpretation of the Constitution.

Japan currently lacks the ability to make strategic and independent decisions. Strategic and independent decision making, as described below, means decision making on what is best for its national security and regional stability on its own.

① Choosing the Basic Framework

The alliance with the U.S. is the best and only choice for Japan not only at present but also in the foreseeable future. It is effective and efficient to ensure mutual security by forming an alliance which complements each other's capabilities. The U.S. is the only counterpart for Japan to form an alliance: it shares such common values as democracy, a free economy system and is the most influential country within the international community. The Japan-U.S alliance has been recognized by the

neighboring countries as an international asset, which contributes towards the maintenance of the regional stability, and attained strong support from these surrounding nations. Japan can not choose an option to defend by itself or take unarmed neutrality.

② Transmission of Appropriate Signals and Complete Preparedness

In peacetime, it is necessary for Japan to possess an accurate understanding of international affairs to prevent potential risks from developing. In cases of heightened international tension, Japan should carry out diplomacy in a calm and deliberate manner to prevent the tension from developing into a crisis with accurately identifying impacts on the international community.

Transmitting appropriate diplomatic signals and completely preparing for any contingency during peacetime will deter future wars and conflicts.

③ Appropriate Decision-Making in the Event of a Contingency

In case of a contingency, the government must make quick decisions and implement the appropriate measures. These measures would include the unit's involvement such as the cooperation under the Japan-U.S. defense cooperation agreement and participation in United Nations activities, as well as the application of diplomatic pressures and measures, such as the suspension of Official Development Assistance (ODA) and economic sanctions. **In order to ensure national security and stability, Japan will have to decide measures and their application in accordance with the nature of the situation and the expected impact on Japan from strategic and independent viewpoint. In addition, during peacetime, Japan**

should discuss about appropriate measures, including those related to legislation and systems, so that it may be able to make appropriate decisions should a situation occur.

④ Towards Straightforward Discussion on Security Policy: The Need for Discussions Beyond Theoretical Interpretations of the Constitution

In discussing what measures Japan should take in a contingency, it is necessary for us to contemplate what is the best for Japan's security and regional stability without bound by theoretical interpretations of the Constitution. **The measures to be taken may include the exercise of the right of collective defense. In that case, Japan should free itself from the constraints imposed by constitutional interpretation (i.e. “Japan has the right of collective self-defense under international law, but cannot exercise it under the Constitution”) and work towards enlarging the scope of interpretation. To do so, it is necessary to promote open and straightforward discussion nationwide on what Japan should do for its security, and establish the formal procedures necessary to exercise the right of collective defense.**

Changes in national policy send transmit diplomatic signals. Therefore, if Japan changes its policy about exercising the right of collective defense, it should be done with the best timing in order not to lead a precautionary attitude of the neighboring countries. The government should repeatedly explain to the Japanese people and the neighboring countries that the intention of the changes in policy is not for the sake of build-up armaments, but for improving Japan's national security and regional stability.

Even if Japan becomes able to exercise the right of collective defense, it is necessary for Japan to decide independently, in accordance with the nature of the

contingency or circumstances whether it should exercise this right and in what form it will be exercised. Stated differently, it is prerequisite for Japan to exercise the right of collective defense that Japan becomes a country which can make independent decisions.

2. The Development of Specialists and the Establishment of an Information Exchange Network

Adequate political leadership is indispensable for Japan to make decisions on its own. At the same time, the political, administrative, private business and academic circles will have to work together in various ways to create an appropriate system and develop specialists through education and training which focuses on enhancing the ability to gather and analyze information. These skills are necessary to support political decision making. It is desirable that these specialists are organized in a network to exchange opinions and information with specialists in Japan and overseas, so that they can lead discussions about national security issues.

The ultimate authority for decision-making in Japan lies with the Prime Minister and the Diet. Leadership of politicians is indispensable for independent decision making.

