

Center for Strategic and International Studies

Online Event

“Mt. Fuji DC Event: The U.S.-Japan Alliance at 60”

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FEATURING:

H.E. Taro Kono,

Minister of Defense, Government of Japan

CSIS EXPERTS:

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Transcript By

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John Hamre: Good morning, everybody. Welcome. This is John Hamre. I'm the president at CSIS. And I want to welcome you to a very special anniversary, or a very special event. This is the Mt. Fuji Dialogue, Washington, D.C. edition. We had planned on having this conference back in April, and we were interrupted by the – (audio break). And we want to say welcome, good morning to all of our American friends, good evening to all of our very dear Japanese friends. And we're just delighted to have everybody join us today.

This is a program that's made possible by the visionary leadership of the Nikkei Shimbun. They have been instrumental in guiding the direction of the Mt. Fuji dialogue, and are making it possible for us to be able to host this Washington, D.C. version for the Mt. Fuji dialogue. We are extraordinarily privileged to be able to welcome the defense minister, Minister Kono Taro. I will tell you, he's the one guy on this whole broadcast that'll speak English better than anybody. It's the most amazing thing to have a defense minister who is so absolutely fluent, which is a great thing for us because we don't have any confusion about his message. And it really is an important time for us to be listening to our Japanese colleagues.

I will just say personally, to you, Minister Kono, how grateful I am for your personal leadership and for Japan's leadership. These last several years America has been unsteady in the region, but Japan has been forceful, and steady, and present, and has been leading. When I was a young man, to use kind of a common reference, that there was a big brother, little brother partnership between Japan and the United States. Well, I would say that's been turned around. We've been watching and grateful for the leadership that Japan has given us these last three years. And it's very proud to have the defense minister with us today.

So, thank you all for joining us. I'm going to turn to Mike Green. Mike is going to be leading this session. Mike will also be introducing Minister Kono. And then we will be – he'll have some remarks, and then we'll take it from there. Mike, you take it from here.

Michael Green: Thank you, John. Thank you also to Sunohara-san and to Marai-san at Nikkei Shimbun and my colleagues Matt Goodman and Grace Hearty at CSIS for organizing this virtual CSIS-Nikkei D.C. seminar. It's a great honor to have Minister Kono join us, virtually. He's no stranger to Washington. He's interned in the Congress. He graduated from Georgetown University, where I teach.

Two years ago, he came back to Georgetown as foreign minister to give a speech. And the president of the University hosted him for lunch in the elegant president's office at Georgetown, which has cathedral ceilings and paneled Tudor walls. And Minister Kono came in and looked around and said: You know, when I was a student, I thought the only way I'd end up in this room is if I got in really big trouble. And the way he said "really big trouble" made us all wonder, what kind of trouble did he get into? The officials at the ministry say I'm not allowed to ask, so we'll have to wait for that.

But he is, I'd say, almost revered at Georgetown. He spoke to a packed room of over 400 students and faculty. And he's a very influential thought leader in Japanese politics, and foreign policy, and defense policy. He is now defense minister, but he has previously served under Prime Minister Abe as foreign minister. He's had key posts related to security and has been a leader in the LDP on issues ranging from energy to the economy and international affairs.

Kono-san will give us some initial remarks on the 60th anniversary of the U.S.-Japan

Security Treaty and the agenda before us. I will ask him a few questions. And you in the audience can also ask questions. You'll find on the website, when you logged in for this event, that there's an icon you can click to send a question. We'll get to as many as we can.

So, it's a great honor to have joining us Japan's minister of defense, Kono Taro. Kono-san, thank you very much.

Taro Kono:

Hi. Good evening in Japan, and I guess good morning to you in Washington, D.C. Thank you very much for inviting me to this Zoom conference. I'm very honored.

Well, on August 28th I was shocked to hear that Prime Minister Abe is resigning. I had a very good conversation with the prime minister the previous day and he was very energetic in our discussion over the deterrence capability of Japan. So, I never thought he was going to announce his intention to resign the next day. But we are right now in the process of choosing the next LDP leader, who will become the prime minister next Wednesday.

So, well, thank you very much for this opportunity to talk about Japan-U.S. alliance. We are now celebrating the 60th anniversary of this alliance. And, well, there are a lot going on in Asia, so let me start out with what's going on in East Asia.

