

**Statement of
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U.S.-Japan Relations for the 21st Century

Chairman Skelton, Mr. McKeon, distinguished Members of the Committee, it is a privilege to appear before you today.

The U.S.-Japan alliance is the cornerstone of our engagement in the Asia-Pacific. The alliance has provided a basis for peace and security in the Asia-Pacific for a half-century and has -- in many ways -- underwritten the "Asian economic miracle" and the spread of democratic governance throughout the region. This year the United States and Japan are celebrating the 50th anniversary of our Treaty of Mutual Cooperation and Security, a historic milestone that offers both an opportunity to reflect on the successes of the past and, perhaps more importantly, to chart a forward-looking course for this relationship to ensure that it is well positioned to manage issues of consequence both in the region and beyond.

The Obama administration entered office with a deep appreciation of the strategic importance of the U.S.-Japan alliance. Then-Prime Minister Taro Aso was the first foreign leader to meet with President Obama. Japan was President Obama's first stop on his first visit to East Asia as President. Secretary Clinton's maiden voyage as Secretary of State was to Asia, and it was no coincidence that her first stop was in Japan. As the world's first and second largest economies the U.S. and Japan have worked closely to contribute to the global economic recovery.

Bilateral Relations

Together, the United States and Japan bring tremendous capability and creativity to bear on the challenges the world faces today. Our economic relationship is strong, mature, and increasingly interdependent, firmly rooted in the shared interest and responsibility of the United States and Japan to promote global growth, open markets, and a vital world trading system. Our bilateral economic relationship is based on enormous flows of trade, investment, and finance. In previous decades our economic relationship was often characterized by conflict over trade issues. Today, even as we continue to address trade irritants such as beef and Japan Post, we are able to prioritize new modes of cooperation that allow us to pursue common interests -- such as innovation and entrepreneurship, the internet economy and cloud computing -- as building blocks to improve opportunities for our trade and economic growth. We have a shared interest in greener, more sustainable growth. Climate change is a trend that obviously presents enormous

challenges for both the United States and Japan, but also creates opportunities for us both to leverage our comparative advantage in innovation to develop new, growth-inducing energy technologies. We were also very pleased that our two nations initialed the text of an Open Skies aviation agreement in December of last year. It is a landmark agreement that is a pro-consumer, pro-competitive, pro-growth accord. The agreement will strengthen and expand our already strong trade and tourism links with Japan.

As our security and economic relationship has evolved, so has our cultural relationship matured and grown. We have a longstanding tradition of exchange and cooperation between our two countries, and between the people of our two nations. We have cooperation in the fields of education and science, and through traditional programs such as the Fulbright Exchange and the JET (Japan Exchange and Teaching Program). The global challenges we face today require a complex, multi-dimensional approach to public diplomacy. As President Obama said recently, "... cooperation must go beyond our governments. It must be rooted in our people - in the studies we share, the business that we do, the knowledge that we gain, and even in the sports that we play." The Secretary echoed the President's views when she said, "What we call people-to-people diplomacy has taken on greater significance, as our world has grown more interdependent, and our challenges, more complex. Government alone cannot solve the problems that we face. We have to tap into the challenge of our people, their creativity and innovation, and their ability to forge lasting relationships that build trust and understanding."

The historic elections in late August of 2009 ushered in the Democratic Party of Japan (DPJ). It should come as no surprise that over the past 10 months the relationship has had its shares of ups-and-downs. Some commentators have even suggested that the U.S.-Japan alliance is in a period of "strategic drift" --- nothing could be further from the truth. In fact, public opinion polling shows support in Japan for the U.S.-Japan alliance is the highest it has ever been – over 75 percent. After spending over half of my professional career thinking about the U.S.-Japan alliance I feel confident in saying that our alliance will continue to grow stronger. I would now like to take this opportunity to lay out three elements of our relationship that I believe underscore the bilateral, regional and global depth and breadth of our relationship.

It is now more than 10 months since Japan's historic change of government in September 2009. The new ruling coalition came to power with a manifesto calling for a review of many of the policies of its LDP predecessors, including aspects of the alliance with the United States, with some envisioning an "alliance without bases." However, in practice the Japanese government has continued to reaffirm the crucial role of the Alliance in ensuring Japan's security and maintaining peace and security in the Asia-Pacific region. This past January, then-Prime Minister Hatoyama, in a statement celebrating the 50th anniversary of the signing of the revised U.S.-Japan Security Treaty, said that "it is not an exaggeration to say that it was thanks to the U.S.-Japan security arrangements that Japan has maintained peace, while respecting freedom and democracy, and enjoyed economic development...since the end of the last World War to this day." To celebrate this 50th anniversary year, and to deepen and broaden our alliance, we and our Japanese allies are meeting at all levels and across government bureaucracies to share views and assessments of Asia's dynamic strategic environment and charting a course to seize opportunities while minimizing potential for conflict.