To help politicians make the appropriate decisions, it is also very important to establish a system which will strengthen Japan's ability to gather information on changes in the international environment and analyze the information so as to identify the implications in the altered circumstances, the true intentions of the parties involved, the potential impact on Japan and the international community and the measures Japan should take. In addition, **it is necessary for political, administrative, private business**

and academic circles to foster to develop experts with international sensibility and knowledge required for the gathering and analysis of information in a variety of fields, so that they may be able to promote discussions and debates on Japan's security from various viewpoints.

In this context, the establishment of the "Defense Intelligence Headquarters" staffed by about 1,600 personnel under the Joint Staff Council of the Defense Agency in January 1997, turned out to be a timely movement. The Intelligence Headquarters has strengthened the function of Defense Agency to gather and analyze information and report to the prime minister. The Administrative Reform Council, meanwhile, concluded in the "Final Report of the Administrative Reform Council" in December 1997, that the cabinet's capabilities for information gathering/analysis and crisis management capabilities must be strengthened. **The political and administrative organizations, as a whole, should exert efforts to reinforce the government's decision-making ability and develop specialists for intelligence,** and should not be limited to a mere restructuring of organizations and overcome the conventional bureaucratic problems, such as red-tape sectionalism and the lack of disclosure.

At the civic level, Japan must set up think tanks which focus on Japan's security and develop the security experts. Discussion is in progress at the Kansai Keizai Doyukai to establish an "Asia-Pacific Strategy Research Center" (provisional name), a think tank designed to perform general studies of the Asia-Pacific Region. We hope to establish the center as early as possible in order to **improve the ability to make proposals and suggestions on national security.**

Based on a high level of expertise, we expect that **universities** expand their

scope of cooperation with specialists outside, including those from the Foreign Ministry and the Defense Agency, so as to discuss national security issues. Also, **the universities should upgrade the level of classes and lectures on international politics and national security** in their undergraduate and graduate courses **while promoting practical research and development activities.**

Along with this development of competent security specialists, it is hoped that such specialists will be organized in a **communication network** to exchange ideas and opinions on a frequent basis with political, industrial, governmental and academic specialists in Japan and overseas. **It is desirable that the security specialists will thus take the initiative in the debate on international affairs, Japan's national security and priorities in policymaking.**

3. The Institutionalization of Full-fledged Emergency Legislation

The establishment of legislation necessary implementation of what the Guidelines aimed at is a political issue with top priority. Politicians should continue to study full-fledged emergency legislation to define the Prime Minister's authority in times of emergency and relevance issues, and introduce it during peacetime. Emergency legislation is important to enhance the operability and reliability of Japan's Self-Defense Forces and necessary to make civilian control function effectively. Such legislative initiatives carry significant meaning in that it is supposed to clarify, during peacetime, the scope of the restriction of private rights, pain, suffering and financial burdens required of the people in case of emergency.

It is necessary to promote nationwide debate on functions of the administration, the Self-Defense Forces and the private sector in an emergency. The utilization of the "private infrastructure" becomes an important consideration, for example, the mobilizing of company owned transportation vehicles for transportation of SDF troops and supplies. Emergency legislation, which will endorse these activities, should be promptly implemented.

Politically speaking, laws and regulations need to be restructured to put the Guidelines into practice and to enable the Acquisition and Cross-Servicing Agreement (ACSA) to be applied in an emergency. **In peacetime**, it is also necessary to encourage nationwide debate for full-fledged legislation which defines the prime minister's authority, the scope of the restriction of private rights and the compensation in the event of an emergency.

①Contingency legislation intends to clearly define standards for the activities

of operational units. The Defense Agency studied legislation for emergencies in the latter part of the 1970s, but legislation has never been actualized. If the Self-Defense Forces had to operate without legal support but based on some “superlegal” theory, it would cause serious problems on their readiness and reliability.

②**The emergency legislation is necessary for civilian control to function it effectively, providing the Prime Minister with the supreme authority to command and control on the Self-Defense Forces.**

③**It is important to define the prime minister's scope of authority in an emergency.** Such discussion includes criteria and procedures for recognizing a contingency, the intensive decision-making authority of the Prime Minister to overcome bureaucratic sectionalism and the rules for the transfer of authority in case of the Prime Minister's absence.