Well, U.S.-Japan relationship is probably stronger than ever. When Prime Minister Abe came back in 2012, I think the Japan-U.S. relationship had been a bit rocky. But I guess this seven years and eight months, I think our alliance is very strong, the leadership trusting each other very strongly. I just had a face-to-face meeting in Guam with Secretary Esper. We talked for about two hours, and we agree on many issues.

Well, Prime Minister Abe and his government passed so-called legislation for peace and security in 2015, which enabled the self-defense force to seamlessly respond to any given situation, from gray zone to the situation calling for collective self-defense. So, I think there are a lot of things we need to work together to do in East Asia, Asia, globally. And I think we need to – both the U.S. and Japan need to take leadership to make free and open Indo-Pacific.

Well, since January, well, the Covid-19 is all over the world. We had a cruise ship called Diamond Princess came to Yokohama with so many people infected by Covid-19. Almost 5,000 Self-Defense Force members in total worked for this issue. And we have been managing the Covid-19 fairly well in Japan. Although the economy has slowed down a little bit, I'm pretty sure we can handle the situation.

But as international community is trying to work together to fight against Covid-19, there's some issues going on in East Asia. First of all, China has been trying to change the status quo with force and coercion, like in East China Sea from the April to June. For those 90 days, our Air Self-Defense Force had to scramble against a Chinese fighter jet or bomber 177 times in 90 days, which means almost twice a day.

Recently, for several years, every year our Air Self-Defense Force scrambled against the Chinese aircraft almost 700 times a year, which is more than during the Cold War. Chinese fighter jet, Chinese bomber came close to our airspace, and we need to fend them off, and that's happening almost every day.

In Senkaku Island, which is definitely Japanese territory, and the united government repeatedly confirm the Article 5 of the security treaty apply to Senkaku Island, but Chinese government ships come to violate the territorial water quite often for the last almost decade. And we really need to be watching carefully about the development in East China Sea.

Similar thing is happening in the South China Sea. The Vietnamese fishing boat has been sunk by Chinese government vessels, and there were some conflict between China and the Philippines.

We all know what's going on in Hong Kong. The two system in one country is practically gone by now, and there's a border conflict going on between China and India.

China has been increasing their defense spending quite drastically in last 30 years. In last 30 years their defense spending increased 44-fold in 30 years, more than 10 times in last 20 years, and 2.5 times in last 10 years. So right now China spend four times as much as Japan does in defense spending, and they are increasing the number of the fighter jet, number of the submarine – the modern submarines – increasing every year, so they have a huge capacity, and there's a big gap between Japan and China. And now we see their intention to change the status quo with force.

So, when I was a foreign minister, I was very careful not saying China is a threat, although I repeatedly said grave concern at the news conference. But as a defense minister, I must say China has become a security threat to Japan. They have capability and they have intention. So, we have to be very carefully monitoring what they are trying to do. And Japan, with our ally, United States, have to be ready to check their intention to expand in the region.

On top of that, we see North Korea. North Korea is developing the missile capability quite drastically. We need to pay much more attention to their intentions. Well, in 2017, North Korea was shooting ballistic missile over Japan, and we had decided to deploy Aegis Ashore on top of Aegis destroyer and PAC-3.

Well, quite unfortunately, I had to cancel the deployment of Aegis Ashore this summer. I still believe Aegis Ashore would be the best system to protect Japan against North Korean ballistic missiles. But there was a very strong concern about the booster. The local community was quite worried about the booster falling down on top of them. So the Ministry of Defense promised them that we will be controlling where the booster goes. And we promised them that booster will be dropping in certain ground. And we just found out we're not going to be able to do that. We figured out – we thought we can control the booster with software, but we found out in order to control where booster fly, we need to make some changes in hardware. And investment in terms of money and time is not worth it. So, I had to cancel the deployment of Aegis Ashore.

I guess many American people are quite shocked to hear the reason that we cancelled the Aegis Ashore is the booster, but the best way to explain it – the size of Japan is just about the size of the state of Montana. And you have about 1 million people living in the state of Montana, if I'm not mistaken. Well, in Japan, in the size of the state of Montana, 120 (million) people living in Japan. So, there's people all over. And when we shoot SM-3 missile, the booster will fall down on somebody. And local community where we are trying to deploy the Aegis Ashore system are very concerned. And we made the promise that we couldn't keep. So, I had to cancel the deployment and we have to think

about other way – we have to think of alternative to Aegis Ashore to protect Japan from the ballistic missile, which is quite unfortunate.

