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The CNAS Indo-Pacific Security Program addresses opportunities and challenges for the United States in the region, with a growing focus on issues that originate in the Indo-Pacific but have global implications. It draws on a team with deep government and nongovernment expertise in regional studies, U.S. foreign and defense policy, and international security. The Indo-Pacific Security Program analyzes trends and generates practical and creative policy solutions around five main research priorities: U.S.-China strategic competition, India’s growing role in the Indo-Pacific, the North Korea threat, American alliances and partnerships, and challenges in South and Central Asia.

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Executive Summary

In December 2022, Japan’s government released three major strategic documents: the National Security Strategy, the National Defense Strategy, and the Defense Buildup Program. Although Japan has made incremental changes to its security policies and capabilities over the last decade, the new documents mark a notable shift in Japan’s approach to strengthening its defense. The documents reflect Tokyo’s assessment of the rising threats that could challenge Japan’s security and signal Japan’s commitment to build the military capabilities necessary to meet them. This report examines Tokyo’s defense transformation and assesses its implications for the U.S.-Japan alliance and Washington’s strategy toward the Indo-Pacific.

Japan is “fundamentally reinforcing” its national security and defense policies to cope with its increasingly severe security environment. The military threats posed by China, North Korea, and Russia have been growing steadily for years but appear to be peaking simultaneously. Tensions between Japan and China have occasionally flared in the five decades since they normalized diplomatic relations. But those tensions have reached new heights since 2012, when China began to regularly contest Japan’s administration of the Senkaku/Diaoyu Islands. By August 2022, Beijing fired five ballistic missiles into Japan’s exclusive economic zone during China’s live-fire military exercises after then-U.S. House Speaker Nancy Pelosi’s visit to Taiwan. The aim of the missile launches was to signal there would be consequences for Japan if Tokyo were to intervene in a Taiwan contingency. Meanwhile, North Korea’s unprecedented rate of missile testing since 2022 and Russia’s brutal war against Ukraine have deepened Japanese concerns about the potential for the use of force in the Indo-Pacific.

Japan is taking steps to improve its ability to defend itself and deter an invasion, including through changes to security funding and policy. Tokyo has announced plans to increase its defense spending by 65 percent over the next five years, acquire standoff weapons that could be used for a counterstrike mission, and adopt an “active cyber defense” posture. Japan has clarified the roles of its military, the Self-Defense Forces (SDF), and Coast Guard in the event of an attack; committed to establishing a permanent Joint Headquarters for SDF operations; and created a program for supplying partner militaries with security assistance. Effectively employing counterstrike and active cyber defense, however, will require a clearer delineation of the legal authorities for their use as well as the overall military strategies that they would support.

In addition, pressure from the Japanese public over tax hikes required to pay for the defense spending increase amid other fiscal pressures could pose a barrier to implementation.

Japan plans to strengthen the SDF through boosting readiness and resilience of current forces, acquiring counterstrike and other advanced capabilities, and improving force posture and mobility. The SDF has been plagued by a chronic lack of munitions and other supplies, and most of its facilities do not meet its own standards for resilience against enemy attack. Addressing these shortfalls is essential, though these types of programs often lose out to more high-profile programs. For its counterstrike mission, Japan has announced it will buy U.S.-made Tomahawk cruise missiles. This initial purchase will provide a stopgap until Japan is able to produce its own longer-range missiles later in the decade. Japan has also announced it will pursue new capabilities in uncrewed systems, space, cyber, and artificial intelligence (AI). But fulfilling these ambitions will be challenging given some shortfalls in Japan’s technology base and SDF personnel. Lastly, the SDF is grappling with how to expand its forces in Japan’s southwest islands while maintaining a sufficient presence throughout the country to deter aggression from a range of possible threats.

Next, Japan’s strategy emphasizes enhancing security partnerships regionally and across the globe. Japan has recently stepped up its defense cooperation with several Indo-Pacific and European countries. With Australia, Japan is building on a 10-year effort to deepen strategic cooperation, a process that culminated in January 2022 with the completion of a Reciprocal Access Agreement. New bilateral strategic cooperation includes enhancing interoperability between the SDF and the Australian military, increasing rotational SDF training deployments to Australia, and announcing a new joint security declaration that commits to a combined response to military contingencies. Similarly, Japan has long recognized the strategic importance of India and continues to build on the Japan-India relationship through maritime security cooperation, a new joint fighter exercise, and operationalization of their Acquisition and Cross-Servicing Agreement.

Japan and the Philippines are also expanding their defense ties through humanitarian assistance and disaster relief training exercises and an important emerging trilateral security relationship with the United States. Over the past year, Japan and South Korea have made significant strides to repair relations...
since the latest downturn that began in 2018. This will be an incremental process, but there has been progress in the form of leader-level summits and ministerial dialogues, plans to cooperate on sharing data about North Korean missiles, and new trilateral ballistic missile and anti-submarine drills with the United States. Japan also is building defense connections and relationships with European nations. It is pursuing the development of a sixth-generation fighter jet with the U.K. and Italy and, particularly since the full-scale Russian invasion of Ukraine, has sought to deepen strategic ties with NATO.

These comprehensive changes to Japan’s defense policies will necessarily reshape the military and security pillars of the U.S.-Japan alliance. Tokyo’s acquisition of counterstrike capabilities will position Japan to potentially take on some offensive tasks, even while retaining its primarily defensive orientation. This also has implications for alliance contingency planning related to defending Japan directly as well as around Taiwan, the Korean Peninsula, and the South China Sea. However, increased joint planning will require updates to alliance command and control (C2) and information-sharing mechanisms. Additionally, given resource constraints, the alliance would be well-served to find additional opportunities for military technology sharing, codevelopment, and coproduction, such as through Japanese involvement in the second pillar of the AUKUS (Australia-United Kingdom-United States) partnership focused on cooperation on advanced capabilities and defense technology innovation. And the alliance must take steps to improve force posture and readiness, including through enhancing base resiliency and increasing munitions stockpiles.

Japan’s fundamental transformation of its defense posture will mean significant changes for the U.S.-Japan alliance. The United States must adapt its approach to alliance coordination to maximize new opportunities and manage any new challenges. In this context, U.S. policymakers should:

- Prepare to update the alliance, while recognizing that Japan’s new defense policies will require significant time, resources, and political will to implement.
- Stay closely aligned with Tokyo on the threat landscape as well as engagement with geopolitical competitors, especially China.
- Integrate U.S.-Japan command and control structures.
- Create an alliance readiness, resilience, and posture implementation task force.
- Deepen planning for contingencies and bolster extended deterrence.
- Create a road map for expanding defense technology cooperation concurrently with Japan’s implementation of specific improvements to its information security practices and infrastructure.
- Innovate operational concepts for uncrewed systems and counterstrike capabilities.
- Leverage the U.S.-Japan alliance as a hub for minilateral and multilateral security engagement.
- Build U.S.-Japan alliance mechanisms that will expand cooperation on cyber security and defense.
- Stand up an alliance dialogue on military personnel issues.
Introduction

Japan’s national security and defense policies are undergoing a period of profound transformation. Mounting threats from the People’s Republic of China (PRC or China), the Democratic People’s Republic of Korea (DPRK or North Korea), and the Russian Federation (Russia) have led Tokyo to conclude it is “facing the greatest post-war trial yet, and has entered into a new era of crisis.” To “squarely face the grim reality and fundamentally reinforce Japan’s defense capabilities,” last December Prime Minister Kishida Fumio’s administration released three major documents—the National Security Strategy, the National Defense Strategy, and the Defense Buildup Program—that together outline an ambitious plan to overhaul the country’s defense policies and military forces over the next decade.

Some of the changes articulated in those documents are evolutionary shifts that build on more than a decade of incremental steps to improve the ability of the Self-Defense Forces (SDF), Japan’s military, to protect the country in the face of intensifying security threats. Other parts of the vision Japan laid out in the three strategic documents, though—such as acquiring counterstrike weapons and adopting an active cyber defense policy—constitute revolutionary changes in Tokyo’s approach to security. Taken together, Japan plans to retain its long-standing “exclusively national defense-oriented policy” while revising key tenets of how Tokyo interprets and implements that policy. This new approach heralds Japan’s latest and most ambitious step in a decades-long journey away from the post-World War II grand strategy associated with former Prime Minister Yoshida Shigeru, in which the country forsook a strong military and relied heavily—too much, some argued—on the United States for its security.

