

STRENGTHENING U.S.-JAPAN **ALLIANCE DETERRENCE**

ASIA STRATEGY INITIATIVE

POLICY MEMORANDUM #1

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About the Asia Strategy Initiative

The U.S.-Japan alliance remains the cornerstone of regional security and prosperity, but it is vital that Washington and Tokyo pursue an ambitious agenda to deepen, broaden, and sustain the alliance. The Asia Strategy Initiative brings together leading experts to develop detailed policy proposals to form the foundation for the next set of efforts to enhance the U.S.-Japan alliance. The Asia Strategy Initiative seeks to stimulate debate in both capitals about how to move the alliance forward by identifying, developing, and disseminating novel policy proposals. To that end, the Asia Strategy Initiative issues policy memos with specific and actionable recommendations, which are authored jointly by experts from both countries. Although the findings and recommendations are discussed by all members of the group, the specific proposals remain those of the individual authors. The Asia Strategy Initiative was established under Japan-U.S. Program of the Sasakawa Peace Foundation in 2017 and it meets regularly in Washington and Tokyo.

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“STRENGTHENING U.S.-JAPAN ALLIANCE DETERRENCE”

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Introduction

Japan's national security—together with vital U.S. security and economic interests in Asia—are protected first and foremost by the U.S.-Japan alliance and its deterrence power. Robust deterrence is a national imperative for both countries because it minimizes the prospect for conflict and maintains access and influence to preserve an open economic system. It also provides public goods in the Asia-Pacific region and around the world. This long-held allied strength is diminishing, however, challenged by North Korean and Chinese military advances. Renewing deterrence strength is in both countries' national interests and should be a high priority.

Deterrence in the U.S.-Japan alliance context has long been described as “extended deterrence” (i.e., the United States “extends” its deterrence to Japan), rather than a truly shared activity. A deteriorating regional security environment, however, together with certain Japanese legal reforms and military investments suggest that a more integrated form of “alliance deterrence” is possible.¹

In recent years, Japan's involvement in alliance deterrence has expanded across multiple domains and potential phases of conflict. Japan has increased its ability to exercise a limited form of collective self-defense (based on 2015 security legislation), invested in substantial remote island and missile defenses, and expanded the Coast Guard's essential role in so-called gray zone situations. If Japan decides to develop some kind of conventional counter-strike capability in the future, it will be another important factor in the alliance deterrence equation.

All of these developments—and possibly other measures—add potential deterrence power (and complexity) to alliance security cooperation. Their implementation should be considered carefully, in order to maximize effectiveness without stimulating a vicious cycle of countermoves by neighboring nations that could undermine the overall goal of enhancing security. This memo assesses emerging challenges to allied deterrence and recommends policies and actions to preserve both countries' interests and regional stability.

Overall Assessment and Recommendations

North Korea's nuclear and missile development and China's military modernization and maritime assertiveness pose new challenges. Since the end of the Cold War, Japan and the United States shared a strategic approach to North Korea and China. Both countries sought a diplomatic solution to denuclearize North Korea while developing missile defenses and enhancing the credibility of extended deterrence. For China, the allies tried to “shape” China into a responsible major power while hedging against other possibilities. But results have been disappointing. North Korea will soon deploy an apparently reliable nuclear-armed intercontinental ballistic missile (ICBM) and China is arguably no longer “shapeable” through alliance persuasion, considering its behavior in the East and South China Seas and its ability to rival alliance military power in the region.

¹ “Alliance deterrence” is used here to describe the full spectrum of American and Japanese military capabilities to discourage the instigation of armed conflict by others (conventional or nuclear), as well as the credibility of their readiness and willingness to do so on each other's behalf.

Alliance hedging is now giving way to alliance management of a long-term strategic competition with China, even as all three countries maintain various common interests.²

The allies should develop an allied strategic approach toward North Korea and China. In order to help prevent a nuclear conflict with North Korea, Japan and the United States should prepare for one. Active containment and risk management is preferable to passive acquiescence to North Korea's new capabilities, so the alliance will need a stronger deterrence posture to be effective. Cooperation with South Korea and close coordination with the U.S.-South Korea alliance is essential in this regard. For China, the "shape and hedge" strategy should be reconsidered. The notion of "shaping" should become more concrete by reducing China's assertive options through supporting regional states' ability and will to resist China's creeping expansion and to impose costs on China. This new "shaping" effort can be interpreted as a kind of "selective containment," because it intends to contain certain aspects of China's assertive behavior. Selective containment will be influenced, of course, by the extent to which neighboring nations are willing to collaborate, and it should be accompanied by sincere efforts to improve relations with Beijing. This requires diplomatic and economic approaches as much as military ones, although this memo focuses primarily on the military deterrence aspects.