Well, U.S. and Japan are now trying to work in new domains, like cyberspace and electromagnetic field. Well, in the field of cyber I think Self Defense Force is fairly – well, it's kind of fairly obvious that we are lagging behind the United States. We need some assistance from U.S. forces to upgrade our cyber capability. And space, we just established a space operation squadron. So, we will be monitoring what's going on in space. And we are hopefully trying to build up our capability in space as well. These days, you need to have certain capability in outer space and cyberspace to be fit to fend off any aggression. So, in the field of cyberspace and outer space and electromagnetic field, we need to work closely with United States.

I guess post-corona era we – I'm afraid we're going to see the world divided into two camps. One side is us, living in democracy, free society, free flow of information and network, market economy. On the other side I think we see some kind of Orwellian society where the government is watching over the people. Authoritarian regime, the government controlling the flow of information through the network. And we see the world is sort of being divided into two camps. And I think we need to sit down with like-minded country – like U.S., Japan, Europe, Australia, Canada, New Zealand, and other countries – to keep this international order based on common values. I think increasingly it's going to be very important.

And I'm still hoping one day the United States will come back to TPP, Trans-Pacific Partnership. It was a mechanism – it was a regional mechanism that U.S. and Japan are trying to take leadership in making new rules for Indo-Pacific region, not just trade but environment, labor, data flow, all those things. And just when we thought we got it; the United States walked out of it.

So, I'm still hoping one day U.S. will come back to TPP and U.S. and Japan could lead rulemaking in this region. I think this is very important. And hopefully like-minded countries could sit down, and United States will be leader of this camp again and we can try to unite global community based on the common values.

So, we are very willing to work with United States to keep this international order and hope new – whoever going to be elected as leader of Japan and the United States will have a very good relationship and the two countries will have much better relationship into the future.

So, thank you very much. And I'm ready to take any questions that Mike will throw at me. Thank you.

Michael Green: Minister Kono, thank you. In the age of Zoom and webinars, it's critical to develop quality over quantity. And in 15 minutes you gave us a very strategic and very comprehensive and compelling presentation.

I have a lot of questions I'll get to from the audience, but first if I could ask you about your comments on China. When you spoke in Washington as foreign minister, as you noted yourself, you expressed concern. And now, as defense minister, you've said China is a threat. And people may wonder, is that because Kono Taro used to be a diplomat and now he's a hawk, or do you think this really is where the broad view of LDP political leaders and the Japanese public are about China these days?

Taro Kono: Well, I think increasingly more and more people are worried about what Chinese Communist Party is trying to do. You know, a lot of Japanese used to go to Hong Kong and enjoy what Hong Kong offers. A lot of business, the Japanese business, invested in Hong Kong because we believed these two systems in one country would last for many, many years to come.

But what do we see in Hong Kong is they simply eradicated the freedom in Hong Kong, and judicial independence in Hong Kong is now gone. And things going on in China-India border, South China Sea and East China Sea, it continues or even intensifies, even under the Covid-19.

So, we are quite worried about Chinese intention, what they are trying to do. It was a bit shocking to see the Chinese foreign minister making actual threat to the Czech people after their speaker visited Taiwan.

Well, we maintain relationship with Taiwan as nongovernmental working-level relationship, as we specified in '72 joint declaration, joint communique. We have no issue about that. But, I mean, what's been done recently is a little bit shocking to Czech people, as well as to many Japanese people. So, we really need to worry about where Chinese Communist Party is trying to go in this global community.

Michael Green: So, a number of people asked about Japan's international defense cooperation networking with other like-minded countries to build capacity, to enhance deterrence. Japan, under Prime Minister Abe, has taken the Quad, including the U.S. and Japan and Australia and India, and made it a regular forum for strategic discussion and cooperation.

You have mentioned in the past Japan's interest in joining Five Eyes, the intelligence-sharing relationship of the U.S., Britain, Canada, Australia, and New Zealand. Japan's done more in Southeast Asia. Do you think, given the concerns about Chinese intentions, it's time to build more of that cooperation, maybe even institutionalize it? Do you see in the coming years the Quad becoming more of an institutionalized standing defense relationship – U.S., Japan, Australia, perhaps with NATO? Given the serious threat you've just described, do you think it's time to turn up that cooperation with other likeminded states? The U.S.-Japan alliance is strong, but maybe not enough. So, what vision do you have for cooperation with third countries, including Korea, in Asia, in Europe? And how much would that be institutionalized with more formal cooperation, maybe more regular defense exercises and so forth?