This report examines Japan’s evolving defense policy and assesses the implications for the U.S.-Japan alliance and Washington’s strategy toward the Indo-Pacific. It focuses on defense policy while acknowledging that Japan envisions using all the tools of its “comprehensive national power”—including diplomacy, technology, economics, and intelligence—to achieve its foreign policy objectives. Now, nearly nine months since the release of those documents, it is possible to begin to assess prospects for implementation as well as emerging obstacles that could undermine the strategy.

The report begins by taking stock of Japan’s increasingly severe security environment, with a focus on the threats from China, North Korea, and Russia. The next section details changes to Tokyo’s military spending and defense policies. Then the report explores capabilities and force posture shifts. The subsequent two sections evaluate how these changes are shaping Japan’s security partnerships and then assess implications for the U.S.-Japan alliance. Finally, the report offers recommendations for policymakers in Washington for how to leverage these trends to strengthen the U.S.-Japan alliance, deter aggression, and protect peace and stability in the Indo-Pacific region.
Japan's Severe Security Environment

Japan is transforming its national security and defense policies because Tokyo perceives an increasingly severe security environment in its neighborhood. The threats posed by China, North Korea, and Russia have each been growing for years, if not decades. But the challenges emanating from all three countries appear to be peaking simultaneously. This section details how.

China

Japan-China relations have been a central factor shaping geopolitics in East Asia for centuries. After the U.S. opening to China in the early 1970s, Japan helped China develop its economy. The two powers marked 50 years of diplomatic relations in September 2022. Tensions between the two powers have flared periodically during those decades but increased significantly starting in 2010, especially over the disputed Senkaku/Diaoyu Islands. Chinese Communist Party (CCP) General Secretary Xi Jinping has supercharged China’s military buildup while becoming more repressive at home and aggressive abroad. Those trends led Tokyo to label China as “an unprecedented and the greatest strategic challenge” to Japanese security and the rules-based order.

China’s behavior raises concerns in Japan about its territorial security directly related to the Senkakus and its Southwest Islands overall. Operations by Chinese forces contest Japan’s administration of those islands on a near-continual basis. China flies aircraft and drones into the airspace near the Senkakus. Beijing also conducts maritime incursions using various combinations of People’s Liberation Army Navy (PLAN), China Coast Guard (CCG), and paramilitary “maritime militia” forces as well as genuine Chinese fishing vessels. In a recent incident from April, CCG ships lingered in territorial waters near the Senkaku Islands for a record 80 hours and 36 minutes before departing—the longest period since 2012. In addition, PLAN ships also circumnavigate Japan, as they did in May 2023 before Japan hosted the G7 summit.

Further, PRC aircraft routinely probe Japanese air defense identification zones and airspace. SDF aircraft scrambled jets in response to Chinese military aircraft 575 times between April 2022 and March 2023. Operations of Chinese uncrewed aerial vehicles (UAVs or drones) near Japan are rising, too. In February, after the flight of a Chinese spy balloon across the United States, Japanese Defense Minister Hamada Yasukazu announced that his government would ease rules of engagement to allow for shooting down of suspected PRC spy balloons as well as other uncrewed aircraft that had been spotted over Japan on multiple occasions in recent years. Separately, while Beijing makes no territorial claim to the Ryukyu Islands, recent comments by Xi alluded to a controversial school of Chinese historiography that questions whether those islands should be part of Japan. Episodes like this raise alarm in Japan about China’s long-term intentions.
Beyond Japanese territory, Tokyo has made clear that a contingency where China tries to coerce or attack Taiwan using force would have important implications for Japan’s security. China firing five missiles into Japan’s exclusive economic zone as part of August 2022 military exercises after then-U.S. House Speaker Nancy Pelosi’s visit to Taiwan hammered home this reality. Still, officials and experts debate the specific ways and degree to which any given type of contingency would affect Japan and what the response should be. Farther south, China’s land reclamation on and militarization of key features in the South China Sea raise the prospect that Beijing could interfere with the trade and energy flows on which Japan relies. Finally, Tokyo is concerned about a future regional order—and potentially even a global order—where Beijing dominates. Japan has been on the front lines of PRC assertiveness in the current century and views a China-led order as particularly dangerous for its security.

**Tokyo has made clear that a contingency where China tries to coerce or attack Taiwan using force would have important implications for Japan’s security.**

Japanese public opinion reflects these concerns, too. A Pew Research Center poll conducted in September 2022 found that more than 80 percent of Japanese respondents said they were very or somewhat concerned about military conflict with China; 60 percent said China’s military is a very serious problem for their country. In this context, Tokyo seeks a “constructive and stable” relationship with Beijing. High-level diplomacy, however, remains intermittent, increasing concern about the effectiveness of crisis management between the two maritime neighbors or during a regional contingency. Recently, however, Japanese and Chinese leaders agreed to set up a hotline between their respective “defense authorities” and restarted a dialogue on maritime issues that had been dormant since 2019. Defense ministers tested the hotline in May 2023.

**North Korea**

The ambitions of North Korea also worry Japan. Pyongyang continues to rapidly improve its missile and nuclear capabilities. It conducted missile tests at an unprecedented rate throughout 2022 and its first test of a solid-fuel intercontinental ballistic missile (ICBM) in April 2023. Pyongyang also adopted an aggressive new doctrine governing its use of nuclear weapons in September 2022. North Korean threats are both “grave and imminent” for Japan and have been since the previous spike in DPRK missile tests in 2017. Pyongyang has fired missiles over and around Japan, occasionally prompting take-shelter orders for large swaths of the Japanese public, most recently in November 2022 and April 2023.

So far, Japan’s main response to DPRK missile launches has been to activate its missile defenses and to prepare to shoot down any missiles or fragments landing on Japanese territory. But today the Japanese public is far more aware of the need for greater civil defenses. News reports say Japan’s radar systems occasionally struggle to track accurately certain types of North Korean missiles. The absence of meaningful diplomacy with North Korea due to Pyongyang’s refusal to engage in negotiations with the United States or its allies means no progress is being made on either the major issues of denuclearization or peace or specific issues that Tokyo prioritizes such as the status of Japanese citizens abducted by North Korea.

**Russia**

Russia poses a direct security challenge to Japan from the north. The two countries never formally signed a peace treaty ending World War II and still have an ongoing territorial dispute over the Northern Territories/Kuril Islands. Former Prime Minister Abe Shinzo sought to engage Russia on ending the dispute and as a larger geopolitical hedge against China’s rise. President Vladimir Putin met with Abe many times but ultimately rebuffed Abe’s attempts to reach a settlement.

In Northeast Asia, Russia has taken steps in recent years to reinforce its military capabilities in the Pacific generally and on the Northern Territories/Kuril Islands specifically. In December 2022, Moscow deployed its second Bastion coastal defense missile system, which has a range of up to 500 km, on the island chain. And even amid the war in Ukraine—which has severely degraded Moscow’s military capabilities—Russian forces were able to conduct a major military exercise in April 2023. It involved 25,000 troops, 89 aircraft, and 167 warships, including 12 submarines, and simulated operations to repel an invasion of Sakhalin Island and the southern islands of the Northern Territories/Kuril Islands.

Moscow’s war against Ukraine has had a major effect on Japan’s security policy and especially public opinion. It has made real the prospect of major power
aggression in the Indo-Pacific and exacerbated concerns that Beijing might follow suit by attacking Taiwan. While Abe seemed reluctant to join the G7 in sanctioning Russia after its invasion of Crimea in 2014, Kishida took a far different approach after Putin’s invasion of Ukraine in 2022. Japan condemned Russia and fully embraced sanctions against it. In response, in March 2022, Moscow formally withdrew from talks with Tokyo meant to resolve their territorial disputes and declared Japan an “unfriendly nation.”

**Concerns About Authoritarian Coordination and U.S. Extended Deterrence**

Closer security cooperation among Beijing, Pyongyang, and Moscow is also driving Tokyo’s threat perceptions. While they are not real treaty allies, China, North Korea, and Russia are increasingly cooperative in ways that undermine Japan’s security. The extensive China-Russia partnership remains solid despite Russia’s war in Ukraine. The two powers have conducted joint air patrols in Japan’s vicinity six times since 2019.

