

Center for Strategic and International Studies

2019 U.S.-Japan Security Seminar: Challenges and Opportunities for the Alliance

Dialogue

Speakers:

**Senator Cory Gardner (R-CO),
Chairman, U.S. Senate Foreign Relations Subcommittee on East Asia, the Pacific,
and International Cyber Security Policy**

**Yoshimasa Hayashi,
Member, House of Councillors,
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Moderated by:

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MICHAEL J. GREEN: OK. Good afternoon, everyone. Thank you for coming. I don't know how many people we lose in that bizarre hailstorm that just happened. (Laughter.) See what happened when you close the federal government? (Laughter.) The seas part.

So we're very excited today to bring you two lions of the U.S. Senate – (laughs) – Senator Cory Gardner from Colorado, who was the architecture of the new ARIA legislation which we'll talk about, reassurance and reinvestment in American engagement towards the Asia-Pacific; and another lion of the U.S. Senate, Yoshimasa Hayashi, who is currently in the Japanese upper house but worked in the Senate for Senator Roth in the early '90s.

YOSHIMASA HAYASHI: Many years ago.

MR. GREEN: And I'm Mike Green from CSIS.

We'll talk to Senators Gardner and Hayashi for half an hour, take some questions from you. We'll change up the panel. I'm going to invite Former Ambassador to the U.S. Ken Sasae, now the head of Japan Institute for International Affairs, to the stage, and distinguished diplomat Yukio Okamoto, and we'll have a second panel diving into some of the issues we addressed in our CSIS JIAA conference on the alliance – the 25th of these conferences.

But let me start with our very distinguished political panel and with Senator Gardner.

So, first of all, congratulations on ARIA, legislation that you've been working on. I know we first heard about it from you over two years ago. It passed by very wide margins, really important statement of bipartisan and bicameral support for robust engagement in Asia. Everyone may not know about it. Maybe you can tell us a bit about ARIA, the purpose. The White House had a signing statement which said: We're in charge of foreign policy, thank you very much – but no substantive agreements on the content. Maybe you can tell us a bit about that too, and where we go from here with this.

SENATOR CORY GARDNER (R-CO): Well, absolutely. And thank you very much. It's an honor to be on this panel. Thank you for the chance to be here, and to thank CSIS personally for the work and help that went into the Asia Reassurance Initiative Act, ARIA.

This is something that after spending time both in Europe learning more and more about the European Reassurance Initiative, European Defense Initiative, with what it was like, and then hearing from leaders as chairman of the Asia Subcommittee on Foreign Relations in Asia about the need for U.S. leadership, the need for U.S. presence, hearing from our military commanders in PACOM and beyond about the partnerships that they hope to achieve throughout Southeast Asia, throughout Asia, our challenges in North Korea, and hearing that they need more than just a statement of rebalance or pivot, but actual real legislative strategies, policies and resources going forward. And that's when we structured and came up with the Asia Reassurance Initiative.

So many people have been a part of it. Ambassador, I thank you for your work and help as we went through and navigated this.

But it's structured around three primary pillars. The first pillar is security, creating an Asia Pacific security initiative, authorizing \$1.5 billion a year for five years, a \$7 billion authorization for

work in security cooperation throughout Asia. This is, you know, maybe maritime domain awareness, counterterrorism training, opportunities to work in the Philippines, opportunities to work in Thailand, opportunities to work – obviously continue the work that we are doing in Korea, partnering with nations on training and other ideas. It also authorizes a hundred million dollars a year, \$500 million total authorization for cybersecurity work throughout Asia. The second pillar of course – and it does far more than that on the security side, with language addressing the challenge in North Korea, with our goal being denuclearization, as stated in law. It addresses the South China Sea. It addresses the East China Sea and our commitment to making sure that international law is respected and sovereignty is respected; and then to make sure that we address the challenges in terrorism around the globe, particularly in Asia. It addresses India, making it a major defense partner, elevating that status and that relationship. It highlights the quad discussions – you know, the Four Corners, as I say in Colorado, of, you know, Australia, India, Japan, the United States, and what we can be doing to encourage that dialogue. It talks about the importance of the Korea-U.S.-Japan relationship.