Taro Kono: Well, Chinese economy is growing, and it will eventually surpass the size of United States. And as economy grows, their defense spending will increase as well, and it'll be bigger than U.S. defense spending one day soon. So even the United States cannot stand up against China alone. U.S. need allies. And Japan is willing to stand up with the United States, and hopefully other likeminded country will join us.

And in order to check Chinese expansion, I think we need to force China to pay some cost when they are violating international rules, international norms. If they go out of it, we must force some cost on China. And in order to do that, United States alone cannot do it. U.S. and Japan alone cannot do it. I think we need to work with a global community. So, a lot of regional mechanism or global mechanism, it will be necessary.

This Quad – U.S., Japan, Australia, India – this mechanism started with the idea of free and open Indo-Pacific. Free and open maritime order is very important for economic prosperity of those four country – not just the four country, but many country as well. And I think four country have been trying to work to get free and open Indo-Pacific, and I think it'll be – well, I guess any country will be welcome if they share the same vision.

Right now, it's not institutionalized yet. I don't think we need to do it like, you know, soon. I think we are – we have very good working relationship, and so far, so good. So, we'll see how things develop in post-Covid era. If situation require us to make something more concrete, then we must take some steps towards it. If things subside, we don't have to go that far. So, a lot of things will depend what's going to happen next year, year after, when COVID-19 subside and people start traveling again.

Michael Green: One of the things Japan has done under Prime Minister Abe to deal with growing uncertainty about Chinese intentions and China's, you know, growing defense spending was, as you mentioned, in 2015 to revise U.S.-Japan defense guidelines to allow under certain circumstances the exercise of collective self-defense for joint operations and so forth. More recently – well, actually, not recently – for some time now there's been a debate growing in Japan, and now there's a very deliberate discussion about strike capability for Japan, and presumably surface-to-surface missiles or ballistic missiles, even, that Japan might develop. And I think there's some confusion or at least question about what this means outside of Japan.

When you talk about strike capability, it could be anything from more tactical missiles that could deny a hostile force control of the waters and the air in the East China Sea up to actually striking enemy bases or striking enemy territory. There's a huge difference in the technology, but especially in the implications for the U.S.-Japan alliance. Because if Japan has the ability to strike it strategically, to hit enemy territory, you know, that will bring the U.S. into the fight. And so, we need a joint concept of operations. We need to understand this as allies. And it's now a part of the government's deliberate discussions. Can you help us understand your thinking about what strike capability would mean for Japan going forward?

Taro Kono: OK, there are some confusion about ongoing discussions. Well, the year before Soviet Union launched the Sputnik there was a constitutional debate in Japan. If an enemy country starts shooting missile at Japan, and we are suffering from their missile attack, and if their – if the enemy is just about to shoot another missile, are we allowed to take down the missile before it's launched? That was a constitutional or legal discussion. And the answer was, yes. We don't have to wait for the missile to be launched before we take any actions. But that was the year before the Sputnik was launched, so not many country had a missile capability. Japan didn't have that either. So, it was not a realistic question, it was just a parliamentary debate about how to interpret Article 9 of our constitution.

Now time has changed, and so many country around Japan has a missile capability, and their missile could actually reach Japan. So how we going to defend Japan against the ballistic missiles? It is a real question. And now we need to talk about how to improve our deterrence. There are two way to deter enemy attack. One is deterrence by denial, meaning we are going to have either Aegis destroy or hope to have Aegis Ashore and the PAC-3. We can shoot down enemy missile before it hit Japan. And how we going to increase the capability to shoot down the missile? That's one debate. And we gave up Aegis Ashore, so we need to think about the alternative to it.

The other deterrence is deterrence by punishment. If enemies shoot missile at Japan, U.S. and Japan, the alliance will strike back, and they get hurt more than we get hurt. So, they would hesitate to shoot the missile at us. So, the question going on is: What's going to be the alternative to the Aegis Ashore? That's one issue. The other issue is: How U.S.-Japan alliance could improve the capability of deterrence by punishment? In order to have deterrence by punishment, you have to have capability, you have to have intention to use the capability, and you need to send a clear message to the other that we have capability and the intention.