China and Russia help North Korea evade both U.S. and U.N. sanctions. And Pyongyang has provided artillery shells and rockets to Moscow for use in Ukraine. Should a conflict erupt in the region, this increasingly strategic cooperation among the authoritarian powers in Japan’s vicinity could prove challenging for the SDF to manage. For example, the SDF could be forced to deal with probing or even attacks from multiple directions simultaneously. And even in peacetime, it means the SDF must continue to station significant forces in Japan’s north, west, and south rather than concentrate forces in a single direction.

Like many U.S. allies, Japan harbors quiet concerns about the trajectory of American foreign policy. The value of U.S. alliances is increasingly questioned by some U.S. political leaders, and the American public is scrutinizing the United States’ overseas troop and defense commitments. With a U.S. presidential election on the horizon in 2024, Tokyo will be watching keenly to understand how candidates view U.S. defense commitments to both treaty allies and close partners such as Ukraine. Given the rapid expansion and increasing sophistication of China’s and North Korea’s nuclear arsenals, the credibility of U.S. extended deterrence could be called into question. Like Putin in Europe, an authoritarian leader in the Indo-Pacific could also use nuclear threats to try to deter U.S. intervention in support of its treaty commitments.

**Security Funding and Policy Changes**

Tokyo has set two goals for its defense policy: first, to be able to “take primary responsibility for dealing with invasions against its nation” by 2027 and, second, to be “able to disrupt and defeat invasion much earlier and at places further afield” by 2032. More expansively, Japan aims to “deter contingencies and attempts to unilaterally change the status quo in Japan and its vicinity,” although the National Security Strategy makes clear that goal is meant to be achieved in partnership with the United States and other like-minded countries. As it moves toward those objectives, several shifts in Tokyo’s approach to defense take the form of changes in funding and policy. This section examines those changes across three categories: defense spending and industry, counterstrike policy and authorities, and additional important modifications.

**Defense Spending and Industry**

Tokyo historically kept its defense spending pegged at roughly 1 percent of gross domestic product (GDP). Now, Japan has announced its intention to increase total national security spending—comprising defense spending plus other categories of appropriations—to roughly 2 percent of GDP by 2027. In pure numerical terms, Japan intends to increase its defense spending by 65 percent between fiscal years 2022 and 2027. Tokyo’s defense spending will total 43 trillion yen (about $321 billion) over five years. The increase started in 2023 with a 26 percent annual bump from the previous year to 6.8 trillion yen (about $51 billion). In five years, the pledged increases to Japanese defense spending could catapult Tokyo into one of the world’s top five defense spenders, up from 10th place in 2022. Implementation, however, could diverge from plans. While the Japanese public supports defense spending increases, it opposes tax hikes to pay for them amid other fiscal pressures. Policymakers are considering additional sources of revenue, too, including diverting funds from other government spending categories and issuing bonds.

In addition to increasing defense spending, the Kishida Cabinet has proposed several policy changes to support Japan’s defense industry. Japanese defense industry has atrophied over the past several years due to relatively stagnant demand and slim profit margins at home. Japan’s defense companies are nearly all subsidiaries of sprawling conglomerates, and their operations are rarely prioritized. For some, there are reputational risks as the Japanese people have mixed views of military suppliers.
The Kishida Cabinet hopes to reinvigorate the country’s defense industry. The Japan Ministry of Defense’s (JMOD) payment calculation formulas will now allow for up to 10 percent profit and up to 5 percent for fluctuations in procurement costs rather than dictate slimmer profit margins and rely on firm fixed-price contracts.\textsuperscript{45} Tokyo also approved new legislation that would enable the government to purchase a domestic defense production line from a company leaving the industry and assign the work to another firm.\textsuperscript{46} And Japanese defense industry is trying to integrate more closely with foreign partners. Companies are seeking to standardize more weapons systems with U.S. and European counterparts to make it easier and cheaper to conduct joint maintenance.\textsuperscript{47} Tokyo is also considering loosening restrictions on arms exports.\textsuperscript{48} Restrictions on Japan sending lethal assistance to Ukraine have highlighted this issue.\textsuperscript{49} Two rationales drive support for increasing foreign arms sales. The first is strategic benefits, namely helping to improve partner capacity, facilitate interoperability, and provide an attractive alternative to partnering with China. The second rationale focuses on industrial benefits, as foreign sales offer defense companies more markets to achieve economies of scale and help justify investments into emerging technologies. If these changes are to work, however, they would require strong support from the Japanese government to successfully compete in the global arms market.

**Counterstrike Policy and Authorities**

Japan’s plans include acquiring new standoff weapons that can be used for a counterstrike mission. Specific weapons systems that fall into those categories are covered in the next section. But first, it is necessary to consider the military, legal, and policy issues surrounding these capabilities. Militarily, Tokyo believes purely defensive capabilities such as missile defense systems are no longer adequate in the face of threats from China and North Korea. Legally, the Kishida administration asserts that it has sufficient authorities to acquire and use counterstrike capabilities in certain circumstances, although it rules out preemptive strikes.\textsuperscript{50} Domestic debate on the parameters of counterstrike authorities continues, though, especially as it relates to potential revision of Japan’s postwar constitution, which has stood unchanged for the longest of any constitution in the world.\textsuperscript{51}
How counterstrike capabilities might be used also reflects the military strategies that undergird them. Standoff defense capabilities used to target adversary ships and aircraft advancing in the sea and air toward Japan would contribute to a deterrence by denial strategy, that is, convincing an adversary that aggression would fail. Alternatively, standoff defense capabilities could be used to threaten retaliatory strikes on high-value targets, which would contribute to a deterrence by punishment strategy, that is, convincing an adversary that aggression would come at an unacceptable cost. Japanese defense doctrine presupposes a denial strategy but could begin to rely more on punishment as threats mount and new weapons create additional military options.

Militarily, Tokyo believes purely defensive capabilities such as missile defense systems are no longer adequate in the face of threats from China and North Korea.

Counterstrike also raises the question of what Japan would target—possibilities include enemy command and control (C2) nodes, bases, missile launchers, or incoming aircraft and ships—and exactly when in the course of hostilities a counterstrike would be permissible under Japanese laws and policies. The specific scenario matters a great deal as well. Japan has three formal categories of situations it can respond to using military force: an armed attack situation, a survival-threatening situation, and an important influence situation. New security legislation passed in 2015 attempted to clarify these scenarios, but they remain vague, and their interpretation will likely be shaped by politics as much as the law. Counterstrike specifically is only officially permissible in the first category, an armed attack situation. Some types of Taiwan contingencies, however, might fall into the other two categories, leaving Japan's likely role murky.

Finally, beyond the physical kinetic domains, Japan has announced a move toward “active cyber defense” and laid out a plan to better integrate its military and law enforcement cyber forces. That policy raises domain-specific questions about what types of cyber activities constitute offense versus defense, and at what point prior to hostilities certain activities are permissible within Japan's unique legal and policy frameworks. For example, it is not clear whether cyber forces can penetrate adversary networks to develop—but not use—cyber counterstrike attack options in advance of a contingency.

Additional Important Modifications
In addition to counterstrike, Japan has made several policy changes that will have important implications for its defense. In April, Tokyo clarified roles for the SDF and the Coast Guard in the event of an armed attack. And over the summer, the SDF and Coast Guard conducted their first drills to practice joint responses. Japan also updated its Basic Ocean Policy to call for a strengthening of the Coast Guard. Next, the Kishida administration plans to make it easier for SDF forces to use civilian ports and airfields, including in peacetime.

The National Defense Strategy also commits to establishing a permanent Joint Headquarters to facilitate effective inter-service SDF operations. In addition, to address the growing importance of the space domain, the Air SDF will formally add space to its mission to become the Air and Space SDF. Tokyo released further implementation guidance on space security that details Japan’s aim to build out space-based information-gathering capabilities to augment future counterstrike capabilities, among other purposes. Tokyo also released defense technology implementation guidelines that focus on improving the pathway from research and development to the field as well as Japan’s efforts to build its capacity through defense innovation.

Finally, Japan’s changing security policies extend to its foreign partnerships as well. In April 2023, Tokyo released guidelines for a new program for official security assistance (OSA), which is distinct from official development assistance (ODA) in that OSA focuses on supplying Japan-made military systems to the armed forces of partner countries. Early contenders to receive Japanese OSA include the Philippines, Malaysia, and Fiji.