And the second pillar is the economy, where it talks about engaging in multilateral, bilateral trade agreements with strong standards of language that we pulled from the Trans-Pacific Partnership. I know that's a discussion that we'll probably continue into here today.

And then the third thing, of course, is funding I think \$260 million authorization for human rights rule of law and democracy program. This really is the first sort of Asia strategy Congress has ever developed put forward, and I believe for generations to come we will be basing decisions and actions off of the legislation.

The last thing I'll say about it is this: This was an extremely bipartisan bill from the ground up. This was Republicans and Democrats putting a major policy bill forward, in one of the most compelling areas of the world. And we did it with a unified voice: the House, the Senate, Republicans, Democrats, and the White House. To say that can't be in Washington, we just proved that you can.

MR. GREEN: When Hayashi-san was working in the Senate, it used to be that U.S. policymakers would say to our Asian friends: You better do what we want, or we'll let them out of the cage. (Laughter.) This is a case where actually on a bipartisan and bicameral basis, as you said, the U.S. Congress is setting a direction. But –

SEN. GARDNER: The signing statement. I didn't get into that. Yeah, right. Right.

MR. GREEN: The signing statement, kind of –

SEN. GARDNER: Right. Yeah.

MR. GREEN: It kind of said: No, thank you very much; we've read the Constitution, but we're in charge. Is that – is that a kind of –

SEN. GARDNER: Yeah.

MR. GREEN: Is that a substantive disagreement with the administration? Is it –

SEN. GARDNER: No, absolutely not. In fact, if you look at some of the publications recently, there was an article in The Diplomat yesterday, I think, or the day before, that talked about how this language is very closely adhering to the National Security Strategy, the National Defense Strategy. It

really is something that is in line with what the administration has been pursuing, what we need to be pursuing.

And this is one of those constitutional areas where they do it because DOJ sent a letter to us back in October and they had to comply with what they thought their DOJ said. But there's no disagreement, no rift. And, in fact, we – you know, Secretary Mattis, Secretary Pompeo sent us a letter months ago saying we need ARIA, you must pass it; this is exactly what we've been looking for. So I think this is a moment that we can say we are speaking with a unified voice to create that generational presence and policy of leadership in Asia.

MR. GREEN: And it's an authorization bill and a broad policy framework. What do you want to have happen next? There's an appropriation phase, you hope?

SEN. GARDNER: Yeah, I've learned about these things called appropriators in Washington. (Laughter.) So we're going to have to approach the funding committees. We had – General Brown was in the office today, U.S. PACOM Army leader, and talking about what we need to do pursuing both the resources as well as implementing the policies there. We've met with a number of ambassadors throughout the region, both the U.S. ambassadors to countries in Asia but also Asian ambassadors to the United States.

I mean, for instance, one of the provisions of the bill requires a – or makes the U.S. look into and pursue a trade agreement with ASEAN. And these are things that we should be doing to pursue/push. So we'll be pushing on the appropriations – that's the two-step process we have – and then fleshing out the full implementation of the policies.

You know, it took us several years as we held hearings and worked with experts to get this done. And now we spend the next months and years making sure that every sentence is implemented.

MR. GREEN: And could you tell us a little of your – you took this on as chairman of the Asia Subcommittee.

SEN. GARDNER: Yes.

MR. GREEN: But as a senator from Colorado, is this something that resonated with the agricultural exporters, high tech?

SEN. GARDNER: Yeah.

MR. GREEN: I mean, is this something your district – your district, excuse me – your state cared about?

SEN. GARDNER: It really is. It's a great question. You know, Colorado is a very pro-trade state. I mean, we are heavily engaged in aerospace. We have more aerospace jobs than anywhere else per capita in the country. We're a high-tech exporter, a major ag exporter. We have incredible energy resources.