④**Private rights including property rights may need to be temporarily restricted in an emergency to protect the people's lives and safety. Emergency legislation should clearly define the scope for such restrictions and the rules for compensation.** If, for example, the U.S. troops made use of Japanese public airport facilities and seaports in accordance with the Guidelines, Japanese companies would need to restrict their activities. Therefore, the government should openly clarify the cases in which private rights may be restricted and officially request the people to stand for sacrifices or accept financial burden in the case of an emergency, prior to finalizing the legislation. The restriction of private rights should be minimized, however, and conscription or the control of speech should not be contemplated as part of the legislation. Understanding on the restrictions of private rights in a contingency will help reinforce the people's awareness that the national security is important to protect private rights and promote a healthy national consciousness.

4. The Realization of a True Japan-U.S. Partnership through Close Information Exchange

It is desirable that Japanese and American policy-makers establish closer information exchange. It is possible for Japan to work as a stabilizer which provides the U.S. with accurate information about Asia and sound basis for the U.S. calm and objective judgments. It is also necessary for the two governments to institutionalize active consultations on how to cope with emergencies. What is more, efforts are required to establish, during peacetime, coordination bodies between Japan and the U.S. alliance and among the Japanese relevant ministries and agencies for dealing with emergencies.

In the process of developing the Guidelines, detailed information exchange between the Japanese and U.S. counterparts at each of the cabinet, vice-minister and official staff levels took place and the mutual bonds of trust were strengthened. As a result, the Japanese and American policymakers whom we met during the fact-finding missions were confident for Bilateral Defense Planning and Mutual Cooperation in the ability to map out plans for planning based on the Guidelines. **We would expect to enhance mutual credibility and transparency through co-possession of a variety of information by close daily information exchange.**

Information exchange should not be a one-way from the U.S. to Japan, but be reciprocal. As far as information on Southeast Asia, we learned that information obtained through Japanese channels may at times be more useful for the U.S. troops than that from Washington (Michael O'Hanlon the Brookings Institute). **Since the U.S. government is liable to fluctuate in accordance with public opinion in the country, Japan have to provide calm and objective judgment to the U.S. government, and**

act as a stabilizer in Asia.

Different from the passive dialogue which has occurred up to now on whether Japan should allow the U.S. to use military bases in Japan, the two governments must institutionalize active consultations on how to cope with emergencies.

In addition to continuing frequent exchanges of viewpoints on how to cope with emergency situations, the Japanese and U.S. governments are currently preparing a bilateral coordination mechanism for determining the roles and missions which should be carried out by the U.S. troops and the Japanese Self-defense Forces. It is said, however, that coordination among the Japanese ministries and agencies is more serious than coordination between Japan and the U.S. due to bureaucratic sectionalism. In order to establish measures for mutual cooperation in the event of an emergency, the ministries and agencies must endeavor to overcome respective interests during peacetime.

Suggestion 2: Improve Japanese Public Awareness on National Security and Build the Confidence with Neighboring Countries through Open Discussion.

Straightforward nationwide discussions on national security will help improve Japanese public awareness. The Japanese government should explain the objectives and the intentions behind its policies to the people in an understandable manner, disclose as much information as possible and improve education on history and national security. By clarifying the identities and its mission in the international community through discussion, Japan can earn the confidence from its neighboring nations.

In addition to discussion on security issues should take place in the DIET, if the Japanese people in general, including businesses and labor unions, become more familiar with national security and discuss it frankly, straightforward, leaving from theoretical discussions, they will be able to improve in their consciousness on security, heighten neighboring nations' confidence toward Japan and establish the foundation for Japan's national security.

The Japanese government should explain the objectives and its policies as well as provide information on international circumstances to the people in an understandable manner. If the purposes or intentions of a policy are not clearly understood, Japanese citizens, including those in the mass media and economic circles, should ask the government to elaborate. If a government's policies are used as tools for political bargaining or are too short-sighted in nature, the people should harshly criticize them. If, on the other hand, the government displays appropriate leadership or diplomatic capability, the people should express positive recognition.