So, the debate right now is how we can make this deterrence stronger. We, meaning U.S. and Japan, the alliance. Japan alone not going to be able to have a strike package. While currently we don't have long-range missiles, we don't have capability to – capability for ISR, we don't have capability to shut down the enemy radar. In order to have a strike package, it will take some years, and it will cost us some more. So, what we are debating is between U.S. and Japan how we can increase the deterrence, maybe by making strong message or making our intention clear or improving our capability between U.S. and Japan. Right now, we are debating that issue in our NSC, and hopefully – well, I think prime minister wanted to get an answer to that question, but he is resigning next Wednesday. So, the new prime minister will have to follow up on this discussion.

Michael Green: And I understand that the new defense concept, the new strategic paper, will likely come out publicly sometime next year as a result.

Taro Kono: Well, if we come up with some answer, I think we need to revise that. We're not – we're not sure about the timeline, but hopefully we can have – we can revise the paper as we get answer.

Michael Green: So that kind of capability for deterrence by punishment, for deep strike into enemy territory, the U.S. has had that always.

And when you talk about this as a U.S.-Japan alliance capability, I think what I hear is that Japan wants to be part of that strategy and part of that discussion, which is somewhat new because previous Japanese governments preferred instead to have something of an alibi – see no evil, hear no evil, speak no evil about what the U.S. might do. But it sounds like since the 2015 change in Japanese defense policy political leaders in Japan are ready to have that discussion seriously with the U.S. and be involved in strategy and thinking about use of force, including counter force, and that strikes me as a new dynamic in the U.S.-Japan alliance and probably a healthy one.

It does raise the question about how effective our alliance can be without a joint and combined command. You know, we have that with Korea. We have a joint and combined command with NATO. Do you think the U.S. and Japan need to move closer to something like that kind of integrated command structure to manage these very complex strategic but also operational questions?

Taro Kono: Well, first of all, we need to have capability and a strong intention to defend Japan before we ask U.S. to help us. So, I think under Prime Minister Abe I think our defense strategy has evolved to be more realistic and with a clear vision that we defend Japan ourselves and hope that our alliance will add to our resolve.

How are we going to fight together? I think it still need to be debated what kind of command structure would be good for the alliance in what environment or what situation. I think we still need to be debated.

But in case of missile defense, I think we need to send a clear signal to anyone that there's no misunderstanding about alliance intention. So how are we going to send a clear message? That's something U.S. and Japan need to think about. And how are we going to send a message out? That's something we really need to think about.

Michael Green: So, we have a question from Mike O'Hanlon from the Brookings Institution. I don't know if you've seen his book, but he has a book he published that argues, basically, it is not worth fighting a war with China over the Senkakus. So, his question for you is, basically, is it worth fighting a war with China over the Senkakus? Is it worth risking war with a nuclear-armed China to defend the Senkakus? And is Japan prepared to do that?

Taro Kono: Yes, we are prepared to defend every centimeter of our land, and I believe the alliance is willing to fight over Senkaku Island(s). If we don't do that, we'll see another South China Sea. When China start reclaiming the land, international society didn't do anything to stop it, and see what we got.

Same thing could happen to Europe, or Middle East, or anywhere, so if we have alliance, I think we need to defend each other. We need to defend what we have. And if we say this is not worth it, then we're going to be sort of – keep retreating back to where we don't want to retreat. So, I think we confirm our resolve that our Article 5 will be applied to Senkaku Island, and I believe alliance will stand up to their word.

Michael Green: In Mike's book, he argues that we should focus on confidence-building measures and other steps to reduce tension in the East China Sea with China. Do you think that's possible? Are there confidence-building measures, transparency, other steps that would reduce the risk of conflict with China right now, or is that just too difficult?

Taro Kono: Well, confidence-building measures are important, and we are trying to establish communication mechanism between Japan and China just in case so we can use the communication line. And transparency is very important.

I don't think anyone wants to have accidental war, so in order to avoid that, I think the communication is important, transparency is important. And how we are going to reach that? We still need to work hard, but our – I think until the Communist Party of China realize that, I think we need to show our resolve to defend our country, our territory.

Michael Green: We have a question from a Japanese student at Harvard Kennedy School for you about whether Japan can keep up deterrence and capacity in terms of cyber and space. You have your space background.