One of the other provisions of ARIA includes a U.S.-Asia energy partnership program. So if you're a natural gas exporter in Colorado – you know, our export markets aren't the East Coast as

much as they are the west. And so we ship to the west and we ship to Asia. So whether you're shipping wheat to Asia or natural gas to Japan and Korea, these are opportunities that Colorado has.

Seven hundred and fifty thousand trade-related jobs in Colorado. Of that 750,000 trade-related jobs, about 250,000 of them are related to countries that were involved in the Trans-Pacific Partnership. So it is a – it's a big deal for jobs and opportunity for Colorado.

MR. GREEN: It's an important, important point for friends who look at the U.S. and wonder what's the source of engagement.

SEN. GARDNER: That's right.

MR. GREEN: It's across the whole country, including a state that's not on the West Coast but, in fact –

SEN. GARDNER: Yeah, no oceanfront property there. (Laughter.)

MR. GREEN: That's right.

So, Yoshi, you – this is a very different U.S. Congress than you worked in, especially on Japan. I'd be interested in your – in your impressions of what you've heard and also a little bit what's happening in the Japanese Diet on the U.S. Is there the same kind of bipartisanship in Japan – (laughter) – that we're hearing about?

MR. HAYASHI: Yeah, thank you very much. And I'm really happy to hear Senator Gardner successfully enacted that legislative project, and two or three reasons.

One is I hear: What bipartisanship? (Inaudible.) (Laughter.)

MR. GREEN: It's been a long time.

MR. HAYASHI: After long – it's been a long time to hear that the U.S. Congress is working on bipartisanship, bicameral.

And the number two, the people to the Asian area was sent from the secretary of state, Secretary Clinton days. But now we have some legal basis for that. And that announcement effect might be very strong for those Asian countries, I think, especially like us. We are allied with the United States, so that sent a good message to those countries, including Japan.

And also, nice to hear that you speak about that's good for Colorado state. So that means, to me, like politicians, it's more politically sustainable. If it's only the kind of vision or those things, then politically cannot be so much sustainable because we have to be elected from those states.

So, in those two, three ways, it's very nice to hear that those things are really going on. And you did great, Chairman, I think.

And back in 1991 and '92 when I was working for 104 Hart Building, for Senator Roth, it is still said divided government, you know, gridlock, but government was not shutting down so often, so long. And still, there's talk about bipartisan when I was trying to, you know, draft a bill of a monthly

fellowship program. Now it's in effect and we are receiving fellowship – fellows from United States government employees, almost five, six, seven people a year. And the first things I was told by senator and the chief of staff is, do we need some name – because he's a Republican – we need a name from the Democrats. So that's why – who was that famous basketball player?

MR. GREEN: Oh, Bill Bradley.

MR. HAYASHI: Bill Bradley. Yeah. So I was sent to his office.

SEN. GARDNER: Not Cory Gardner, that's for sure. (Laughter.)

MR. HAYASHI: You are famous, too.

SEN. GARDNER: Second-most famous. (Laughter.)

MR. HAYASHI: Yeah. Yeah, yeah, yeah, yeah, that's right.

So that's the first things he told me to do, to make it bipartisan from the beginning. So that's why, despite the news on those days – I wouldn't say fake news, but the news – you know, almost maybe I would say more than two-thirds of the bill are working in a bipartisan and bicameral way and a very natural way. So that back in Japan we are looking for news coming from the United States, and it seems like everything was no bipartisanship. But actually, there was a good proof that still here in this Congress you can work with bipartisan, bicameral.