The Defense Agency and the Self-Defense Forces have made a lot of efforts on public affairs throughout the nation. As witnessed through the publishing of a detailed interim report during negotiations on the Guidelines, they must disclose as much information as possible so that the Japanese public may become more familiar with them. Public affairs will provide the people with material to discuss their national security, strengthen their reliability in the Self-Defense Forces and encourage SDF personnel to possess a higher spirit toward the national defense.

Education assumes an important role for the promotion of national consciousness. Textbooks on history should not be the list for names of figures and events, but be edited to elaborate on the processes and backgrounds of historical events and correctly evaluate modern history. It is important to encourage students to have a correct understanding of history by allocating enough time for modern history. In addition, it is important to educate the basic subjects on national security in primary schools and junior high schools including the notion that national security issues are closely related with the lives of a nation's citizens.

Multinational frameworks, such as the Asia-Pacific Economic Cooperation Conference (APEC) and the ASEAN Regional Forum (ARF), cannot be replaced the U.S.-Japan security alliance, which now serves as the foundation for regional stability. These frameworks are, however, gradually offering opportunities for the nations in the region to enhance their mutual trust. If Japan continued to fail to take a definitive diplomatic attitude, it could be left outside the circle of trust formed by these nations.

Persistent criticism by China and South Korea of Japanese leaders' understanding of history and war responsibilities may stem partly from their political

gestures, but this comes mainly from their distrust toward Japan, because it is difficult to read and understand Japanese diplomatic policies.

During our fact-finding mission in the U.S., we realized that there is a huge difference between Japan and the U.S. about the recognition of national security as the nation's responsibility. According to one comment we understood that the U.S. already believes that it is its mission to provide stability in the world and it is also important for the U.S. that the U.S. is recognized as the country which has such mission by the rest of the world (Alex Lennon, CSIS).

Japan has no such clear “sense of mission” today. It is necessary to promote nationwide discussions so as to fully identify the basic ideas or the type of mission Japan should possess. In our opinion, a definitive commitment to a contribution towards regional and global peace and stability must constitute the central part of Japan’s position. The Japanese government should attain the understanding of its people and neighboring countries through positive dialogue with them concerning the assertion that Japan seeks regional and global stability and has no intention to become a militarism state again or build up its armament. Such efforts by the Japanese government will help promote international support for Japan.

Also it is important, from a security standpoint, that Japan should take the measures necessary to preventing the on-going economic crisis in Asia from developing into political crises. Japan should introduce, as early as possible, a decisive economic policy to stabilize its economy and help the Asian economies out of crisis.

Japanese businessmen must expand dialogue with the private sectors of Asian countries on how to ensure the regional stability in Asia. For that, the

Kansai Keizai Doyukai has provided various exchange programs with the rest of Asia; the Kansai-Shanghai Economic Conference, the Hong Kong-Kansai Conference and the ASEAN-Kansai Forum. We hope to continue to sponsor these dialogues with other Asian nations to discuss security issues and contribute to deepening mutual understanding and reliance.

Suggestion 3: Understand the Real Minds of the Okinawan Residents and Seek Mutually Acceptable Solutions of Okinawan Issues through the Continuous Exchange of Information between Okinawa and the Japanese Mainland.

The Japanese people, as a whole, should understand that the complicated sentiment of the Okinawan residents stems from an insufficient understanding of the rest of Japan on their history and suffering. The Okinawan issues should be considered Japan's national issues. It is necessary that the nation, based on the standpoint stated above, discusses together with the Okinawan people about national security and measures to be taken for Okinawa's economic independence. Our association will make efforts to offer opportunities for the continuous exchange of opinions with Okinawa, introduce the intentions and feelings of the Okinawan residents to the rest of Japan and have Okinawa and Kansai lead the national debate on Japan's security.