Over the last fifteen years, the United States and Japan have worked together to update our alliance, through efforts ranging from the force posture realignment to the review of roles, missions, and capabilities. The alliance has grown in scope, with cooperation on everything from missile defense to information security. Additionally, Japan provides approximately \$1.7 billion annually in host nation support to the U.S. military, a key Japanese contribution to our alliance.

There are more than 48,000 American military personnel deployed in Japan, including our only forward deployed carrier strike group, the 5th Air Force, and the III Marine Expeditionary Force. Through the Defense Policy Review Initiative (DPRI), the United States and Japan made a landmark alliance commitment under the 2006 U.S.-Japan Realignment Roadmap, which was reaffirmed by the 2009 Guam International Agreement, to implement a coherent package of force posture realignments that will have far-reaching benefits for the Alliance. These changes will help strengthen the flexibility and deterrent capability of U.S. forces while creating the conditions for a more sustainable U.S. military presence in the region. The transformation includes the relocation of approximately 8,000 Marines and their 9,000 dependents from Okinawa to Guam, force posture relocations and land returns on Okinawa, and other realignments and combined capability changes on mainland Japan (e.g., increased interoperability, as well as collaboration on ballistic missile defense). This realignment will strengthen both countries' ability to meet current responsibilities and create an Alliance that is more flexible, capable, and better able to work together to address common security concerns.

It is understood by all that the relocation to Guam of significant elements of the III Marine Expeditionary Force is dependent on tangible progress by the government of Japan towards completion of the Futenma Replacement Facility, a linchpin of the Realignment Roadmap. The new Japanese government undertook an extensive review of existing plans for the Futenma Replacement Facility, carefully examining alternatives with a goal of reconciling operational and security requirements with the recognition that the people of Okinawa, by hosting the majority of U.S. military facilities in Japan, bore a greater responsibility for our joint security than other regions of Japan. This review culminated in the conclusion, as expressed in the May 28 Joint Statement of the U.S.-Japan Security Consultative Committee, that the replacement facility would best be located in Okinawa at Camp Schwab and adjacent waters. Secretaries Clinton and Gates, along with their Japanese counterparts, directed that an experts group undertake a study regarding the replacement facility's location, configuration, and construction method. The objective is to ensure that the construction of the replacement facility can be completed without significant delay. The Experts Study Group has been meeting steadily since June and we fully expect it to achieve its goals.

Let me also mention briefly another issue that is important to us in the State Department, that is connected with our relationship with Japan and also, because in some cases these families include former or current service members, relevant to this committee. That is the issue of international parental child abduction. Japan remains the only G7 country not to have ratified the Hague Convention; the Department of State consistently urges them to do so at the highest levels. In fact, Secretary Clinton has raised it with her Japanese counterpart, including most recently last week. In recent months, for the first time ever, the GOJ has co-sponsored with the Japanese Bar Association a symposium on the Hague Convention and International Parental Child Abduction. The Japanese Ministry of Foreign Affairs has also posted for the first time

preventative passport regulations to their official website. Where the dialogue was once muted less than a year ago, it is now part of the general discourse. While this issue resolved is by no mean resolved, we believe these GOJ efforts are signs of increased engagement by the Government of Japan.

Regional Engagement

We have enjoyed unprecedented cooperation with Japan on a number of consequential regional issues. Japan's steadfast support for the Republic of Korea was vital in rallying the international community to offer a united response to the Cheonan sinking. Japan is a key partner in our efforts to seek the verifiable denuclearization of the Korean Peninsula in a peaceful manner and in holding North Korea to its commitments under the 2005 Joint Statement of the Six Party Talks. We also value our close cooperation on the adoption and implementation of UN Security Council resolutions to curb North Korea's proliferation activities. Japanese insights into North Korean developments are equally valuable.

We and Japan have a mutual desire to engage constructively with a rising China. We share a stake in a successful China that follows international norms and standards. Japan has joined us in encouraging greater transparency from the Chinese military, and joins us as we carefully watch China's growing maritime strength. Over the past few years Sino-Japanese relations have grown stronger and we look to both Beijing and Tokyo to continue to take steps to enhance mutual confidence and trust.