Detailed Assessment (Trends and Risks)

North Korea

- **North Korean medium- and long-range attack capabilities are growing.** The increasing sophistication of North Korea's nuclear weapons, long-range delivery vehicles, submarine-launched missiles, and saturation attack capability at medium range means that Japanese and U.S. cities will soon be at risk of catastrophic attacks during a conflict. More frequent intimidation efforts by Pyongyang are also possible. North Korea will also be able to strike U.S. military bases in Japan and the broader region with nuclear, chemical, biological, or large conventional warheads that could significantly hinder U.S. operations directly or indirectly (e.g. via local political pressure). There is little expectation that North Korea can be convinced to give up its nuclear and missile programs without unacceptable alliance compromises that would neuter U.S. influence in the region and jeopardize the allies' security.
- **North Korea is continuously upgrading its ability to conduct unattributed attacks.** In both the cyberspace and undersea domains, North Korea is investing in capabilities to conduct surprise and hard-to-attribute attacks at any phase of conflict as part of its asymmetric military strategy. Pyongyang is likely to feel less inhibited if it believes North Korea's role in an attack will go unnoticed or be hard to prove.
- **Deep mutual suspicion and poor communication are increasing chances for conflict.** It is unclear how well traditional deterrence theory applies to North Korea, and whether its leaders could feel less vulnerable and therefore be emboldened to utilize military coercion against the

² Department of Defense, "Summary of the 2018 National Defense Strategy of the United States of America: Sharpening the American Military's Competitive Edge," January 2018, available at <https://www.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf>.

United States and its allies. Conversely, a persistent sense of weakness due to allied pressure could prompt Pyongyang to launch missiles early in a low-level conflict, consistent with its own offensive style of deterrence. Allied signaling and interpretation of North Korean intent may not be reliable, which increases the importance of full spectrum allied deterrence.

- **A North Korea with no stake in global stability has incentive to proliferate.** A well-coordinated world-wide pressure and sanctions campaign on North Korea is reducing its access to trade and finance networks to an unprecedented degree. This is necessary to weaken the regime and push Pyongyang to consider negotiations about its nuclear and missile programs. But this could also incentivize Pyongyang to use its illicit networks to sell nuclear weapons technology or components to outside groups for profit or to sow global disruption.

China

- **China is the largest military power in Asia and has growing expeditionary capability.** China's defense budget roughly doubled over eight years to \$226 billion in 2016. This supports China's broad military modernization, sophisticated defenses against cruise missiles, stealth aircraft and aircraft carriers, and a maritime and air expeditionary force that could soon impose its will over vast stretches of the South and East China Seas.³ In particular, Chinese coercive diplomacy and platform building in the East China Sea around the Senkaku Islands can be ramped up relatively easily to overwhelm island defenses and seize control by force.
- **The gap between Chinese region-wide striking power and that of the alliance is growing.** The striking power of the People's Liberation Army (PLA) Air Force and the conventional ballistic and cruise missile forces that make up the PLA Rocket Force give China a superior theater-level strike force that could neutralize airfields in Japan and Guam quickly, while keeping U.S. Navy surface forces, including aircraft carriers, at risk and out of range. The alliance's only reliable conventional strike systems are the limited number of U.S. attack and guided-missile submarines in the theater. This limitation, combined with the escalatory challenge associated with striking forces on mainland China, could provide a first strike incentive for China that would harm crisis stability in Asia. Strategic stability could be impacted negatively by this, as well as by China's future potential nuclear counterforce capability.
- **Chinese nuclear modernization includes an emerging counterforce capability that requires reassessment of extended deterrence approaches.** China's deployment of silo-based multiple independently-targetable re-entry vehicle-equipped (MIRVed) ICBMs and road-mobile MIRVed ICBMs (such as the DF-5 and DF-41, respectively) means that it could in the coming decade deploy a counterforce capability against the U.S. ground based strategic deterrent.⁴ This would create a situation similar to the "window of vulnerability" that some U.S. leaders (including President Ronald Reagan) were concerned about vis-à-vis Soviet forces in the late-

³ The defense budget figure is represented in constant 2015 U.S. dollars as published by the Stockholm International Peace Research Institute, available at <https://chinapower.csis.org/military-spending/>.