The first step toward the resolution of Okinawan issues is that all Japanese consider them as their own issues. First of all, the Japanese should recognize that the U.S. troops in Japan play very important roles and missions and are responsible for regional stability and the security of Japan. Okinawa is in a geopolitically important position. The U.S. Marines being stationed in Okinawa allows for quick deployment to any location for peace keeping operations or disaster relief activities. Furthermore, the Marines in Okinawa have played a major role in maintaining regional stability.

Meanwhile, the people of Okinawa Prefecture possess an array of complex emotions toward the rest of Japan because of the large disparity in understanding between Okinawa and the Japanese mainland about the sufferings and history of the

Okinawans. All Japanese citizens should understand the stance of the Okinawans and consider the Okinawan issues as their own.

Previous wars have inflicted much pains and sufferings on many people in Okinawa and their aftereffects still remain in this island prefecture. What happened in Okinawa in the past should not be forgotten. However, it is also important for us to move forward understanding the present and the future. During our fact-finding mission to Okinawa, economic experts from Okinawa stated that Okinawa should become economically independent by overcoming its excessive reliance on public investments and government subsidies. An opinion poll conducted in Okinawa by the Okinawa Times in May 1997, showed that a majority (57%) of the respondents answered that the U.S.-Japan security alliance was necessary. The figure represented a sharp increase from the 41% in the preceding poll. We welcome this trend in Okinawa which represents a realistic understanding of the present and the future. Okinawa and the rest of Japan should further deepen mutual understanding for the purpose of considering their future development together. **It is important for the whole nation to understand the ideas spoken by the people of Okinawa and together discuss assistance which is needed to fill the 27-year gap created before Okinawa's return to Japan and to help the prefectural economy achieve true independence.**

A seminar on national security and other topics will be held in Okinawa in March 1998, under the sponsorship of the All-Japan Keizai Doyukai. The Kansai Keizai Doyukai, for its part, will continue to provide opportunities to exchange views and information with Okinawa concerning Japan's security, military bases in Okinawa and measures to take for the independence of the prefectural economy.

We will also make efforts to help Okinawa and Kansai work together to pioneer nationwide discussions that touch upon the attitudes of the Okinawans and the security of Japan by sharing the words of Okinawa with the rest of Japan, and thus, helping all of Japan to truly understand Okinawan issues. We believe that this will provide the nation with food for thought concerning security issues and help strengthen their awareness on national security.

Committee on National Security Activities in 1996/97

1996

- June 18 Chairman and Vice-Chairman Meeting
“The Policy for Committee on National Security Activities in 1996”
- July 23 Staff Meeting
“Conducting Committee on National Security Activities”
- August 1 Lectures and Meeting of the Standing Committee
“Investigation of Japan's Course in the 21st Century from a Security Perspective”
Lecturer
Terumasa Nakanishi, Professor
Kyoto University, Faculty of Integrated Human Studies
- September 26 Staff Meeting
“Japanese Security Policies”
Lecturer
Hiroshi Nakanishi, Assistant Professor
Kyoto University, Faculty of Law
- October 7 Lecture and Meeting of the Standing Committee
“International Relationships in the 21st Century and Japanese Security”
Lecturer
Makoto Iokibe, Professor,
Kobe University, Faculty of Law
- October 11 Staff Meeting
“Towards an Investigation of the Right to Collective Defense
-The Security Pact from a Historical Perspective-”
Lecturer
Kazuya Sakamoto, Assistant Professor
Osaka University, Faculty of Law
- November 20 Lecture and Meeting of the Standing Committee
“Japan-U.S. Role in the Security of East Asia ”
Lecturer
Hisahiko Okazaki, Former Japanese Ambassador in Thailand
- November 26 Chairman and Vice-Chairman Meeting
“In Preparation for the 4th Boston Symposium”