Southeast Asia is another area where we have longstanding and fruitful cooperation with Japan. It is an area where we and our Japanese allies share significant interests and objectives. We cooperate in encouraging economic and social development throughout the region, from Timor-Leste to Burma. We maintain close contact and coordinate our efforts in order to gain the maximum benefit from a useful division of labor. Japan remains an important partner and advocate for ASEAN. Where there appears to be potential for instability, we seek to harmonize our messages and ensure that we are reinforcing each other effectively.

One of the most significant and consequential developments over the past ten years has been the strengthening of the U.S.-India relationship. Our efforts have been complemented and supported by Japan. Under the leadership of both the LDP and DPJ government, Japanese-Indian relations have strengthened and become more robust. Both nations recently signed a civil nuclear cooperation agreement, and Delhi continues to look to Tokyo as it charts an Eastward course.

As Japan's chairmanship of APEC continues and the United States is preparing for its host year in 2011, we have been working to create opportunities to strengthen economic integration and address trade and investment issues in order to make it cheaper, easier, and faster to trade in the Asia-Pacific region.

We appreciate Japan's support for U.S. participation and inclusion in the East Asia Summit, a process the Secretary and President plan to engage in 2010 and 2011. Existing organizations such as ASEAN, APEC, and the ASEAN Regional forum and new ones like the ASEAN

Defense Ministers Plus and an expanded East Asia Summit provide excellent platforms for advancing the multitude of shared U.S. and Japanese economic, security, and political interests and values.

Global Cooperation

Japan continues to be an increasingly active partner in global affairs, and our bilateral and multilateral cooperation transcends the Asia-Pacific region.

Our strong relationship with Japan is global in reach. Japan is working with us and others on post-earthquake recovery in Haiti and Chile, to eradicate disease and develop environmentally friendly sources of energy. In addition to their work in Haiti, Japan is involved in UN peace-keeping missions in Syria, Nepal, and Sudan, and has made contributions in kind to numerous UN missions.

In Iraq, our Japanese allies have pledged nearly \$5 billion in aid to Iraq, focusing on rebuilding the industrial base and energy, transportation, and irrigation infrastructure. By generating economic opportunities for the Iraqi people, these activities complement our own and contribute to our shared goal of ensuring the country's long-term stability.

Japan is a vital international supporter of reconstruction, reintegration, and development in Afghanistan. Japan has assumed the lion's share of the cost of salaries for the Afghan police force. With a \$5 billion commitment over five years, Japan is the second largest single donor, after the United States, to Afghanistan. Japan is providing expertise as well as funding, and helping the Afghan government develop programs to hasten the reintegration of former Taliban into normal society. In Pakistan, as well, Japan is contributing to the country's stability by providing over \$2 billion of humanitarian and development assistance. Japan is helping the international community ensure refugees and internally displaced Pakistanis receive the food, shelter, and medical services they need. In a program that complements the American work Secretary Clinton announced in Islamabad on July 19, Japan is extending the electricity grid to areas of the country that have not had it before and developing the energy sector throughout the country.

As a nation dependent on international trade, Japan values the security of its sea lines of communication. Japan is an active and important member of the international flotilla that is combating piracy off the Horn of Africa to ensure freedom of navigation and safety of mariners. Japan has also signed a bilateral agreement with Djibouti to construct a base to support its counter-piracy efforts, and is the largest single bilateral donor to Djibouti.

The architecture of international cooperation is sturdy, but it also dates in part to the cold war or even earlier. We and Japan are seeking new ways to structure international cooperation.

Japan is one of the United States' closest partners as we confront the global challenge posed by climate change. Last fall, the President endorsed the U.S.-Japan Clean Energy Action Plan, which will build on our extensive scientific cooperation to help our economies transition to

greater reliance on renewable forms of energy and ensure that transition creates economic opportunities here at home. We are both committed to ensuring all countries do their part to address this global threat, assisting those that can benefit from our technical expertise. Japan was a strong partner in developing the Copenhagen Accord, and pledged in Copenhagen to provide as much as \$15 billion in financing to assist developing countries in combating climate change, premised on the development of a fair and effective global framework. We continue to coordinate closely as we look to the next Conference of the Parties in Mexico this winter.

Whatever challenges we may face in the next half century, I am confident that our relationship with Japan will be an important element of our success. Our relationship continues to develop and evolve, and continues to contribute to peace, prosperity and security throughout the region and the globe. We are under no illusions that there will not be periods of ups-and-downs in the relationship. However, our shared values and strategic interests will enable us to continue to move the relationship forward and ensure that it remains the cornerstone of our strategic engagement in the Asia-Pacific

Thank you again for giving me the opportunity to testify about the U.S.-Japan relationship and I look forward to answering your questions.