JAPAN’S OFFICIAL CATEGORIES OF KEY CAPABILITIES AND FUNCTIONS FOR ITS DEFENSE BUILDUP

1. Standoff defense capabilities
2. Integrated air and missile defense capabilities
3. Uncrewed defense capabilities
4. Cross-domain operation capabilities
5. Command and control and intelligence-related functions
6. Mobile deployment capabilities/civil protection
7. Sustainability and resiliency

ECONOMIC SECURITY AS A PILLAR OF JAPAN’S NATIONAL SECURITY STRATEGY

In addition to building up its traditional military capabilities, the Kishida administration has taken major steps to strengthen Japan’s economic security. That agenda focuses on making the country less vulnerable to peacetime economic coercion of the type that China has perpetrated against Japan and others, such as Australia, over the last decade-plus.66 The economic security agenda also aims to prepare Japan to withstand the economic fallout from regional contingencies, including those involving Taiwan. Tokyo seeks to play offense, too, by boosting the country’s critical and emerging technologies industrial base as those sectors become more important to both the civilian economy and military power.67

To those ends, Prime Minister Kishida Fumio started advancing his economic security agenda as early as October 2021, when he created a Cabinet-level ministerial position dedicated to economic security. Another step forward was passage by the National Diet, Japan’s parliament, of the Economic Security Promotion Act (ESPA) in May 2022.68 Key focus areas of the ESPA include indigenizing vulnerable supply chains and relying more heavily on allies and partners for critical technologies and minerals. Tokyo also is reorganizing other government entities to reflect its prioritization of economic security, such as adding an economic division to the National Security Secretariat in 2020 and launching an economic security division within Japan’s Public Security Intelligence Agency in April this year.69 Additional economic security roles have also been added to the Ministry of Foreign Affairs and the Ministry of Economy, Trade, and Industry.

The Kishida Cabinet has worked collaboratively with several countries to guard against economic coercion and overcome supply chain vulnerabilities. Japan and the United States held a first Ministerial Economic “2+2” with U.S. Secretary of State Antony Blinken, U.S. Secretary of Commerce Gina Raimondo, Japan Minister for Foreign Affairs Hayashi Yoshimasa, and Japan Minister of Economy, Trade, and Industry Hagiuda Koichi in July 2022 and are set to hold a second meeting this year.70 Additionally, the G7 trade ministers’ meeting in April resulted in a joint statement to cooperate on export controls to address the misuse of critical and emerging technologies by malicious actors.71 Japan has worked closely with Quad partners—the United States, Australia, and India—over the last several years to protect against economic coercion by focusing on building resilient supply chains for critical technologies and minerals used for things such as microelectronics, laptops, electric vehicles, and some military technologies.72

Maintaining economic security also is critical for the health of Japan’s defense industry. To incentivize indigenization of supply chains, the EPSA legislation includes provisions for allowing certified private-sector companies to be eligible for subsidies and loans. To gain certification, companies must submit a plan to the government that demonstrates interest in securing a stable supply of specified critical minerals.73 The long-term effect of the ESPA implementation is yet to be seen, but the private sector appears to recognize the growing geopolitical risks. According to a Nikkei poll from December 2022, more than half of Japanese manufacturers have developed plans to reduce dependence on Chinese suppliers, with the majority of these manufacturers citing concerns about a Taiwan contingency as the primary reason.74

Capabilities and Force Posture Changes

Japan plans to strengthen its military through an ambitious buildup. Those plans officially prioritize seven categories of capabilities and functions. Each category is important and requires numerous implementation steps. But the highest priorities for the SDF will be improving readiness and resilience, introducing counterstrike capabilities, developing other advanced capabilities, and enhancing force posture and mobility. This section explores those four key areas.

Readiness and Resilience

The urgency for Japan to reinforce deterrence drives short-term priorities. Primary among them is improving the readiness of the SDF. The force has been plagued by a chronic lack of fuel, ammunition, spare parts, and general maintenance.75 Moreover, the majority of buildings and other structures such as ammunition depots are out of date and not hardened against missile attacks. Eighty percent of the SDF’s 23,254 facilities do not meet the JMOD’s standards for resilience against enemy attack, and 40 percent do not meet current earthquake resistance standards.76 Therefore, although “sustainability and resiliency” is listed seventh in Japan’s official list of priorities, it is arguably the most important near-term category for Japan’s defense spending. Tokyo has set aside 1.7 trillion yen (about $12 billion) over five years to improve attack and earthquake resiliency, with the goal of 100 percent resiliency among SDF facilities by 2033.77 Making durable progress in this area will be difficult, though. Military require sustained investments to maintain readiness once it is achieved. In addition, hardening aircraft shelters and taking similar resilience-enhancing but mundane steps are investments that tend to lose out to flashier platforms when funding gets tight.

Counterstrike Capabilities

Japan also intends to build or acquire several types of standoff weapons to fulfill Tokyo’s policy decision to develop counterstrike capabilities and has allocated 5 trillion yen (about $37 billion) toward that end through 2027.78 In theory, Japan could employ nearly any standoff weapon—broadly defined as anything with a range beyond 500 km—in a counterstrike capacity. Figure 1 lists the specific systems Tokyo is planning to acquire for this purpose.

Counterstrike Capabilities
### FIGURE 1: STAND-OFF WEAPONS JAPAN PLANS TO ACQUIRE FOR COUNTERSTRIKE MISSIONS

<table>
<thead>
<tr>
<th>Name</th>
<th>Details</th>
<th>Origin</th>
<th>Planned Deployment</th>
</tr>
</thead>
</table>
| Joint Strike Missile (JSM) | Range: ~500 km  
Platform: F-35A  
Use cases: anti-ship, land-attack | Norway | FY 2024 |
| Tomahawk Land Attack Missile (TLAM) | Range: ~1,600 km  
Platform: Aegis-equipped guided missile destroyer (DDG)  
Use case: land-attack  
Japan plans to upgrade 70 of its F-15s to make them JASSM-capable. The first 20 upgrades are slated to take place in 2024–2025. | United States | FY 2026 |
| Joint Air-to-Surface Standoff Missile (JASSM) | Range: ~900 km  
Platform: Upgraded F-15  
Use case: land-attack  
Japan plans to upgrade 70 of its F-15s to make them JASSM-capable. The first 20 upgrades are slated to take place in 2024–2025. | United States | FY 2027 |
| Upgraded Type 12 missile | Range: ~1,000 km, estimated  
Platform: The current Type 12 is truck-mounted.  
Use case: anti-ship  
The Type 12 is a ground-based anti-ship missile, but the platform upgrade will introduce ship and air-launched versions. Fielding a wide array of launch platforms is intended to make it more difficult for opposing forces to respond. | Japan | FY 2026  
FY 2028 (ship)  
2030s (air) |
| Boost glide hypersonic missile (Japanese translations use the term “Hyper velocity projectile”) | Range: ~2,000 km, estimated  
Platform: TBD  
Use case: land-attack  
This weapon is intended to glide at high altitudes to evade surface-to-air missile interception for attacks over long ranges, such as in remote island areas. Testing is set to take place in the United States. | Japan | FY 2026 (initial)  
FY 2030 (upgraded) |
| Powered hypersonic missile | Range: estimated ~3,000 km  
Platform: TBD  
Use case: anti-ship and land-attack  
High speeds improve weapon survivability. | Japan | 2030s |
| New anti-ship missiles for island defense | Development will prioritize stealth and high mobility to mitigate interception by surface-to-air missiles (SAMs) and other missile defenses. | Japan | Unknown. Projected R&D completion of elemental technologies: FY 2027 |

Press reports have devoted special attention to Kishida’s announcement in February 2023 of plans to purchase 400 U.S.-made Tomahawk cruise missiles with a range of about 1,600 kms, to be deployed as early as 2026. Japan will thus become the third U.S. foreign partner to buy the Tomahawk, after the U.K. and Australia. The Tomahawk missiles will enable the SDF to strike all of North Korea and parts of China’s coastal areas from ships sailing near Japan. In April 2023, Japan announced a $2.8 billion contract for enhanced versions of its domestically produced Type 12 missiles of various configurations. Those systems will join several others—including supersonic and hypersonic missiles—to make up Japan’s counterstrike arsenal.
Acquiring standoff missiles and platforms from which to launch them does not, however, equate to a functional counterstrike capability. Tokyo will also need a set of systems for a “kill chain”—the capability to find and track targets and then see whether attempts to destroy them succeed—to guide its forces in using those missiles. Japan will need to get that information from the United States, at least initially. The two countries’ forces will therefore have to work more closely together for Japan to field a functional counterstrike capability, including developing new operational concepts where necessary. And although Japan wants counterstrike because integrated air and missile defenses (IAMD) alone are insufficient, improving its IAMD still remains a key line of effort. Tokyo has allocated about 3 trillion yen through 2027 (about $21 billion) for IAMD efforts.