⁴ This calculation assumes an ICBM force of about 75 missiles with 10-12 MiRV'd warheads per missile, allowing for roughly two Chinese nuclear warheads to target each U.S. missile silo and nuclear bomber airfield. U.S. submarine-launched ballistic missiles would remain unaffected.

1970s and early-1980s.⁵ Considering the drastically improved accuracy of U.S. submarine-launched ballistic missiles (SLBMs) such as the Trident D5, the current situation is admittedly different from that moment in the Cold War. Nevertheless, the allies' strategic communities should carefully analyze the implications of China's counterforce capability, which has been overlooked.

- **China's cyber attack capabilities complicate allied deterrence operations.** Similar to North Korea, China has sophisticated cyber weapons that can be used independently or in conjunction with other military capabilities to attack the allies' supporting infrastructure in Japan. Allied support facilities in Japan include civilian critical infrastructure and defense-related systems that are vital to alliance operations in defense of Japan and South Korea. As the military roles of each ally become more interdependent, the cyber dimension of alliance planning grows in importance.

Detailed Recommendations for U.S.-Japan Alliance Deterrence

Institutional

1. **Further institutionalize current efforts to improve the credibility of extended nuclear deterrence.** Growing North Korean nuclear threats require different elements of extended deterrence, including quick assured retaliation and damage limitation. If North Korea launches a nuclear strike against Tokyo, regardless of whether the United States retaliates with nuclear weapons or not, Japan will suffer tremendously. To reassure Japan that the United States can deter a North Korean strike, a more specific and credible U.S. nuclear damage limitation posture is needed. The allies should have a collaborative nuclear-related planning process to develop standard operating procedures for information sharing regarding U.S. nuclear use. Preparing in this way can convey allied readiness to respond resolutely to Pyongyang's nuclear threats and deter North Korean use in the first place. This process should work in parallel with a similar U.S.-South Korea arrangement for maximum alliance coordination. Forward deployment of non-strategic U.S. nuclear weapons would not have operational benefit at this time. Rather than pursuing forward deployment of U.S. nuclear weapons, it is more important to consider a collaborative decision-making/responsibility-sharing mechanism for nuclear employment.⁶
2. **Integrate parts of the allies' Extended Deterrence Dialogue (EDD) and Defense Guidelines implementation.** Given that the rungs of a conflict escalation ladder with North Korea now reach up to the nuclear realm, parts of these two alliance initiatives should be integrated. This can ensure that the full range of escalation possibilities is considered for each level of U.S.-Japan security cooperation (including for deterrence, signaling, defense, and support for South Korea). This can include occasionally raising the level of EDD leadership to the Assistant

⁵ See, for example, Ronald Reagan, "The President's News Conference," March 31, 1982, American Presidency Project, <http://www.presidency.ucsb.edu/ws/index.php?pid=42346>.

⁶ "Responsibility sharing" in this context means that the allies have a credible process for dealing quickly with regional nuclear threats while at the same time managing the delicate balance of political responsibility between protecting their citizens from nuclear attack and the awful long-term effects of a U.S. nuclear strike on North Korean targets. In other words, this is an effort to maintain alliance solidarity (in both the U.S.-South Korea and U.S.-Japan alliances) even as questions of being "too quick" or "too slow" to use nuclear weapons will inevitably arise. Preparation of this sort should enhance nuclear deterrence and help to deter nuclear weapons from being used in the first place.

Secretary/Director General level. One area of potential focus could be to enhance the allies' asymmetric advantages in a potential conflict by integrating undersea warfare, naval and air battle management, and supporting offensive fires in a contested environment. The United States has maintained sea control in the Asia-Pacific since late 1944, making important contributions to regional stability and openness, but this will increasingly be a role supported by allies and partners.

3. **Expand dialogue with Chinese authorities and scholars on nuclear weapons issues and deterrence responses to North Korea.** As the allies consider various responses to growing North Korean threats, some dialogue and transparency with China will be important to maintain stability on many fronts (e.g. U.S.-China first-strike risks, arms race dynamics, and crisis stability). Transparency is necessary because even if one country takes a deterrence step that it considers the least aggressive option available, it will still change the status quo and will likely be viewed by the other as an escalation.