1997

- January 29 Chairman and Vice-Chairman Meeting
"Report and Discussion on the Boston Symposium"
- April 21 Chairman and Vice-Chairman Meeting
"Summary of Activities in 1996 and the Future Outlook"
- June 13 Staff Meeting
"Review of This Year's Surveys and Missions"
- June 18 Chairman and Vice-Chairman Meeting
"Policies for Activity of the Committee on National Security in 1997"
- July 10-12 Okinawa Fact-Finding Mission
(Appendix 1-Report on the Okinawa Fact-Finding Mission)
- July 24 Staff Meeting
"Summary for the Okinawa and the U.S. Fact-Finding Missions"
- August 7 Meeting of the Standing Committee
"Toward a Reevaluation of the Guidelines"
-Background Factors and Future Issues-
Lecturer
Noboru Yamaguchi
Colonel JGSDF
Deputy Chief, Defense Planning Div.
Ground Staff Office
Defense Agency
- September 3 Meeting of the Standing Committee
"Security"
Lecturer
Ryotaro Nohmura, C.E.O. of Taiyo Kogyo
- September 18 Staff Meeting
"The U.S. Fact-Finding Mission-A Review of the Guidelines-"
Lecturer
Sakamoto Kazuya, Professor,
Osaka University, Faculty of Law

- September 22 Lecture and Meeting of the Standing Committee
 “Reevaluation of the Japan-U.S. Security Alliance Guidelines
 -A Discussion of Subsequent Japanese Issues and Contingency
 Legislation-”
 Lecturer
 Atsuyuki Sassa, Former General Manager
 The Cabinet Security Affairs Office
- September 25 Staff Meeting
 “The U.S. Fact-Finding Mission - Preparation of Questions and
 Criteria-”
- September 28- The U.S. Fact-Finding Mission (Appendix 2 -Report on the U.S.
 October 9 Fact-Finding Mission-)
- October 21 Staff Meeting
 “Report on the U.S. Fact-Finding Mission”
- October 29 Staff Meeting
 “ Report on the U.S. Fact-Finding Mission and Subsequent
 Activity”
- November 5 Staff Meeting
 “A Discussion on Our Suggestions”
- November 10 Chairman and Vice-Chairman Meeting
 “Report on the U.S. Fact-Finding Mission and an Evaluation of Key
 Suggestions”
- November 26 Staff Meeting
 “An Evaluation of Suggestions”
- December 10 Staff Meeting
 “An Evaluation of Suggestions”
- December 22 Meeting of the Standing Committee
 “An Evaluation of the Final Suggestions”

Standing Committee on National Security 1997 Register

(All posts as of the Jan. 28, 1998 press release)

(Names in no particular order)

Chairman

Noriyuki Inoue	Daikin Industries, Ltd.	President and Chief Executive Officer
----------------	-------------------------	---------------------------------------

Vice-Chairmen

Kenji Niwa	Niwa Investment & Development Co., Ltd.	President
Osamu Okamoto	Kubota Corporation	Executive Managing Director
Hidetoshi Tanaka	The Sanwa Bank Ltd. SRIC Corporation Sanwa Research Institute	General Manager, Industrial Research Dept., Chief Economist & General Manager, Economic Research Dept.
Yoshio Okamoto	The Sumitomo Trust & Banking Co., Ltd.	Managing Director
Norio Okayama	Sumitomo Electric Industries, Ltd.	Managing Director
Yasunori Kawagishi	The Dowa Fire & Marine Insurance Co., Ltd.	Advisor
Tomohiro Yasufuku	The Koa Fire & Marine Insurance Co., Ltd.	Managing Director
Tetsuo Inamori	Mitsubishi Heavy Industries, Ltd.	Director & General Manager, Kansai Office
Kumiko Obino	Interact Japan Inc.	President
Masayoshi Fujiwara	Itochu Corporation	Senior Managing Director, Chief Operating Officer, Kansai District Operation
Wataru Kinugawa	The Kansai Electric Power Co., Inc.	Senior Managing Director

Standing Members

Tomiaki Amano	Nippon Life Insurance Company	Deputy General Manager, Public Affairs Dept.
Nobuhiko Ichihashi	Marubeni Corporation	Senior Officer, Executive Vice President Office (Osaka)
Naoyoshi Uehara	Mitsubishi Corporation	Senior Managing Director, General Manager, Kansai Branch
Hideo Kitagawa	Mitsubishi Oil Co., Ltd.	Associate Director and General Manager, Kinki Branch Office

