

Policy Recommendations from the New Diplomacy Initiative

How to Engage the Trump Administration

The Need for Japanese Political Courage

Kyoji Yanagisawa	ND Board Member / Former Assistant Chief Cabinet Secretary
Mike Mochizuki	ND Board Member / Professor of Political Science and International Affairs, George Washington University
Shigeru Handa	Defense journalist / Former editorial writer and editorial board member of the Tokyo Newspaper
Akihiro Sado	Professor of Global Studies, Chukyo University
Sayo Saruta	ND President / Attorney at Law (Japan / the State of New York)

New Diplomacy Initiative (ND)
2025, May

Key Policy Recommendations

- With the wavering of the U.S. security guarantee to defend Japan, it has become dangerous for Japan to adhere rigidly to deterrence based on the decisions of the United States. **Deterrence involves the “certainty” of a counterattack, but it also includes the possibility of miscalculation. Dialogue with the other party is necessary to mutually recognize political red lines and to make clear efforts (reassurance) not to cross them. Both moderation regarding deterrence and a strengthening of dialogue with China are crucial.**
- A Taiwan crisis will involve Japan if the United States decides to enter a war over Taiwan and if Japan becomes a party to such a war by having its government authorize U.S. forces to sortie from bases in Japan or provide support via the Self-Defense Forces. This outcome depends on political decisions.
- If the United States were to demand that Japan continue or increase its share of the cost for stationing U.S. forces in Japan, this should be used as an opportunity to revise the Status of Forces Agreement (SOFA). **Should Japan request a revision of this agreement or hesitate to meet U.S. demands for increased defense spending to 3% of GDP or greater cost-sharing for U.S. forces stationed in Japan, President Donald Trump might say, “If that is the case, I will pull out U.S. troops.” However, U.S. military bases in Japan are a vital asset for the United States, so Japan can confidently respond, “If you want to give them up, go ahead”.**
- Regarding tariff negotiations, rather than seeking exceptions for Japan alone, it is necessary to build an international consensus for trade and economic relations that comply with international rules. This issue should be resolved through international cooperation with many countries.
- Japan must collaborate with countries that share common values, such as South Korea, the Association of Southeast Asian Nations (ASEAN) nations, and Europe, to insist that U.S.-China conflict and deals do not harm the interests of other nations. It is important to utilize multilateral frameworks such as the Asia-Pacific Economic Cooperation (APEC) forum and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and work with the European Union (EU), ASEAN, and countries of the Global South to establish new agreements and to develop human resources for maintaining the international order.

Part 1: The Trump Administration's Impact on the World

1. Challenges Presented by the Trump Administration

Countries are in turmoil over the Trump administration's unilateral tariff policies. If President Trump's policies prove to be temporary, damage control will be needed to navigate these four years with minimal losses. However, the core of Trump's argument is that under free trade, the U.S. has lost wealth and the livelihoods of "ordinary Americans," especially the white working class, have suffered. His solution is to stop free trade, excessive involvement in the defense of other countries, and international aid in favor of "putting U.S. interests first." Since this "inward-looking" and protectionist tendency will likely persist as an undercurrent of American politics even after the Trump administration, the United States will probably continue to impose on other countries a significant increase in the cost of relations with the U.S..

Trump's "autocratic" approach and the fragmentation of American society also represent a crisis for democracy and human rights. This stems from a sense of crisis that the rights of the white working class are threatened by "reverse discrimination" in the form of protections for minorities. Anti-immigration sentiments and the rejection of diversity are also spreading to West European countries. This raises the question of whether the two pillars of democracy—majority rule and respect for minority opinions—can resolve the growing disparities and contradictions in a globalized society. Concerns about "reverse discrimination" and social divisions over income redistribution are also present in Japan.

The real forces driving the Trump administration are giant AI corporations and investment funds, whose influence over global public opinion and financial markets is immense.

Japanese political leaders should not view this as a temporary "national crisis" to be met with "stopgap" measures like haphazard "handouts" and an increase of defense capabilities. Instead, a long-term vision based on sober analysis is required, recognizing this as a global turning point.

2. The Trump Administration's View of Order

(1) Institutional Fatigue of the International System

Historically, the U.S. has led the international system—including the United Nations (UN) and World Trade Organization (WTO)—as the "guardian of a world order centered on free trade." The U.S. military presence and alliance networks, such as the North Atlantic Treaty Organization (NATO) and the Japan-U.S. Alliance, have generally been regarded as "international public goods".

The Trump administration has rejected the U.S. cost burden of maintaining this system, deeming it as "unfair." The notion that international aid is "wasteful" and that "allies will not be defended unconditionally" stems from this perspective. This indifference to global issues like refugees, famine, and climate change poses a severe crisis, even from the perspective of human security.