And in Japanese parliament, basically it's kind of – we have a situation, because I've been there 24 years now and the second-biggest party in the upper house, where I am in, was Liberal Party, coalition with Komei. We are the biggest – second biggest, with Komei. And since the Democratic Party of Japan divided into two, so they are a silent force. So it's sometimes very difficult to do some management because we always talk with the biggest opposition party, because you have only two, but we have six, seven. So we have to talk with the biggest opposition party. It used to be DPJ, but now it's divided into almost half and half. So they have some rivalry against each other. So once we agree with something when we will be holding a committee or when we are voting for that, then the second-biggest opposition party might say, oh, we don't like that. So that kind of thing is happening.

But the good thing was still, since we changed the government from LDP to DPJ in 2009 and there was three years of DPJ government, so they learned from those experiences in the government. And then back in the opposition, they still remember that, so. And also, we experienced the opposition party. So it's more becoming kind of reasonable because I used to say opposition parties criticizing ruling party and government, so that if it's ran like this, it's because of us at the time, including some media. But now, it's some good cross-friction between those reigning and bad policies, so – and voters also. So they really have more eyes to what the policies result and what the weather looks like. So that's kind of progress. And I hope that opposition party will be somehow merging or cooperating so that more, you know, head-to-head, good game in the congress so that we have more choice for the voters.

MR. GREEN: You know, Senator Gardner, when he was working for Senator Roth, I was working in the Japanese Diet for a member of the LDP named Shiina. And Senator Bradley, Senator Roth, Senator Kassebaum, they used to come to Japan for three days and go off in the mountains for a hot spring with a small group of Diet members and strategize. So we have a lot of good Diet exchange.

And it's harder, I understand, for members to travel than it used to be. But there was – it just reminds there used to be a lot of exchange that went beyond just an office call to real deep dives.

SEN. GARDNER: What's really important and critical, one of the actual provisions of the Asia Reassurance Initiative is to encourage that exchange of leaders in Asia, to continue the young leader program in Asia and get that exchange the standing that we think it should because it's a very powerful program that has shared thousands of leaders in Asia with the United States. We need to continue that. But in terms of actual legislator – the legislator exchanges, you know, I meet with the Diet regularly and the members of parliaments and assemblies throughout Asia and it's incredibly important. I think one of the things that sticks out in my mind, Mike, is a conversation I had in the Philippines with one of the ministers, who said, you know, where are the Bob Doles and the Ted Stevens and the Danny Inouyes, and it wasn't so much a criticism of, you know, politics or the Republicans or Democrats as it was there's been a lot of change in the House and the Senate over the years. There's new faces, new people, and we felt like we had a relationship because they had a relationship with Asia.

And so we have to rebuild that and I think you have a great new group of leaders in Asia now. You know, Dan Sullivan, myself, David Perdue, Steve Daines, many of whom have lived in Asia, have really taken this on and I think we need to continue that because you're right, we need to have that person-to-person face-to-face contact because reassurance on paper only goes so far.

MR. GREEN: So let me ask about – both of you about one more aspect of our strategies – U.S. and Japan – and our common strategy towards Asia. Who are we reassuring? We're definitely reassuring Japan, and India and Australia. What about China? I suspect that the Chinese embassy did not report back good news. (Laughter.)

Senator Gardner prevailed. Not that this was about containing China. The National Security Strategy is about competing with China and Abe's National Security Strategy in 2014 was also about competing with China. But, of course, it's complicated.

Your state has deep economic involvement with China. So let me – why don't I start with you, Senator Gardner, and then go to you, Yoshi? Because the prime minister just went to China recently and had a pretty successful summit. Some people are wondering whether he's moving away from Trump or what does this mean. So maybe we'll start with you. How did you think about China in this overall legislative and strategic effort?

SEN. GARDNER: Yeah. Well, the United States is and will remain a Pacific power and our presence from economies to security matters greatly. It matters to the people of Colorado, it matters to the people of all 50 states and it matters to our allies throughout Asia. I mean, the largest standing armies in the world, many of them are in Asia. Many of our mutual defense treaties' allies – our alliances are in Asia. A massive percentage of global trade transits through Asia. A massive percentage of global travel transits through Asia. And so what we are reassuring is, number one, that we will remain this Pacific player, Pacific power, that our allies can continue to look toward the systems and values of sort of Western democracies and the United States and that we are not going away – that we are going to be there stronger and more present than ever.