Other Advanced Capabilities
Japan will also pursue additional advanced capabilities in the areas of uncrewed systems, space, and cyber. On uncrewed systems, Japan started operating the U.S. Global Hawk system for surveillance in March 2022 but has otherwise lagged behind other advanced militaries in the integration of drones into its joint force. The three strategic documents outline an ambitious strategy for uncrewed systems spanning the air, sea, and ground domains. The rationales behind building and operating drones in those areas are twofold: keep up with changes in the character of military technology and compensate for the country’s relative deficit of personnel and platforms. For example, Tokyo is reportedly considering using drones to intercept foreign aircraft entering its air defense identification zones (ADIZ).

Tokyo will also need a set of systems for a “kill chain”—the capability to find and track targets and then see whether attempts to destroy them succeed—to guide its forces in using those missiles.

Further, Tokyo wants to integrate AI with military applications into its forces, including for command and control support functions. Japan’s ambitions in these areas are no doubt warranted. But they will be difficult to achieve given deficiencies in Japan’s technology base in some of the necessary areas (despite Tokyo’s strengths in many technology sectors). In addition, high-tech capabilities require more skilled personnel to operate them, which could further exacerbate the challenges the SDF faces in recruiting and retaining service members. Other countries that operate uncrewed systems, including the United States, have frequently found that uncrewed systems end up requiring more overall personnel to operate them than crewed systems, despite the lack of people inside the platform. Another critical element is Japan’s lack of a comprehensive security clearance system to protect information related to advanced security technologies. The country’s economic security minister has been tasked with developing legislation to set up a clearance system focused on economic security, although it is unclear whether the scope will extend to the government and defense industrial sectors.

Force Posture and Mobility
During the Cold War, Japan oriented its military forces to deter a Soviet invasion from the north. While the SDF still must deter Russia to the north, in recent years Japan has rebalanced its forces southward with a focus on its Southwest Islands to address threats from China. In March 2023, the Ground Self-Defense Force (GSDF) opened a new camp on the southern island of Ishigaki in Okinawa Prefecture. That announcement followed earlier moves to set up garrisons with missile defense units on Okinawa’s Miyako Island in 2019, Amami Island in Kagoshima Prefecture in 2019, and Yonaguni Island in Okinawa in 2016. All of these installations come in addition to posture changes related to U.S. forces in Japan (see U.S. alliance section for more).

Despite this progress, arraying forces to effectively protect the Southwest Islands remains a difficult challenge. Although these installations are defensive in nature and designed to deter Chinese aggression against Japan’s outlying territories, local communities have expressed concerns about the presence of military forces making their communities into targets in the case of a conflict, in addition to long-standing quality-of-life issues such as excessive noise. The SDF also faces shortfalls in air and sea lift capabilities, which will be crucial for moving forces into and around Japan’s sprawling territory during a contingency. Tokyo’s plans acknowledge those gaps, but filling them will continue to be an arduous endeavor.
Deepening Indo-Pacific and European Security Partnerships

As part of its efforts to cope with a deteriorating security environment, Japan has stepped up its defense cooperation with several Indo-Pacific and European countries over the last year. In its National Security Strategy, Tokyo commits to building a “multilayered network among its ally and like-minded countries,” through enhancement of bilateral relationships as well as through multilateral and minilateral frameworks such as the Japan-U.S.-Republic of Korea (ROK or South Korea) and Japan-U.S.-Australia dialogues.99 To build this multilayered defense network, Tokyo commits to—among other things—increasing bilateral training and exercises, completing information-sharing and reciprocal access agreements, and increasing exports of defense equipment and technology to like-minded partners.100

The pledges to expand its defense partnerships form part of Tokyo’s overall strategy to deter aggression in the Indo-Pacific and uphold international law and a rules-based order that protects national sovereignty.101 By expanding its defense ties with Indo-Pacific and European nations, Japan is demonstrating its ability to lead, along with the United States, in building a networked security architecture in the Indo-Pacific.

AUSTRALIA
Japan and Australia have long enjoyed strong bilateral defense relations, facilitated by the Australia-Japan-U.S. defense ministers’ dialogue that first met in 2005. Tokyo’s National Defense Strategy lauds its “Special Strategic Partnership” with Canberra and asserts the pair will build the “closest cooperative relationship second only to the Japan-U.S. defense cooperation.”102 In recent months, these ties have moved to the next level with initiatives to enhance interoperability between their defense forces, an increase in SDF rotational training deployments to Australia, and the signing of a new joint security declaration for responding to military contingencies.103 During 2+2 talks held between their defense and foreign ministers in December 2022, the two sides committed to increasing the complexity of their joint military exercises by rotating deployments of Japan’s F-35 fighter jets to Australia, conducting joint submarine search and rescue training, and enhancing cooperation on long-range guided weapons, integrated air and missile defense, and undersea warfare.104 After 10 years of negotiations, in January 2022, the two sides overcame significant hurdles to complete a Reciprocal Access Agreement that provides legal protection for forces stationed in each other’s country and facilitates joint training and disaster relief activities.105

INDIA
It was Abe, the late former prime minister of Japan, who more than 15 years ago recognized the critical role of India—as a pivotal democratic and maritime power—in forming an Asian security architecture that would preserve stability and a rules-based order.106 Back then, Abe conceptualized the Quad and coined the phrase “Indo-Pacific” with a vision of India playing an influential role in shaping the future of the region. Kishida is carrying forward Abe’s vision of developing a robust India-Japan partnership, making his first visit to India as prime minister in late March, during which he made a speech that reaffirmed India as an indispensable partner in defending freedom and rule of law in the Indo-Pacific.107

Admirals from the U.S. Navy, Japan Maritime Self-Defense Force, and Republic of Korea Navy have a discussion aboard an Ohio-class ballistic-missile submarine. Recently improved bilateral ties between Japan and South Korea have allowed for greater trilateral military cooperation among all three countries. (Luke Wilson/U.S. Navy)
India and Japan have centered their growing defense partnership on maritime cooperation, given their mutual security interest in addressing China’s growing maritime presence in the Indian Ocean region. Their concerns were magnified when a Chinese surveillance vessel docked in a Sri Lankan port in August 2022.\textsuperscript{108} China’s ability to park a ship with advanced technology and satellite capabilities in India’s strategic backyard at a time when Sri Lanka was spiraling from an economic crisis was a wake-up call for New Delhi to leverage its maritime relationships with countries such as Japan more effectively. To this end, Japan and India have held regular bilateral naval exercises, which signal their joint resolve in protecting free and open seaways as well as enable them to develop a common understanding of operational procedures and enhance interoperability. In 2015, Japan became a permanent participant in India’s annual Malabar naval exercise, which includes the United States and, since 2020, Australia.

Tokyo and New Delhi also share concerns about protecting free movement in the strategic Malacca Strait, through which around $3.5 trillion in global trade passes each year.\textsuperscript{109} In a show of its growing trust and confidence in its ties to Japan, India provided access to its Andaman and Nicobar Islands—which lie at the entrance of the Malacca Strait—to Japan’s NEC Corporation to build an optical fiber cable network connecting the Andaman and Nicobar Islands to Chennai, India.\textsuperscript{110} This is the first time India has allowed a foreign company to invest in a project in the sensitive islands.

