

A PARTNERSHIP FOR RECOVERY

**Michael J. Green
and Nicholas Szechenyi**



The earthquake, tsunami, and nuclear disaster that struck Japan on March 11, 2011, reminded the world that even the most developed nations are not immune from nature's wrath. The triple catastrophe took more than 14,000 lives, and estimates of total damage range from \$250 billion to \$600 billion. Already beset by multiple challenges including political instability, an aging society, and anemic economic growth, Japan faces the pressing need to rebuild affected regions in the northeast and craft a long-term strategy for recovery.

There are real questions about Japan's ability to recover as evidenced by Standard and Poor's downgrade of its outlook on Japanese sovereign debt due to concerns about the impact of the disaster on the fiscal deficit. Another uncertainty is political leadership with public opinion polls in Japan revealing a lack of confidence in the government response to the disaster and the performance of the Kan administration. But there are ample resources to draw on: the remarkable resilience of the public; past experience, as the nation rebounded quickly after major earthquakes in 1923 and 1995; and the support of the international community.

More than 130 countries and regions have offered assistance to Japan since March 11, a testament to its leadership role in world affairs and a collective interest in ensuring that the world's third-largest economy emerges from these trying times as vibrant as the Asia-Pacific region, which is increasingly becoming the center of gravity in the international system. Conventional wisdom might dictate that the challenges associated with Japan's recovery necessitate an inward focus and a less ambitious diplomatic profile, but on a range of issues from humanitarian relief to reconstruction to nuclear safety, the lessons Japan learns from this tragedy could very well yield expertise that will further its contributions to international security and prosperity.

Supply chain disruptions after the earthquake spoke to Japan's critical importance in the global economy. Japan also is well positioned to finance reconstruction and is forecast to return to growth within a year. But a fundamental question is whether it can deliver a robust economic growth strategy for the long term in the face of multiple challenges. Japan's increasing elderly population, many of whom were victims of the disaster, will command greater social welfare spending that could magnify a public debt burden already close to 200 percent of GDP.

The debate on issues such as trade and energy policy could prove contentious as lawmakers examine the impact of the disaster, a dynamic further amplified by political paralysis in the legislature and instability overall that has produced six prime ministers in five years. A process of political realignment is under way, and a transition to a new generation of leaders may generate the confidence and creativity that will anchor the new economy.

One source of encouragement in the wake of the disaster was the performance of Japan's Self-Defense Forces (SDF). The government dispatched 100,000 soldiers to the northeast to conduct search and rescue operations and provide humanitarian assistance. The SDF also conducted a series of rescue and relief operations with thousands of U.S. forces in the largest bilateral mission in the 50-year history of the U.S.-Japan alliance. And SDF personnel were even involved in efforts to contain the emergency at the Fukushima Daiichi nuclear power plant.

The expertise displayed by the SDF can translate into enhanced leadership credentials for Japan in the area of humanitarian assistance and disaster relief. The extent of U.S.-Japan military cooperation also speaks to the importance of interoperability, and this experience can inform bilateral security dialogue as the two governments work toward a joint vision for the future of the alliance.

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These are just a few of the policy questions subject to examination "post-3/11." The impact of the triple disaster will be felt for years to come, and one can predict detailed analysis of the government's response to document lessons learned. Yet given

Japan's economic and strategic importance as a leading nation of the Asia-Pacific, it is equally important to concentrate on the way forward and help forge a path toward long-term recovery.

On April 11, 2011, in collaboration with Japan Business Federation (Keidanren), CSIS launched the "Partnership for Recovery and a Stronger Future," a task force of senior experts from business, civil society, and the policy community to focus on areas where the United States and Japan can cooperate in support of Japan's recovery and restoration efforts.

The task force is convening a series of meetings on Japan's requirements and the prospects for U.S.-Japan cooperation in several areas to include disaster relief and prevention; macroeconomics and financing reconstruction; energy; health; civil society; and alliance coordination. The task force will publish a report with recommendations this fall with the hope that project findings encourage further research and partnerships in these fields.

In opening remarks at the inaugural meeting of the task force, Dr. Zbigniew Brzezinski, CSIS counselor and trustee, captured the essence of this initiative when he stressed that this is a time for the United States to be fortifying a partnership with Japan, America's closest partner and ally in Asia. Historically, Japan has proven resilient in times of crisis, and that capacity to gain strength from adversity coupled with a strong partnership for recovery augurs well for a dynamic economic future and continued leadership in the international system. ■