The international system is indeed suffering from "institutional fatigue." However, this is not because the UN or international law has become obsolete; rather, the attitudes of major powers wielding veto power in the UN Security Council are hindering their effectiveness. There is a need to reform the international system to better reflect international public opinion that rejects war and respects sovereignty.

(2) Belief in "Peace Through Strength"

The Trump administration believes in "peace through strength," which is not a peace that protects democratic values or the vulnerable. The administration's responses to Ukraine and Gaza show a belief that peace is achieved not through values like sovereign equality, democracy, and national self-determination, but by prioritizing economic interests and appeasing the grievances of powerful nations. A ceasefire in Ukraine under current conditions and the forced relocation of residents from occupied territories in Gaza violate international law and condone changing the status quo by force, falling far short of what we consider a just peace.

Nevertheless, the wars must end. While a "ceasefire" should be supported to save lives, it is necessary to be persistent in opposing the oppression of populations and the change of borders by force. Furthermore, accountability for war crimes must continue to be pursued.

3. Security Policy of the Trump Administration

(1) National Goals, Politics, and Military

Security policy outlines a nation's goals and the political and military paths to achieve them. The Trump administration's national goal is to maximize its own interests. Therefore:

- 1) On the political front, the administration seeks to rebuild a U.S.-centered international order through individual "deals" with other countries. It treats the national interests of allies and smaller countries as bargaining chips. This political approach has eroded trust in the United States that "it will come to the rescue when needed."

The U.S. uses military pressure to force deals with adversaries, for example, by negotiating with Iran while suggesting military action. However, it is unclear what military action would be taken if negotiations fail, though it is not contemplating a regime change by force like in Iraq.

- 2) On the military front, the U.S. has shifted primary responsibility for the Russian threat to European countries and refuses to provide "security guarantees" to Ukraine. In regarding China as the "greatest threat to the United States," it is making Japan the "front line" by strengthening deterrence through the Japan-U.S. alliance, increasing joint training between U.S. forces and the Self-Defense Forces, and expanding naval vessel repairs in Japan.

While it is clear that the U.S. maintains military power superior to China's and is motivated to deter an invasion of Taiwan, it is unclear how a U.S. that has ceased to be the "world's policeman" will actually use its military power.

(2) East Asian Strategy

Strategy for a Taiwan Crisis

Regarding Taiwan, it is unclear whether the U.S. will seek a deal with China, will resort to full-scale war if such a deal fails, will limit itself to supplying arms, or will do nothing. This has been referred to as "strategic ambiguity," which aims to maintain the status quo by deterring China and restraining Taiwan's independence forces.

Now, Trump's own intentions are "ambiguous." Given his goal of maximizing U.S. interests, a full-scale war with China is not a viable option. Trump has shown a marked difference from the Biden administration by expressing confidence in "avoiding war through a deal with Xi Jinping" and by avoiding a clear statement on military intervention in Taiwan.

The U.S. military, on the other hand, has been conducting all sorts of exercises by anticipating a Chinese invasion against Taiwan, thinking that they will serve as a deterrent. However, it remains ambiguous whether Trump would be prepared to go to war with China if deterrence fails. If both the U.S. and China continue to adopt an uncompromising attitude, the possibility of a "crisis" like an unintended armed conflict or heightened military tensions will increase. There is no guarantee that a political deal will succeed at that point. In this sense, East Asia is in an extremely unstable transitional period.

Impact on the Korean Peninsula

Trump has shown an interest in striking a deal with Kim Jong-un. He may try to conclude a peace treaty with North Korea while accepting North Korea's possession of nuclear weapons. This could potentially "stabilize" the region based on a nuclear equilibrium that encompasses Russia and China. For Japan, this could greatly reduce the "North Korean threat" of an attack on U.S. forces in Japan and open a path toward the normalization of relations between Japan and North Korea.

However, it would also weaken the legitimacy of the nuclear nonproliferation regime. At the same time, it is unclear whether the deeply divided South Korean public would unanimously welcome such a deal between Trump and Kim Jong-un, and therefore the impact on South Korean politics will be uncertain.

Furthermore, as concerns about President Trump's personal opinion about withdrawing U.S. forces from South Korea are likely to increase, one can imagine that views in support of the acquisition of nuclear weapons as well as nuclear-sharing with the United States will grow in both Japan and South Korea.

The important thing is to accept North Korea's continued existence and to establish peace between North and South Korea rather than to maintain a nuclear balance in the East Asian region for the future.

Japan needs to engage in future-oriented dialogue with South Korea, which has just changed governments, to promote a common understanding toward regional stability and peace.