The Japan-India defense partnership is expanding beyond cooperation on maritime security. Since 2016, their armed forces have participated in an annual exercise called “Dharma Guardian,” which involves intense joint training and knowledge sharing on the use of defense technologies. They held their second 2+2 dialogue between their foreign and defense ministers in Tokyo in September 2022, during which they announced a new joint fighter exercise and efforts to cooperate more closely on cybersecurity and critical and emerging technologies.\textsuperscript{111} They further touted the operationalization of the 2021 Acquisition and Cross-Servicing Agreement for reciprocal provision of goods and services between their two militaries. India also is included in a list of a dozen countries for which Japan is adjusting its export control regulations to allow for exports of missiles, jet fighters, and other defense equipment.\textsuperscript{112} The first bilateral jet fighter training exercise was held in January 2023, with Indian Air Force Sukhoi-30 fighters flying to Japan for the first time.\textsuperscript{113}

PHILIPPINES

Japan has recently prioritized improving defense and security ties with the Philippines, especially since President Ferdinand Marcos Jr. took the helm more than a year ago. Japan landed two F-15 fighter jets, a refueling aircraft, and a transport plane at Clark Air Base in the northern Philippines in December 2022, signaling both sides’ strong interest in strengthening defense ties.\textsuperscript{114} During Marcos’ visit to Japan two months later, the two countries signed agreements allowing for Japanese troop participation in disaster relief missions in the Philippines and Japanese defense exports, including radar, to Manila.\textsuperscript{115} Japan and the Philippines also are strengthening trilateral cooperation with the United States. In mid-June, the three nations’ national security advisors met for the first time in Tokyo, where they agreed to enhance trilateral defense cooperation and focus on enhancing freedom of navigation in the Indo-Pacific.\textsuperscript{116} It is likely that Tokyo and Manila will soon conclude a reciprocal access agreement, which would allow for Japanese forces to be deployed in the Philippines under certain circumstances agreed to in advance.\textsuperscript{117} All these steps come in the wake of significant progress in U.S.-Philippine ties, including an agreement for the United States to expand its access to four new military sites in the country.

SOUTH KOREA

Japan-ROK relations eroded in 2018, with tremendous consequences for bilateral economic, diplomatic, and defense ties. Japan removed export control benefits on critical semiconductor manufacturing materials destined for South Korea. Their leaders and high-level officials met less frequently or ceased meeting altogether. Cooperation under the bilateral General Security of Military Information Agreement (GSOMIA) was limited, and trilateral exercises with the United States were halted.\textsuperscript{118} Since last year, Kishida and ROK President Yoon Suk Yeol have made significant progress on mending ties by resuming frequent bilateral summits for the first time in 12 years and reengaging on finding a shared resolution to the historical issues that divide them.\textsuperscript{119} They have attempted to find practical solutions despite the popular sensitivity to issues related to historical reparations.\textsuperscript{120}

Despite these political challenges, military exercises and information-sharing have resumed. Since August 2022, Japan, South Korea, and the United States have conducted several trilateral ballistic missile defense and anti-submarine warfare drills (see Figure 2).\textsuperscript{121} Additionally, GSOMIA had existed in limbo for nearly four years after then-ROK President Moon Jae-in threatened to suspend it. But during Yoon’s visit to Tokyo in March, he and Kishida agreed to
normalize the implementation of the pact. At the 2023 Shangri-La Dialogue, the defense ministers of Japan and South Korea met for the first time since 2019 and recognized work toward activating a data-sharing mechanism to exchange real-time missile warning data on North Korea’s ballistic missiles. These incremental improvements in bilateral ties enabled the “new era of trilateral partnership” inaugurated at the Camp David summit held in August, during which the leaders announced major initiatives on crisis consultations, military exercises, ballistic missile defense, information sharing, addressing DPRK cyber threats, and countering disinformation.

Tokyo and Seoul have managed to resuscitate the forward momentum in their bilateral defense relationship. Managing political sensitivities in both countries will be crucial over the medium and long term. Continued cooperation will depend on whether common threats and institutionalized coordination mechanisms can withstand any resurgence of political opposition to working together.

**EUROPE**

In addition to these critical Indo-Pacific partners, Japan is focusing on building defense connections and relationships with European nations as well as with NATO. Japan is in discussions with the U.K. and Italy to jointly develop a sixth-generation fighter jet under the Global Combat Air Program (GCAP), taking advantage of each country’s respective technical capabilities and working together to mutually strengthen their defense technology supply chains and industrial bases. GCAP aims to deliver around 2035 and ranks as the biggest defense cooperation project ever undertaken between Japan and European states.

During Kishida’s visit to the U.K. in January, the two countries signed a Reciprocal Access Agreement, permitting them to deploy troops on the other’s territory. This is the first such agreement Japan has signed with a European nation, and British officials referred to it as the most significant defense agreement the two countries had concluded in over a century.

**FIGURE 2: TIMELINE OF RECENT U.S.-JAPAN-ROK MILITARY EXERCISES**

On June 11, 2022, amid growing Japan-ROK rapprochement and an unprecedented rate of provocative missile launches from North Korea, the defense ministers of the United States, Japan, and South Korea announced “an agreement to engage in discussions about additional trilateral exercises.” Since then, the three countries have held seven exercises trilaterally and participated in an additional six alongside other allies and partners. At the August trilateral summit at Camp David, the leaders pledged to hold “annual, named, multi-domain trilateral exercises on a regular basis.”

<table>
<thead>
<tr>
<th>Start Date</th>
<th>Purpose of the Exercise</th>
<th>Additional Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 29, 2022</td>
<td>Maritime operations (RIMPAC 2022)</td>
<td>23 additional countries</td>
</tr>
<tr>
<td>August 8, 2022</td>
<td>Air and missile defense (Pacific Dragon 2022)</td>
<td>Australia and Canada</td>
</tr>
<tr>
<td>August 8, 2022</td>
<td>Missile warning datalink sharing</td>
<td>Trilateral only</td>
</tr>
<tr>
<td>September 30, 2022</td>
<td>Anti-submarine warfare</td>
<td>Trilateral only</td>
</tr>
<tr>
<td>October 6, 2022</td>
<td>Ballistic missile defense</td>
<td>Trilateral only</td>
</tr>
<tr>
<td>February 22, 2023</td>
<td>Ballistic missile defense</td>
<td>Trilateral only</td>
</tr>
<tr>
<td>February 27, 2023</td>
<td>Field exercises and humanitarian assistance (Cobra Gold 2023)</td>
<td>Thailand (host), Indonesia, Malaysia, and Singapore, plus 19 nonmembers</td>
</tr>
<tr>
<td>March 15, 2023</td>
<td>Anti-submarine warfare (Sea Dragon 2023)</td>
<td>Canada and India</td>
</tr>
<tr>
<td>April 3, 2023</td>
<td>Anti-submarine drills</td>
<td>Trilateral only</td>
</tr>
<tr>
<td>April 17, 2023</td>
<td>Joint missile defense</td>
<td>Trilateral only</td>
</tr>
<tr>
<td>July 4, 2023</td>
<td>Maritime operations (Pacific Vanguard 2023)</td>
<td>Australia</td>
</tr>
<tr>
<td>July 16, 2023</td>
<td>Naval missile defense</td>
<td>Trilateral only</td>
</tr>
<tr>
<td>July 22, 2023</td>
<td>Air combat and maritime operations (Talisman Sabre)</td>
<td>10 additional countries and three observers</td>
</tr>
</tbody>
</table>
NATO is considering the establishment of a liaison office in Tokyo sometime next year, marking the first time the Euro-Atlantic security organization has opened a facility in Asia (although French skepticism of the proposal makes its prospects unclear). Japan—along with South Korea, New Zealand, and Australia, the other three “Asia-Pacific 4” partner countries—attended a NATO summit for the first time in 2022 and returned for the 2023 summit. Increased Japan-NATO ties signal Tokyo’s concern about the precedent Russia’s invasion of Ukraine sets for the Indo-Pacific region. The ties also reflect that Japan acknowledges the need to link security of the European theater to the Indo-Pacific theater to create a coalition of like-minded nations that can counter growing Russian-Chinese collaboration and efforts to undermine the rules-based order.

**Evolving the U.S.-Japan Alliance Alongside Tokyo’s Security Policies**

The sweeping changes to Japan’s defense policies discussed so far promise to make Tokyo a more willing and capable ally to Washington. Those shifts will necessarily reshape the military and security aspects of the U.S.-Japan alliance. Five areas, all interrelated, will be of particular importance and require in-depth consultations between the U.S. and Japanese security planners.

First, Japan’s new approach will make it necessary to revise roles and missions within the alliance to some degree. Traditionally, the United States was viewed as the alliance’s “sword” and Japan was the “shield,” meaning that the U.S. role was more active and offensive while Japan’s was more passive and defensive. Tokyo’s acquisition of counterstrike weapons will require carefully factoring them into alliance defense planning, particularly considering that any new Japanese strike capability will depend on U.S. enabling support. Should Japan develop a more autonomous capability for offensive operations, the bilateral military division of labor could shift from functions-based to theater-based.