Planning and Capabilities

4. **Launch a study about future operational cooperation (especially command and control).** The 2015 Defense Guidelines updated alliance cooperation and adapted it for Japan's new security legislation, highlighted by more coordinated decision-making and operations. The Alliance Coordination Mechanism (ACM) is an important achievement, but the Japanese and U.S. militaries still operate in parallel without a unified command and control arrangement. Considering the need for a smooth transition from gray zone law enforcement situations to possible armed attack contingencies, the current allied command and control arrangement might benefit from a somewhat more integrated structure for high end combat operations (including a possible ad-hoc U.S.-Japan Joint Task Force (JTF) arrangement).
5. **Continue to raise the profile and sophistication of trilateral cooperation with South Korea to maximize the effectiveness of defensive measures vis-à-vis North Korea.** Effective diplomatic and military cooperation with South Korea is a critical foundation for U.S.-Japan alliance deterrence vis-à-vis North Korea, which in turn is an essential supplement to South Korean and U.S.-South Korean defense and deterrence. Maintaining positive momentum on trilateral cooperation is a paramount objective for the U.S.-Japan alliance in 2018. On the military front, particular emphasis should be paid to trilateral activities regarding missile warning and missile defense information exchange, anti-mine warfare, and securing air and sea points of departure for military operations and non-combatant evacuations in case of conflict. Anti-submarine warfare could also become increasingly important, along with other forms of maritime security cooperation.
6. **Build upon recent cooperative gains in sharing intelligence, surveillance, and reconnaissance (ISR) and space situational awareness (SSA) by developing a common operating picture across multiple domains.** ISR investment and information sharing remains critical to maximize defense capabilities, enable offensive operations, and defeat North Korean efforts to conduct unattributed attacks. It is also a constantly evolving field that requires

creativity and cooperation to be cost effective. This will involve the fielding of autonomous systems, shared satellite payloads, quickly/temporarily deployed nano-satellites, and new cyber capabilities. When it involves North Korean threats, this requires frequent information sharing with South Korea.

- 7. Increase alliance investments and cooperative research in missile defense.** Mutual vulnerability with North Korea is unacceptable (given the regime's nature) and unnecessary (given allied resources). Allied missile defense investments can keep pace with North Korea's programs and contribute meaningfully to deterrence by denial. In the near term, this should include Japan's fielding of an Aegis Ashore missile defense system and upgrades to existing systems with SM-3 Block IIA and SM-6 missiles. The allies should raise the profile of and investments in bilateral missile defense technology research and improve their ability to integrate bilateral systems. This could include cooperative research into boost phase missile defense vis-à-vis North Korea. They could also consider joint research over the long term into directed energy and lasers that could eventually provide a more affordable and effective missile defense option.
- 8. Develop a Japanese counterstrike capability over time.** To prevent alliance decoupling and to enhance deterrence through broader interoperability, the allies should develop collaboratively and incrementally a Japanese long-range strike capability. The purpose is to strengthen U.S.-Japan security cooperation, ensure that Japan has the ability to respond quickly to any North Korean attack to reduce the potential for further enemy strikes, and to supplement U.S. strike capability in wartime (i.e., by working with the United States to target longer range North Korean weapons threatening Japan while South Korean and U.S. forces address shorter range threats). The allies should conduct a specific roles-and-missions review to determine what types of counterstrike capabilities to pursue and consider command, control, and ISR sharing arrangements. Top priorities should include developing or purchasing a system that is affordable (i.e., considering opportunity cost), is well integrated with alliance planning and training, and can be supported publicly in Japan.
- 9. Work to blunt China's conventional prompt regional strike capability.** With growing Chinese anti-access and area denial (A2/AD) capabilities, both ground-based and sea-based allied strike assets could be neutralized quickly if China launches a full-scale strike. To preserve crisis stability, the allies should improve base resiliency and expand joint use of airfields in Japan and the Mariana Islands, in addition to bolstering lower-cost options for missile defense.
- 10. Conduct bilateral planning and training for civil defense and nuclear consequence management in Japan (and in support of South Korea).** Although some of this already takes place within the alliance, adequate preparation for nuclear contingencies will require greater effort, given the stakes. Consequence management preparation is an important part of demonstrating resolve to North Korea and deterring its use of nuclear weapons. It will also help save lives if deterrence fails.