Part 2: Impact on Japan and Required Responses

1. The Danger of Overemphasis on Deterrence and the Importance of Reassurance

Since the Abe administration, Japan has promoted military integration between Japan and the United States by accepting the right of collective self-defense and strengthened its defense capabilities in response to the threat of China. The Kishida administration through a cabinet decision approved the acquisition of counter-strike capabilities against adversary bases and a policy of doubling defense spending to 2% of GDP. It also demonstrated a willingness to get involved in South China Sea contingencies through defense cooperation with the U.S. and the Philippines. U.S. and Japanese forces have rehearsed joint operations for a potential Taiwan crisis during last year's "Keen Edge" joint integrated command post exercise.

Even under the Ishiba administration, the fall 2024 Japan-U.S. “Keen Sword” Joint Integrated Operational Exercise verified deployments to the Southwest Islands and island reclamation operations. In February 2025, a Japan Maritime Self-Defense Force vessel conducted a solo transit through the Taiwan Strait; and in March, the Self-Defense Force Joint Operations Command Headquarters was established with the aim of strengthening command and control coordination between Japan and the United States. These developments continue to strengthen military integration between Japan and the United States in anticipation of a Taiwan crisis.

A Taiwan crisis would spill over to Japan not just because of geographical proximity. It stems from Japan becoming a party to a war over Taiwan because the United States decides to intervene in the conflict and the Japanese government authorizes U.S. sorties from Japanese bases and provides support from the Self-Defense Forces. This depends on a political decision.

The February 2025 Japan-U.S. joint summit statement reaffirmed the U.S. commitment to Japan’s defense and the strengthening of Japan-U.S. cooperation with Taiwan and South China Sea in mind. However, as mentioned earlier, President Trump’s political intentions regarding a war with China appear ambiguous and even negative.

Even if Japan were prepared to go to war, it does not necessarily mean the U.S. military would take action. If the U.S. enters the war, military installations in Okinawa and mainland Japan would become targets at the very least. Alternatively, even if the U.S. military does not directly participate in the war, the United States might ask Japan for assistance, such as transporting arms Taiwan.

Under Trump, the fundamental guarantee of the Japan-U.S. Security Treaty —“that the U.S. will defend Japan in an emergency”—has become unstable.

Deterrence involves the “certainty” of a counterattack, but it also includes the possibility of miscalculation. Therefore, it is necessary to mutually recognize political red lines through dialogue with the other party and to make efforts (reassurance) to ensure they will not be crossed. In an era when U.S. political intentions are becoming increasingly unclear, it is dangerous to rigidly adhere to the idea of deterrence based on U.S. “resolve.” Both the U.S. and Japanese governments must strengthen dialogue with China alongside measure deterrence actions. After all, avoiding war is the paramount mission of politics.

2. Attitude Toward the Alliance and What Japan Should Protect

President Trump has complained about the “unilateral nature of the Japan-U.S. alliance” and Japan’s lack of financial contributions. He is convinced that the traditional “alliance model” of the U.S. defending its allies is disadvantageous to America. Therefore, he will not be satisfied even if Japan increases its defense spending to 3% of GDP (requiring 18 trillion yen annually) and makes significant concessions on the cost of stationing U.S. forces in Japan.

Japan has, until now, centered its security policy on the presence of U.S. forces while strengthening its own defense capabilities and shifting its policy priorities to align with U.S. strategic changes —such as “sea lane defense,” “support for the global war on terror,” and “integrated deterrence against China with U.S. forces.” From Japan’s perspective, full cooperation with U.S. strategy was believed to guarantee U.S. defense of Japan. From the U.S. perspective, promising commitment to Japan’s defense has served as a “trump card” to get Japan to U.S. demands.

Therefore, Japan’s stance must change. Japan needs to raise new issues rather than simply “evolving” its defense policy in response to U.S. requests.

The Japan-U.S. alliance is not one-sided. Japan contributes to the U.S. by providing bases (physical assets), defending those bases, bearing the costs (money), and dispatching Self-Defense Forces (personnel) overseas. Japan now has absolutely no reason to feel guilty. Moreover, even if the U.S. mainland does not become a battlefield, Japan bears the risk of becoming one.

What is needed now is not superficial technical discussions like about an “Asian version of NATO” or the stationing of Self-Defense Forces in the United States . The alliance is a means to achieve national interests, not an end in itself. Any discussion about the future of the Japan-U.S. Security system must start with the fundamental principle of safeguarding Japan's identity as a “peace state.”

We cannot predict the world decades from now. Yet it is equally difficult to imagine the U.S. military remaining in Japan into the next century. From a long-term perspective, we must not change the very nature of our country for the sake of short-term solutions to immediate problems.