And so the question is Japan is, you know, catching up kind of late on cyber and space. Are you concerned that Japan will be able to keep up its capabilities with the U.S. and in light of Chinese growing threats in the cyber and space domains? This is a Harvard Kennedy School student trying to challenge your Georgetown education. So "Hoya Saxa" with your response.

Taro Kono: Thank you. Well, it is true that we are lagging behind in the cyber capability, and we need to really speed up the process. We need to improve drastically how we're going to do that. I think we need to ask United States to help us out. And we need to work with other likeminded country.

We have been participating in Schriever exercise and other global conference, global tabletop exercise and, you know, all those things. So, we need to invest more in our cyber capability and will probably need to invest more in our space capability, as well.

I think time is changing that. We are – I think we need to move out of big, high-value system to something cheaper, smaller, quicker, numerous, and autonomous system, and I think we are trying to make that transition in Self-Defense Force as well. And in order to do that, I think it is important to have capability in the cyber and space, just like our eyes and ears. So, I think likeminded country will need to help out each other to increase the capability in those field.

Michael Green: Jeffrey Hornung at RAND and a number of people from industry are asking about the national defense program guideline, the national security strategy revisions that you just described briefly earlier that are expected later this year – maybe next year.

In that context, you know, people here were surprised by the announcement on Aegis Ashore. There's a lot of debate in Japan, especially in the Diet, about whether the Defense Ministry is buying too many things through foreign military sales, FMS, from the U.S., and maybe not doing enough to support Japan's own defense industrial base and technology development. There are stories that Global Hawk may be reconsidered, and so on and so forth.

What is your general thinking about how you define requirements? What's the role of U.S.-Japan industrial cooperation? Do you think FMS is too high? Does Japan need more independent development and production? What's your general thinking about how you equip the Self-Defense Forces, and work with U.S. to do it?

Taro Kono: Well, the FMS program need to be improved. I think its transaction or settlement system is really crazy. If you are coming from the private sector you wouldn't believe how difficult it is to make payment, and all those things. So, the system itself is a bit outdated, and we need to improve it. But through FMS we need to purchase what we need – like F-35A, F-35B, and all those things. So, FMS is, in a way, good, so we can purchase a necessary system to defend Japan. Our defense industry has a problem. The big company, like Mitsubishi Heavy Industry or, you know, other – Kawasaki, IHI, the share of defense project in their revenue is so small, it's usually less than 10 percent.

So, if you talk to the chairman or CEO of those major big manufacturers, he or she probably wouldn't know what you're talking about because the revenue for the defense program is so small, he's probably not paying much attention to it. And there are many small, small companies that heavily rely on defense program. It's usually a very small manufacturer. They have very good skill, but the president or the chairman is getting old and their children may not be succeeding those small company. And once they go out of the business, we need to find someone else to make certain part of the fighter jet, or tanks, and all those things.

The issue is that it is quite difficult for those defense industry to export what they're making for Ministry of Defense or Self-Defense Force. So unlike Toyota, or Honda, or

Sony, they are not able to reduce their manufacturing costs by increasing the volume, because usually buyer is Self-Defense Force, period. Nobody else. So, the manufacturing quality – I mean – quantity is very small, and the cost is always high. And they are not competitive. Even if they want to export, they are usually not competitive.

So, we need to think of the way to increasing the quantity. So probably through allowing them to export some kind of ISR system, or radar, or transport aircraft, or those considered to be not weapons directly. If we can allow them to start exporting, and increasing the number, and reducing the costs, I think they will be more competitive in other field in the defense industry. So that's something we need to consider.

And the other issue is, if we purchase from the United States, from FMS, we're not going to be able to modernize as we choose. Like, we are modernizing F-15. We need to go back to United States. We need to get permission from the American government. We need to pay much high costs. And we cannot choose the timing. So, like fighter jet, we're going to use some years to go, and we need to be able to have freedom to modernize as we choose.

So, we are thinking about fighter jet X, the next-generation fighter jet. We are now currently talking to the American companies and the British company and others. The number one – I mean, number one issue in front of us is, OK, if we work with U.S. or if we work with U.K., are we going to have freedom to modernize those systems as we choose next 30, 40 years?

Right now, through FMS, it's very difficult to do that. So, as we need to work together to modernize a lot of systems into the future, I think U.S. and like-minded country, U.S. and allies, will need to sit down. Are we going to jointly develop the systems? Are we going to be able to purchase the system from other partner countries? And then we can modernize those systems.

