

Speaking Out #118

**Japan-U.S. Alliance Is Important, But...**

Katsuhiko Umehara

In the past few months, various people told me: “Mr. Umehara, you had been in charge of negotiations on free trade and economic partnership agreements at the Ministry of Economy, Trade and Industry. You had also been stationed at the Japanese Embassy in Washington, D.C. You had always insisted on a tough diplomatic position on China and given priority to Japan-U.S. relations. Naturally, you are a proponent of the Trans-Pacific Partnership free trade agreement, aren’t you?”

“Mmm, no, I’m not necessarily so,” I answer inarticulately. I then tell them:

**Legacy of Structural Impediments Initiative**

“During the Japan-U.S. Structural Impediments Initiative talks two decades ago, many Japanese government officials, including my colleagues and supervisors, concluded that ‘if Japan accepts U.S. requests, various long-standing problems of the Japanese economy will be improved to benefit the Japanese economy and society in the future.’ As a matter of course, some senior officials complained that ‘we cannot tolerate such excessive U.S. intervention in Japan’s domestic affairs, even though we have owed much to the U. S. in security.’”

Then, I softly ask the following question:

“Japan has repealed the Large-scale Retail Store Act (a law to restrict business operations of large scale retail stores) and revised the antimonopoly act and commercial code as a result of the Japan-U.S. Structural Impediments Initiative talks. Have these measures really benefitted Japan’s economy and regional communities as a whole?”

“While serving as mayor of my hometown, Sendai, I toured many local cities and villages in the Tohoku region. Now I feel that all livelihoods of the people who have lived seriously and honestly in rural society, including my relatives as well as those on shuttered-store streets in front of railway stations, have fundamentally collapsed along with Japanese hearts and souls, and even Japan's characters, while we have heard loud choruses for free competition, market principles and structural reform. This might be a kind of exaggeration. I have no intent to attribute all these results to the

Structural Impediments Initiative."

#### **Defense efforts to counter China**

The U.S. might have really revived its commitment to the Asia-Pacific region, as President Barack Obama declared a plan to station Marines in Australia's Darwin and Secretary of State Hillary Clinton visited Myanmar.

Japan now must expeditiously promote political and defense cooperation with Pacific and Indian Ocean nations to counter China's expansionism and hegemonism, while rebuilding the Japan-U.S. alliance that Yukio Hatoyama plunged into the brink of collapse when he was prime minister.

I do not necessarily deny that Japan could utilize the Trans-Pacific Partnership free trade agreement for rebuilding the alliance with the U.S. But such purpose should be achieved through Japan's own defense-related efforts to resolve the Futenma Air Station relocation issue, strengthen defense capabilities, allow the exercise of the collective self-defense right and amend its Constitution. Here, I have no space to discuss investment, agricultural and other problems with the TPP. But I would like to emphasize that the TPP has a large risk of depriving Japan of its precious characters. Particularly, I cannot leave the government led by the Democratic Party of Japan to undertake the TPP negotiations because the party's leadership includes many politicians who seem not to be patriotic. But the negotiations will begin soon...

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