So whether it's solid rule of law, whether it's solid trade agreements that we need to get back into, whether it is the idea of security and counterterrorism assistance, this is sort of an all-of-the-above soup to nuts strategy for our presence and reassuring our allies and sending a signal to China or whoever else that we're not walking away and that we are going to stand up for what we believe in

when it comes to economies, trade, human rights, and the values that make Japan and the United States so strong.

MR. GREEN: Yoshi, what about the Japan-China relationship?

MR. HAYASHI: I think it's very important that – to say that we are – our bilateral relationship between Japan and China getting better before U.S.-China trade war started. So I was invited to the TV programs right after Prime Minister Abe went to Beijing to see Xi Jinping, and the frequently asked question is China is getting close to Japan because of that. But I argue against that, that, you know, remember last year when the Trump administration started, there was honeymoon days between China and the United States. And at that time already we are stepping one by one to, you know, betterment of the relationship between China and Japan.

And I still remember July two years ago at the Chinese something – national – (inaudible) – or something like that. Prime minister came to the big convention hosted by Chinese embassy and he said: I will be very hopeful to see the head of the states coming back. So maybe Li Keqiang, the premier, might visit Japan, and then I – means Prime Minister Abe – will go to Beijing. And then, finally, we are really looking forward to Xi Jinping's coming. That's July two years ago, so – and that was a kind of sweet surprise for everybody there. And actually, two of three already in Xi.

So that's why I think management of this triangle – United States-China-Japan – is essential, because nobody can move from the position – we can't move our house to somewhere close to the EU. So, you know. And also a big difference between the Cold War between United States and Soviet Union at that time was we have heavy trade, and more investment in each other. So already we have economically increased interdependence. So – and this is very good. If we are economically interdependent, we have to do something on security side. And each party should understand that basic situation we are in and try our utmost effort to achieve that goal.

MR. GREEN: Thank you. I'm going to open it to the audience for questions. Senator Gardner has, I think, about five minutes? We said from –

SEN. GARDNER: Till about 35, yeah.

MR. GREEN: Yeah. So in the front here, please. Since we're short on time, I'd appreciate, identify who you are, and a brief question would be good.

Q: Thank you very much. Voice of America, Russian service. My first question is to Mr. Hayashi Yoshimasa.

Prime Minister Abe is doing a lot to make a deal with Mr. Putin on northern territories. He's very active in offering Moscow serious economic projects, while other G-7 leaders are refusing to do so. How far, in your opinion, Prime Minister Abe's ready to go in these efforts? For example, maybe to promise Russia not to use northern territories for military purposes, or something else. And my question to Senator Gardner is almost the same, how forgiving Washington will be towards Tokyo in all Tokyo's efforts to get this deal? Because as we know, President Trump is really critical on Europe for Nord Stream II. Thank you.

MR. HAYASHI: I was with him in the new year's ceremony in – back in my district, was his district too. So I hear him making a speech. The victory that he already said he is planning to visit

Russia to see President Putin within this month, and maybe before he was to the Davos meeting, all right? And he said they already agreed in Nagato City, which is also in Yamaguchi Prefecture, so that that formula is already set, so that this time in that formula he said he will try his utmost effort to make progress. And he, at the same time, says me and President Putin should end this negotiation. That means they will be meeting. So that's his announcement in the public speech.

So and I now am out of the Cabinet. I was in the Cabinet since last October, as the education minister. So I don't have any information inside the Cabinet. (Laughs.) But hopefully looking – listening to what he says in his open speech, I think some progress can be hoped for, for this meeting. But this – I don't think this – you know, it's not going to be the final meeting. So but a good start to – could be a good start for this year, which might be continuing to closing to the goals.