Japan building up its own military power could be seen as hedging against the prospect of U.S. abandonment, however remote. Still, those same Japanese actions will help to address long-standing U.S. concerns about burden-sharing and demonstrate that Tokyo is ready to take on a larger role, not only for its own defense but for the defense of an existing regional order—an order that is vital to America’s grand strategy for ensuring its own security. Even as Japan remains a long way from achieving truly autonomous strike capability, by taking these steps to provide for its own security, Tokyo is seizing an opportunity to strengthen the foundations of the U.S.-Japan alliance and Washington’s commitment to it.

The second area is contingency planning. The defense of Japan is, and will remain, a core focus of the alliance. But Tokyo and Washington both understand that contingencies related to Taiwan, the Korean Peninsula, or the South China Sea would also challenge Japan’s security even if they do not target Japanese territory or citizens directly. Those scenarios all raise difficult questions about what types of activities Tokyo could or would be ready to undertake in response to a regional crisis given legal and political restrictions. There is also a new consideration for the alliance: Japan’s acquisition of counterstrike capabilities could, at least in theory, lead to Japan taking action beyond what the United States is prepared to do in a future crisis. Carefully considering how and why these capabilities might be used can preempt any worries in Washington about Japan’s behavior in a crisis.

In addition, with both China and North Korea rapidly modernizing their nuclear and missile arsenals, allied extended deterrence discussions will need to become more detailed. Demonstrating the U.S. commitment to deterring nuclear coercion continues to be a vital element of alliance reassurance. To date, allied officials have kept secret any specific contingency planning activities, although news outlets have reported on the existence of some related to Taiwan scenarios. U.S.-Japan contingency planning will go a long way toward making sure the two allies are confident in understanding how these new capabilities will be wielded, and to what ends, in a far more precarious regional environment.

Third, the alliance will have to update its command and control and information-sharing mechanisms. Washington and Tokyo will continue to oversee parallel command structures rather than move toward the type of combined command the United States has with South Korea or NATO. But effective real-time coordination and deconfliction will become more important over time. Moreover, as both allies shift toward multidomain warfare concepts, they will need to build the type of coordination necessary for success in a more networked and complex operating environment. Some efforts by former officials and analysts to think through new options are already underway. Existing initiatives to broaden information-sharing across various areas—from missiles to space, cyber, and maritime threats—can help the allies move toward a common operating picture in key domains and in that way provide support for better C2 integration. Moreover, Japan’s reliance on the United States for targeting and other support for its counterstrike capabilities will push forward integration on its own.
The fourth area where the alliance will need to enhance cooperation is on military technologies. Japan’s new defense policies place a major emphasis on uncrewed systems, space, cyber, and advanced strike capabilities. Washington and Tokyo both need to deliver such capabilities rapidly to keep up with China. The pair also have limited resources and cannot afford duplicative research and development efforts. Some initial joint research has been done on counter-hypersonic technology, and the allies have agreed to future collaboration on advanced materials and hypersonic testbeds. But there are more opportunities for military technology sharing, codevelopment, and coproduction to enhance the alliance. Japan’s close security relationship with each of the Australia-United Kingdom-United States (AUKUS) partnership members suggests that Tokyo would be a logical addition, at least informally, to the second pillar of the partnership centered on developing advanced capabilities. Doing so, however, will require further reforms to Japan’s information security practices and instituting a more comprehensive security clearance system. Japan has made progress in the past decade on this front, but more work remains. Separately, the alliance would benefit from joint innovation in operational concepts—for example, how to conduct effective interceptions of People’s Liberation Army (PLA) aircraft using uncrewed systems to reduce wear and tear on Japan’s crewed platforms.

Fifth, the alliance will have to focus on force posture and readiness. Both allies are reconfiguring their force posture to be better positioned to respond to threats against Japan’s southwest islands. Particularly notable are U.S. plans to reorganize the Okinawa-based 12th Marine Regiment into a Marine Littoral Regiment, which would provide it additional island hopping and ground-based anti-ship missile capabilities by 2025. The Japanese government’s purchase of Mageshima Island with plans to turn it into a training base for U.S. and Japanese aircraft is also promising. Japan’s National Defense Strategy further highlights the need to upgrade civilian airports, seaports, and other facilities in the southwest islands to make them suitable for SDF use, which would also boost alliance capabilities. Both allies also see the need to take further steps to harden their installations and make them more resilient in the face of missile threats, particularly from China.

In addition, the alliance overall needs to increase inventories of munitions and ammunition in ways that demonstrate the ability to sustain combat operations through a protracted conflict. Some areas of readiness are already strong, such as realistic bilateral and multilateral exercises that build both skills and interoperability. But Tokyo and Washington both need to find ways to fund and execute on chronically neglected priorities such as infrastructure, munitions, and maintenance. The U.S.-Japan alliance will have to address all five areas discussed in this section to remain the cornerstone of security in Northeast Asia and the Indo-Pacific overall.

**Recommendations for Policymakers**

The transformation of Tokyo’s defense policy offers a chance to reshape the U.S.-Japan alliance simultaneously. To take advantage of the resulting opportunities and address the challenges, U.S. policymakers should:

- Prepare to update the alliance, while recognizing that Japan’s new defense policies will require significant time, resources, and political will to implement.

U.S. policymakers need to view Japan’s three strategic documents as a map laying out a long journey. Washington has rightly applauded the ambitions and plans included in those documents. But all the steps needed for Japan to implement those plans will require patience and resolve. Progress, when it comes, is likely to be uneven. As for codifying new roles and missions for the alliance, officials representing both allies have said there is no immediate need to update the formal alliance Defense Guidelines, which were last revised in 2015. Instead, Washington and Tokyo should plan to update those guidelines as part of Japan’s planning for the second five years in Japan’s 10-year plan running from 2028-2032.

Stay closely aligned with Tokyo on the threat landscape as well as engagement with geopolitical competitors, especially China.

Changes to Japan’s national security strategies reflect a historic convergence with the United States about threats posed by China, North Korea, and Russia. That consensus is new and different. The two allies have not always seen the geopolitical landscape in the same ways, especially when it comes to both the diagnosis of the strategic challenges and the prescriptions for what to do about them. Working to maintain that consensus through intensive and wide-ranging consultations is vital, because coordination improves deterrence and signals to competitors that ploys to drive wedges between Washington and Tokyo will fail. This is particularly true for dealing with China. Senior U.S. officials’ providing readouts of their meetings with PRC counterparts provides a good example of these principles in action, and Japanese officials should consider reciprocating.
Integrate U.S.-Japan command and control structures.

Tokyo's acquisition of counterstrike capabilities will make it more important for the two allies to coordinate their operations. The United States should pursue an agreement with Japan to expand operational coordination, potentially using the SDF's new permanent Joint Headquarters as a platform. Such organizations could start with expanding alliance information-sharing to work toward building a common operational picture. In addition, those efforts should be synchronized with programs to modernize each country's individual C2, particularly where it involves new tools such as artificial intelligence for decision-support systems.

Create an alliance readiness, resilience, and posture implementation task force.

Both allies are making major investments in improving their military readiness, resilience, and posture. Tokyo's plans are described above, and Washington is using both standard defense budget processes and special vehicles, namely the Pacific Deterrence Initiative, for such purposes. Massive demand from the war in Ukraine, the need to bolster deterrence across the Taiwan Strait, and Japan's new defense policies are all lending urgency to these issues and opening up new options. Washington and Tokyo should appoint a working-level task force with both civilian and uniformed representation as well as private-sector specialists where appropriate. The task force should help coordinate the two countries' investments, track progress, and identify opportunities to work together on issues ranging from hardening bases to procuring munitions in sufficient numbers to streamlining maintenance of ships and aircraft to ensure more are in working order more frequently.

Deepen planning for contingencies and bolster extended deterrence.

The possibility of a contingency involving China, North Korea, or Russia appears to be growing. Washington and Tokyo should therefore undertake deeper and more specific contingency planning. Such planning will be particularly important for the types of contingencies where Japan's legal authorities and political will would be ambiguous. In addition, Beijing's and Pyongyang's nuclear modernization have made strengthening extended deterrence using both nuclear and conventional capabilities more critical. If Tokyo wants this change, the U.S.-Japan Extended Deterrence Dialogue should be upgraded to the assistant secretary rank level, in line with the relatively new U.S.-ROK Nuclear Consultative Group. Upgrading the U.S.-Japan equivalent would reinforce Washington's commitment to bolstering extended deterrence and potentially later, if conditions allow, facilitate occasional trilateral consultations with South Korea on those topics.

