National Defense Program Outline: A New Security Policy Guideline or a Mere Wish List?
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On December 10 2004, the Japanese government released the new National Defense Program Outline (NDPO) and the Mid-Term Defense Program (MTDP). After the ground-breaking report from the Council on Security and Defense Capability (better known as the Araki Commission Report), many observers of Japanese security policy anticipated that these two documents, particularly the NDPO, would launch a new chapter in Japanese security policy.

The NDPO does in fact introduce new elements. For one, it defines the basic principles of Japanese security policy for the first time—deterring direct threats against Japan, and minimizing the possibility of Japan being threatened by improving the international security environment. It also pays particular attention to “new threats and various situations (i.e. terrorism, proliferation of weapons of mass destruction)” as the threats that Japan will have to focus in today’s security environment. The NDPO gives equal importance to the Self-Defense Forces’ (SDF) participation in international operations as to the defense of the homeland and maintenance of a strong US-Japan alliance. The importance of inter-agency coordination and cooperation with nongovernmental organizations is also noted for the first time.

Alarmist reporting, mainly in the English-language media, of how the NDPO focuses on “threats” from China and North Korea, is exaggerated. Although there is no doubt that China and North Korea represent growing concerns for the security of Japan, references to these countries in the NDPO report are carefully-worded and are in no way provocative. Moreover, the NDPO articulates that Japan will continue to uphold the basic principles of Japanese defense policy, including senshu boei (exclusively defense-oriented posture), the three non-nuclear principles, and maintenance of civilian control.

The NDPO also calls for Japan to have a defense capability that is “responsive, mobile, flexible, and multi-purpose” and supported by “high technological and intelligence capabilities.” To achieve these goals, the NDPO dictates that Japan should have a defense capability that not only responds to ballistic missile threats but other security threats, including guerrilla attacks, the takeover of the distant islands, incursion attempts, and large-scale disasters. The NDPO clearly reflects the recommendations set forth by the Araki Commission for Japan to play a more active role both within the context of the US-Japan alliance and the international community.

However, Japan needs to overcome one critical challenge in order to achieve these goals—a lack of resources. The newly set ceiling of the total budget for the new MTDP is approximately 24.3 trillion yen with annual budget growth rate decreasing. In order to achieve the goals set by the NDPO, the MTDP has a list of new acquisitions and improvements that are necessary. Between the ballistic missile defense-related items, next generation of transportation and fighter aircraft, and improvements and enhancement of current equipment, the list is long and wide-ranging. Yet, neither the NDPO nor MTDP discuss how to secure enough resources to fund these new acquisition and modification programs. It seems as though the government has forgotten the fact that all of these steps require considerable resources.
To their credit, both the NDPO and the MTDP discuss the necessity of rationalizing the acquisition process. Some observers also argue that extra resources may be freed up by reducing the number of SDF personnel. However, it is obvious that the items that are included in “to acquire/improve list” in the MTDP are highly technology-intensive—that is, it is fair to assume that each item is extremely costly. The meager attempt to reduce the personnel level of the Ground Self-Defense Force by 5,000 will not free up much resources (and the reduction itself is nothing but nominal, since the cut is only felt in the reserve component.) Even with drastic procurement reform, it is still questionable how much that will alleviate the budgetary pressure.

In sum, it appears that the Japanese government has set an impossible goal for itself—doing more with fewer resources. How is this possible? The answer is in the process by which the Japan Defense Agency (JDA) and the Ministry of Finance (MOF) negotiated the MTDP and other budget-related matters. To put it simply, there was a clash between the MOF’s “we can only allow this much” budget approach and the JDA’s “these are the resources we need to implement these changes” approach. In the end, MOF clearly prevailed. The comment such as “there is no sanctuary in budget reduction” coming from Prime Minister Koizumi in the final stage the negotiation did not help the JDA negotiators either.

In the end, the NDPO sets a noble and courageous goal for Japan’s security policy, while at the same time raising a number of critical questions. Is Japan willing to provide enough resources to the JDA to achieve the goals of the NDPO? If so, how does Tokyo explain the budget decrease when the SDF is about to embark on the biggest transformation in the post-war era? Does the government really expect that acquisition reform will free up enough resources to carry out the transformation? Are the goals of the NDPO and MTDP even realistic? With so many questions unanswered, it remains to be seen whether the NDPO will really serve as a new security policy guideline for Japan, or merely an unattainable “wish list” of the Japanese government.

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