Takatoshi Kondo	Tsubaki Nakashima Co., Ltd.	President
Hideaki Sasaki	Sumitomo Electric Hightechs Co., Ltd.	Advisor
Kazuhiro Takagi	Takeda Chemical Industries, Ltd.	Full-Time Corporate Auditor
Yasuo Takabatake	Takabatake Business Ltd.	Director
Masakazu Tanaka	Sumitomo Metal Mining Co., Ltd.	General Manager, Osaka Branch
Mutsumi Tanaka	Tanaka Electric Industry Co., Ltd.	President
Kazuo Nakazato	Mitsubishi Materials Corporation	Director, General Manager, Osaka Regional Head Office
Genichi Matsuoka	Toyo Construction Co., Ltd.	Managing Director
Shigeru Matsushita	SRIC Corporation Sanwa Research Institute	Director, Chief Economist

Staffs

Susumu Yamamoto	Daikin Industries, Ltd.	General Manager, Planning Dept., Oil-Hydraulics & Lubrication Div.
Masanori Togawa	Daikin Industries, Ltd.	Manager, Secretarial Office
Minoru Kurume	Daikin Industries, Ltd.	Manager, Corporate Planning Dept.
Masayuki Nakagawa	Daikin Industries, Ltd.	Manager, Personnel Planning Group, Human Resources Dept.
Naoto Imai	Daikin Industries, Ltd.	Personnel Planning Group, Human Resources Dept.
Morihiko Jojima	Kubota Corporation	General Manager, Finance Dept.
Toyokazu Sakamoto	SRIC Corporation Sanwa Research Institute	Senior Economist
Shinji Muraki	The Sumitomo Trust & Banking Co., Ltd.	Economist, Research Dept.
Hiroshi Yoshino	Sumitomo Electric Industries, Ltd.	Senior Engineer, Corporate Planning Dept.
Yoshihiko Yamaguchi	The Dowa Fire & Marine Insurance Co., Ltd.	General Manager of Osaka Underwriting Dept.
Kazuyuki Ohkushi	Mitsubishi Heavy Industries, Ltd.	Acting Manager, General Affairs Group, General Affairs Dept., Kansai Office
Hideki Ogawa	Interact Japan Inc.	Secretary

Koji Fukuda	Itochu Corporation	Junior Department Officer, Department of Kansai Corporate Administration & Development
Kunio Yasuda	The Kansai Electric Power Co., Inc.	Assistant General Manager, Office of General Administration

Chief Secretarial Staffs

Hiromi Sasaki	Suntory Ltd.	Manager, Corporate Planning Dept.
Toshiya Maeda	Nippon Life Insurance Company	Manager, Public Affairs Dept.

Secretariats

Senri Hagio	Kansai Keizai Doyukai (Kansai Association of Corporate Executives)	Managing Director and Secretary General
Yoshiaki Umena	Kansai Keizai Doyukai (Kansai Association of Corporate Executives)	Deputy General Manager, Planning & Research Dept. I
Yasuhiro Matsuo	Kansai Keizai Doyukai (Kansai Association of Corporate Executives)	Manager, Planning & Research Dept. I
Naruhiro Kawasaki	Kansai Keizai Doyukai (Kansai Association of Corporate Executives)	Planning & Research Dept. I
Kanae Tani	Kansai Keizai Doyukai (Kansai Association of Corporate Executives)	Planning & Research Dept. I
Yukino Koike	Kansai Keizai Doyukai (Kansai Association of Corporate Executives)	

Toward Facilitating Straightforward Discussion
-In Pursuit of Strategic and Independent Decision Making
and Responsible Action-
January 1998

Senri Hagio
Managing Director,
Secretary General,
Kansai Keizai Doyukai
(Kansai Association of Corporate Executives)

c/o Nakanoshima Center Bldg.,
2-27, 6-chome, Nakanoshima, Kita-ku,
Osaka, 530-6691
Tel: 81-6-441-1031
Fax: 81-6-441-1030

<http://www.kbch.isp.ntt.jp/doyukai/index.html>