SEN. GARDNER: I can't speak for what Ambassador Hagerty or Secretary Pompeo have said in regards to any conversations or negotiations that you mentioned. I will say on the issue of Nord Stream II the president is right to be highly critical of Nord Stream II. I am very concerned that Nord Stream II is a manipulative tool that will be used to further corner European energy supplies in a manipulative manner. And I think the Congress will take further actions as it relates to this pipeline.

MR. GREEN: I'm sorry, we're going to – it's a good question, but we're going to give some other people a chance. Yeah, right here in the front. Thanks.

Q: Hi. Chia Cheng (sp), United Daily News Taiwan.

I believe one of the issues for U.S. and Japan's cooperation is to keep the stability of cross-strait. However, President Xi Jinping's recent remarks doesn't rule out use of force to take over Taiwan. I wish to hear both of your position. And another question for you, Senator. When are you reintroducing the Taipei Act? Thank you.

SEN. GARDNER: Thank you. Yeah, thank you. Look, obviously – Mike, I don't know if you wanted to go first on that question. I'm sorry to jump in.

MR. GREEN: No, no.

SEN. GARDNER: So the Asia Reassurance Initiative has significant language dedicated to the U.S. relationship with Taiwan, from the Six Assurances, restating our adherence to them; making sure that we regularize arms sales, routinize arms sales to Taiwan; and making sure that we have high-level visits to Taiwan from the United States. And we will continue to pursue those commitments and protections.

I think we've made that very clear to – I had Ambassador Hsueh in my office here a couple of weeks ago and made those provisions part of our conversation. And our commitment to our relationship with Taiwan is stronger than ever.

And as it – as it relates to the TAIPEI Act, the TAIPEI Act is legislation that we put forward that says the administration is authorized to deny federal funding, deny aid to countries that back away from their relationship with Taiwan. We introduced it last year as a bipartisan bill. We will introduce that again soon in the new Congress.

MR. HAYASHI: There's no such big debate or sexy discussions about Taiwan in Tokyo nowadays. And, you know, trade relationship is very nice. And also, you know, betterment between the China-Japan is not affecting so much politically in a negative way for Taiwan-Japan trade relationship. So that there's not – no such, you know, change of the status or change of the way of thinking now in Tokyo as regards to Taiwan.

MR. GREEN: I suspect in this room and other rooms around town we'll be talking a lot more about this cross-straits issue, especially between the U.S. and Japan. President Tsai's new year's speech, what she said about the Xi Jinping speech and the 1992 Consensus, if a president of Taiwan had said that a few years ago there would have been quite a backlash in town. But because of what Xi himself said about unification being inevitable and so forth; and because of the growing support for Taiwan, I think it's fair to say, in the Congress over the last few years; and because of Prime Minister Abe's very close relationship on a personal basis with many in Taipei –

MR. HAYASHI: His family.

MR. GREEN: With not only his family. And I think this is – this is going to be a core issue, maybe the one that tests your strategy the most –

SEN. GARDNER: Well, you know, I would say just the growing support for Taiwan in the United States Congress. You know, we've seen over the decades the strength of the U.S.-Israel relationship. And I use this example because of the bipartisan nature of the support. This is a bipartisan cause. It's a bipartisan effort. There is bipartisan support for it. You see that same level of bipartisan support for Taiwan, and I think that is an incredibly strong message.

MR. GREEN: So we're going to wrap up here. I just want to express really a profound thanks to Senator Gardner for all the work that went into this. For anybody like me on either side of the aisle who works on Asia – this legislation passed when I was in the region – it makes a great conclusion to any speech – (laughter) – by an American in Asia about our commitment because we're a democracy. And when you have the U.S. Congress on a bipartisan basis in this level of detail make this kind of statement, it's really powerful. So on a personal basis thank you, and thanks for joining us today.

And, Yoshi, thank you for all your work, beginning in the U.S. Senate and now in Japan.

We'll change panels in a second, but first let's thank our distinguished members for joining us. (Applause.)

(END)