So, there are issues. Yes, I admit there's issue in FMS. I think we need to sit down and talk through it.

Michael Green: My understanding is that the Pentagon has made FMS faster and more responsive. But what you're talking about is more of what John Hamre calls federated defense, where like-minded allies and partners are actually thinking long term about jointly developing and upgrading fighter jets and systems, which means we have to be more agile and more collaborative and more able to protect sensitive information and technologies. So, it's a big task –

Taro Kono: That's right.

Michael Green: – that you're putting on the table, but critical.

If I could – I know it's late there – I have two more questions and then we will let you leave your space base that we see in the background.

Greg Poling, who runs our Southeast Asia programs at CSIS, asked if you could elaborate more on your thinking about capacity-building and defense cooperation and engagement in Southeast Asia. We're doing surveys at CSIS of global views of China,

and we're finding there's a lot more alignment about the China threat among advanced European-Asian democracies – you know, Australia, Japan, Canada, so forth. There's a lot more alignment than you would expect. But in Southeast Asia, all the polls show that they prefer to stay very neutral and not get caught in the U.S.-China competition. And yet they need capacity.

So, Japan's done a lot, but what's coming next for Japan's engagement with Southeast Asia on the defense side?

Taro Kono: When I went to Bangkok last year for ASEAN defense ministers' meeting Plus, the ASEAN countries said don't let us choose between U.S. and China. We have a lot of business engagement with China, and the United States has been a friend for Southeast Asia for many years. So, don't let us choose between China and the United States.

But when we went to the dinner, there was a Royal Thai Navy band playing songs. And they played American music from the beginning to the end, nothing else – no Japanese songs, no Russian songs, no Chinese songs, no nothing. It's all American songs. So, they tell you don't let us choose, but they're actually making some choice. It's quite obvious.

And, well, we need to help the capacity-building in ASEAN countries many ways. We have been taking their cadets to our National Defense University. We are providing some legal assistance, legal training, to their defense people, foreign-ministry people. We are providing capacity-building for humanitarian assistance and disaster relief. We are providing assistance to those who are participating in U.N. peacekeeping operations.

So that's something Japan will continue to do there. We will – we will work with their defense people and help them increase their capacity. And that would enhance their cooperation with Japan, and their working capability with U.S.-Japan alliance. So, the Ministry of Defense and Self-Defense Force will invest in training and capacity building in the region.

Michael Green: CSIS uses satellite imagery to closely monitor developments through our Asia Maritime Transparency Initiative. But it sounds like we have the wrong target. We should be monitoring musical selections around Asia to judge geopolitics. So, you've given us an idea for a new initiative.

Last question about politics and the future of Japan's leadership and relationship with the U.S. When you spoke at CSIS last year you said that year before you came as foreign minister, then you came as defense minister, maybe next year you'll come as prime minister. You've decided to wait a little bit for that. All the movement in Nagatacho strongly suggests that Chief Cabinet Secretary Suga will win the presidency and be the next prime minister. What can you tell us about what comes next? Will there be a Cabinet reshuffle? Do you expect any changes in defense or foreign affairs? What should we be looking for?

Taro Kono: Well, next Monday the new leader of LDP is elected. And on Wednesday we will choose him as a prime minister. Probably Cabinet reshuffle on Wednesday evening. And we expect early general election probably sometime in October, or – maybe in October. And then we're going to be ready for Tokyo Olympic and Paralympic Games next year. So, I think that's going to be a very small window for a general election. So, the new prime minister will probably grab that window. And you will – you will have a new

prime minister elected by the people before you elect the president of United States.

Michael Green: Defense Minister Kono Taro, thank you. As foreign minister, now as defense minister, you have done exactly what John Hamre said in the introduction, which is to help Japan lead at a time when the world really needs it – defining the U.S.-Japan alliance in new ways, defense and foreign policy cooperation in Asia in new ways, and how to compete with China in a smart way when there are so many concerns about Chinese intentions. So, as a thought leader, we thank you very much and wish you all the best going forward. We know it's late in Japan, so we especially appreciate you joining us.

To the audience here, and in Tokyo, and around the world, thank you very much. We appreciate your very good questions. Thank you.

Taro Kono: Thank you very much. Appreciate it.