Create a road map for expanding defense technology cooperation concurrently with Japan's implementation of specific improvements to its information security practices and infrastructure.

Tokyo has both ambitions to improve the level of its military technologies and the technology industrial base to contribute to development and fielding of emerging capabilities. Meanwhile, the United States and other close partners have, or are working to build, cutting-edge technologies that Japan could use to bolster the alliance's overall military strength. Sharing those technologies, however, cannot be done securely without additional improvements to Japan's information security and security clearance regimes. Washington, Tokyo, and like-minded partners in Australia, the U.K., or elsewhere should develop a plan whereby Japan would further improve its security practices and, in exchange for meeting certain benchmarks, would be eligible to buy or license additional advanced military technologies. That arrangement would help incentivize the bureaucratic change needed in Tokyo. The U.S.-Japan Memorandum of Understanding on Research, Development, Test, and Evaluation (RDT&E) Projects signed in January and the June trilateral U.S.-Japan-Australia agreement to “seek to conclude” an RDT&E framework could provide bases from which to construct such a plan. Japan's investment push behind new missile programs offers another opportunity, as both sides stand to gain from collaboration.

Innovate operational concepts for uncrewed systems and counterstrike capabilities.

The alliance will need new operational concepts to address growing Chinese military pressure targeting Japan. This is particularly true given the SDF's relative disadvantage in numbers of ships and aircraft, which Japan's defense strategy intends to offset using uncrewed air- and sea-systems. Separately, as Japan acquires counterstrike capabilities, it will need to develop operational concepts to use them in conjunction with the United States. New operational concepts should design in interoperability upfront rather than try to add it in later, and they should inform alliance C2 modernization going forward.
Leverage the U.S.-Japan alliance as a hub for minilateral and multilateral security engagement.

Washington and Tokyo should work to sustain the momentum both have shown in building up a network of regional security partnerships with third countries and groups. The allies should continue to work through this “latticework,” as the Biden administration calls it, to make concrete progress on military and defense issues by advancing initiatives based on a clear recognition of their relative strengths and weaknesses. Specifically, the U.S.-Japan-ROK trilateral has massive existing and potential value for Northeast Asian security but is always threatened by historically rocky bilateral ties between Tokyo and Seoul. The Quad avoids activities that are explicitly military in nature, but its maritime domain awareness initiatives contribute to regional security. Japan’s role as one of NATO’s four partners from the Asia-Pacific makes sense on issues such as space, cyber, and strategic weapons that are not confined by geography, rather than trying to facilitate sizable European military presence in the Indo-Pacific or vice versa. Separately, Japan should loosen its rules on military assistance to be able to transfer weapons to democratic partners that are defending themselves against an attack.

Build U.S.-Japan alliance mechanisms that will expand cooperation on cyber security and defense.

The alliance faces constant risk of sophisticated cyber threats from China and North Korea, which are among the world’s most prolific state sponsors of publicly known cyber incidents. Japan is shifting from passive to active cyber defense and further integrating its civilian and military cyber missions. As capabilities come online, it will be essential to work jointly to set up alliance mechanisms that ensure there is maximum integration of military and civilian cyber defense capabilities from the outset, including frequent exchanges between the National Security Agency (NSA), U.S. Cyber Command (USCYBERCOM), the Office of the National Cyber Director, and others with their Japanese counterparts. Except for 2020–2022, the United States and Japan have held eight annual U.S.-Japan Cyber Dialogues since they began in 2013. These dialogues are critical for coordinating a joint whole-of-government approach to cyber. But Japan’s new posture will significantly change the way Tokyo approaches its cyber mission. And the alliance stands to benefit from increased agency-to-agency meetings and coordination in between the annual cyber dialogues.

Stand up an alliance dialogue on military personnel issues.

Managing issues related to personnel will be a critical element of executing on Tokyo’s new defense plans. For example, Japan seeks to recruit and retain more women to serve in the SDF. The U.S. military has made some important steps toward expanding roles for women in recent years and might be able to share valuable lessons learned. Women make up 18 percent of U.S. active-duty service members, compared with less than 10 percent in the SDF. A personnel-focused dialogue could similarly exchange best practices for creative recruiting and retention for technical positions, especially those related to cyber, space, and emerging technologies. Finally, such a dialogue could help U.S. forces identify opportunities to continually improve relations with local communities in Japan, in addition to SDF colleagues.

Conclusion

The release of Japan’s three strategic documents in December 2022 was a watershed moment in Japanese foreign and defense policy and the beginning of a new chapter for the U.S.-Japan alliance. In many ways, these changes built on incremental shifts over the past decade or so. At the same time, such declarations would not have been possible without the recent and unprecedented recognition, at both the elite and popular levels, of the major security challenges Japan faces from China, North Korea, and Russia. In response to these threats, Japan has decided to comprehensively strengthen its military power. These actions could be interpreted as hedging behavior in reaction to the unpredictability of the American political system. But ultimately, the new capabilities will create opportunities for strengthening the alliance.

Both Washington and Tokyo recognize Japan’s ambitions will take time—and sustained political will—to implement. Though the plan for the first five years is clear, the period five to 10 years from now when many of the new capabilities would come online may present new problems with the rise of demographic and government spending challenges, as well as the inherent difficulty of developing and fielding cutting-edge military technologies. Ultimately, Japan’s defense transformation offers an opportunity for Washington to work closely with Tokyo to strengthen the alliance and prepare it to meet the treacherous geopolitical landscape it faces in the years ahead.


30. Kelly and Komiya, “Russia deploys defence missile system on Kuril island near Japan.”


44. The authors heard these views consistently during interviews with senior executives from several Japanese defense companies.


72. The White House, Quad Leaders’ Summit Fact Sheet (May 20, 2023), https://www.whitehouse.gov/briefing-room/statements-releases/2023/05/20/quad-leaders-summit-fact-sheet/.

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78. Unless noted otherwise, the data used to create this chart is from information shared with the authors by JMOD officials.


85. For a window into some of the complexities involved in building and operating a kill chain, see Mike Benitez, “It’s About Time: The Pressing Need to Evolve the Kill Chain,” War on the Rocks, May 17, 2017, https://warontherocks.com/2017/05/its-about-time-the-pressing-need-to-evolve-the-kill-chain/.


120. Between September 2022 and March 2023, the share of South Korean respondents who favored better relations with Japan even at the expense of making concessions rose from 26 percent to 31 percent. Still, 59 percent of respondents opposed the Yoon administration’s wartime labor compensation plan. “deilli opinieon je 533 ho (2023 nyeon 3 wol 2 ju) - ilje gangjeong-won pihe je 3 ja byeo-nje bang-an, han-il gwangye banghyang, ilbon jeongbuui gwageosa insig [Daily Opinion No. 533 (Week 2, March 2023) - Third party compensation plan for victims of forced labor under Japanese imperialism, direction of Korea-Japan relations, Japanese government’s recognition of past history], Gallup Korea, March 9, 2023, https://www.gallup.co.kr/gallupdb/reportContent.asp?seqNo=1371; and Kim Jaewon, Steven Boroweic, and Andrew Sharp, “South Korea’s wartime labor proposal to Japan: 5 things to know,” Nikkei Asia, March 6, 2023, https://asia.nikkei.com/Spotlight/Japan-South-Korea-rift/South-Korea-s-wartime-labor-proposal-to-Japan-5-things-to-know.

121. For more information, please refer to the exercise timeline located in this section.


129. Mahadzir, “U.S. Joins South Korea, Australia, Japan, Canada for Missile Defense Exercise Following RIMPAC.”


134. “Canada, India, Japan, Korea, and the U.S. Complete Multilateral Guam-Based Exercise Sea Dragon 2023,” Commander, Task Force 72 Public Affairs, press re-


139. Talisman Sabre 2023 attendees were Australia (host), Fiji, France, Indonesia, Japan, Republic of Korea, New Zealand, Papua New Guinea, Tonga, the United Kingdom, Canada, and Germany. The Philippines, Singapore, and Thailand also attended as observers to the exercise. “Exercise Talisman Sabre,” Australian Department of Defence, https://www.defence.gov.au/exercises/talisman-sabre.


145. This concept was introduced by a Japanese expert during a not-for-attribute roundtable.


147. Galic, “Japan’s Authorities in a Taiwan Contingency: Providing Needed Clarity.”


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