3. Courage to Transform Japan-U.S. Relations Toward What They Should Be

(1) An Opportunity to Revise the Status of Forces Agreement

Prime Minister Ishiba has long advocated revising the U.S.-Japan Status of Forces Agreement (SOFA).

Japan's share of the cost of stationing US forces in Japan already exceeds 800 billion yen annually, including wages and utility costs for base employees under a special agreement, training expenses, budgetary measures for US military facility maintenance, and costs related to the Special Committee on Okinawa (SACO).

While the SOFA stipulates that “maintenance costs shall be borne by the United States,” Japan's burden began in 1978 as an expression of “sympathy” to support U.S. military personnel during a period of a strong yen and weak dollar. The currency value difference that originally justified this arrangement has now reversed, making it extraordinary that this “exception” has continued for nearly 50 years.

Article 3 of the SOFA grants the United States privileged and exclusive administrative control over its military bases [in Japan]. If the exception where Japan bears the majority of the facility maintenance costs becomes the norm despite the stipulation that the United States is responsible for this burden, then the original U.S. privileged status must be reconsidered.

The current special agreement expires next fiscal year. If the United States asks for its continuation or an increase in Japan’s cost-sharing for stationing U.S. troops, this can serve as an opportunity to discuss revising the privileged status of U.S. forces under the SOFA.

(2) Courage to Transform Japan-U.S. Relations

If Japan seeks to revise the Status of Forces Agreement, Trump may threaten to pull out U.S. troops. The same may happen if Japan hesitates to meet the Trump administration's demands to increase defense spending to 3% of GDP or to increase Japan’s cost-sharing for stationing U.S. troops.

However, U.S. bases in Japan are indispensable for the U.S. military’s ability to operate across the vast distances of the Pacific and are a vital asset to U.S. global strategy. Therefore, Japan can confidently reply, “If you want to give them up, go ahead.” What is needed for addressing the longstanding issue of SOFA revision as well as the pursuit of Japan’s true “national interests” is political courage.

4. Seeking New Providers of Public Goods

The Trump administration is effectively closing the U.S. Agency for International Development (USAID) and cutting off international assistance, including financial contributions to the United Nations and the World Health Organization (WHO). The cessation of approximately 10 trillion yen in U.S. aid represents a major blow to “human security”.

The term “international public goods” has been used to describe the presence of U.S. military forces and the overseas activities of Japan’s Self-Defense Forces. However, it is the organizations and activities that address humanitarian crises like famine, infectious diseases, and refugees that truly deserve the name of international public goods. The world is in need of new providers of these international public goods.

As an island nation in East Asia, Japan cannot take on the role of “global policeman.” However, multilateral frameworks like the Asia-Pacific Economic (APEC) forum and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) are still active. The European Union (EU), the Association of Southeast Asian Nations (ASEAN), and countries in the “Global South” share the same concerns. Japan, must join these nations in forging new agreements and in developing human resources regarding rules for contributions to the United Nations and other international organizations. At the same time, activities to eliminate the root causes of humanitarian crises, such as war and climate change, are becoming even more important.

5. U.S.-China Rivalry and Diplomatic Opportunities

Negotiations regarding Trump’s tariffs are ongoing. While inaction is not an option, trying to alleviate concerns through individual deals is “playing into Trump’s hands.” There should not be rush to make easy compromises. Instead of seeking an exception for itself, Japan must rally international public opinion that calls for trade and economic relations in accordance with international rules and pursue solutions through international cooperation with many countries. Despite the risk of “incurring Trump’s retaliation,” insisting that this is in the United States’ own interest will eventually enhance Japan’s bargaining power. Japan's negotiating power can only be demonstrated with the backing of legitimate international public opinion, not by blindly following the U.S. lead.

The same applies to diplomacy with China. China is trying to strengthen its political position by using free trade as a banner against the United States. However, China's stance on investment and trade is far from fair, as seen in the forced transfer of technology and “debt traps.” **Now is an opportune time for Japan to deepen its dialogue with China while the latter struggles with its relationship with the United States. It is also an opportunity to create a forum for discussing a fair regional economy, together with other Asian countries that depend on both the United States and China and are significantly affected by U.S.-China rivalry.**

No country in Asia, let alone anywhere in the world, wants a war between the U.S. and China. We must work with countries that share common values, such as South Korea, ASEAN nations, Canada, and Australia, to ensure that U.S.-China rivalry and deals do not harm the interests of neighboring countries. If public opinion in countries affected by a potential U.S.-China war can be mobilized, it could become a major political force to avert war. Now that the system of deterrence through alliances is suffering from “institutional fatigue,” this is a chance to seriously tackle the possibilities of a new diplomacy.