

PANEL 2: EUROPE AND MIDDLE EAST

[Richard C. Bush III](#) (Moderator)

Tadayuki Hayashi
Vice President, Hokkaido University

[Justin Vaisse](#)
Senior Fellow, [Foreign Policy](#), [Center on the United States and Europe](#)

Keiko Sakai
Professor, Tokyo University of Foreign Studies

[Michael E. O'Hanlon](#)
Senior Fellow, [Foreign Policy](#)

MR. BUSH: Why don't we go ahead and resume? We're on a rather tight schedule. Our first session was about resurgent great powers and what they mean for the alliance. Russia is trying to revive after two decades -- China after two centuries. And now we move to various regions of the world. I guess they're all in the northern hemisphere. And we're going to move more or less from west to east. And we're going to start with Europe and our two speakers are Tadayuki Hayashi, who is the Vice President of Hokkaido University. He is going to be presenting the views of Professor Osamu Ieda, who unfortunately was -- he was scheduled to come, but then could not come -- and he'll probably have a few comments of his own. And then my colleague here at Brookings, Justin Vaisse, who is in the Center on the United States and Europe. Then we'll move to the Middle East and our presenters are Professor Keiko Sakai, who is a professor at Tokyo University of Foreign Studies, and my good friend and colleague, Mike O'Hanlon, Senior Fellow here and Director of Research at the 21st Century Defense Initiative. We have detailed bios of all of them if you want to know more, but I think you

want to hear from them rather than from me. So we will start with Vice President Hayashi.

MR. HAYASHI: Iwashita-sensei told me let's go to Washington, D.C. Your duty is only to say thanks to Minister Shinoda in the embassy. So I said yes. So in the morning of our departure, he send me an email. Okay, you are pinch-hitter for Ieda. You have to make a presentation. Okay, so I do. And I would like to make some supplemental remarks to Ieda's paper. His paper refers to the history of East European Studies in Japan and refers to new possibility of Japan-U.S. cooperation in the field where (inaudible) and so on.

So I would like to refer two points Ieda's paper does not mention. First point is relationship between Japan and Central Eastern Europe and the history of the world politics. Now hereafter I say Central and Eastern Europe is CEE or CEE countries and also I'm not economist but I would like to say something about the economic relations between Japan and CEE countries. Okay. So, now, neither Japanese nor CEE people regard each other as strategic partner in the world politics. A few days ago, our Prime Minister Taro Aso visited Prague, the capital city of the Czech Republic, and met Czech Prime Minister TopolaneK. Maybe he is still prime minister, but today is the last day or tomorrow is the last day -- so, but it is important thing for me, but it is not for you. I say more. Maybe -- so anyway -- two prime minister -- so, according to newspaper report, Mr. Aso and Mr. TopolaneK discussed mutual information exchange on the swine influenza. This topic is perceived as much (inaudible) in Japan comparing in the United States. So it is correct topics in this meeting in the context of Japanese domestic politics -
- but, no more of that.

Anyway, it seems that they did not discuss new strategic cooperation between the two countries. Of course, I think it is natural thing. Security of CEE country is in the framework of NATO and the Japan security is in the framework of Japan-U.S. alliance. So here I want to say a little two episode, I want to say. Here, first episode was two Polish politicians visit to Japan in the period of the Russo-Japanese War, 1904 and 1905. One is -- that Polish politician -- one is Roman Dmowski and the other is Jozef Pilsudski. They were eminent Polish political leaders and rival for political leadership of national emancipation struggle at the time. Their visit did not have any impact to the course of war, but anyway Japanese authority, which invited them to Japan, and two Polish leaders who came to Japan had each different strategic intentions anyway.

And second episode took place in April 1918 -- the last year of World War I, a Czech political leader appeared in Tokyo without any previous announcement. His name was Tomas Garrigue Masaryk -- top leader of the Czechoslovak Independence Movement and he would be the first president of Czechoslovakia at the end of that year. Now, his statue is in Massachusetts Avenue. I found it yesterday. In that year, after the February Revolution of 1917, he was successful to organize Czechoslovak Legion Volunteer Corps of Czechs and Slovaks. He came to Tokyo on the way to Washington to gain the support of Japanese authority to his plan. He wanted to transfer this corps from Russia to western front of Europe. This visit also did not affect -- did not affect the policy of Japanese government. At that time, Japanese foreign ministry did not know who was Masaryk. And from May to July of that year, armed struggle had occurred between Czechoslovak region and Bolsheviks. Then at the beginning of August, Japanese and U.S. government declared their joint dispatch of troops to Russian Far East

and as the pretense that they would rescue the Czechoslovak region from the threat of Bolsheviks. Thus, the history of Siberian Expedition began. At this point, a kind of triangle relationship among Japan, U.S., Czechoslovakia appeared and, of course, all three had different ambition and different intention.

So, from these episodes, we may say that a great war including political disorder in Russia were important initiator of mutual interest between Japan and the CEE. So, political or strategic distance or indifference between Japan and CEE is very good indicator of international peace in Eurasia. And Ieda's paper says our East European Studies has kept more academic orientation and indifferent to political orientation. However, in post-Cold War period or post-Communist period, political or strategic distance did not disturb development of economic relationship between Japan and CEE countries.

So far Japan's share of trade in CEE countries, as well as CEE's share of Japan's trade is insignificant. However, in these ten years many economists pay attention to rapid increase of Japan's direct foreign investment to so-called Visegrad four countries -- namely Poland, Czech Republic, Slovakia, Hungary -- especially to Poland and Czech Republic. Japanese manufacturers -- including Toyota, Panasonic, Sony and so on -- are building new production centers in these countries for the EU market, taking advantage of relatively cheap and high skilled labor. According to report of the Mitsubishi UFJ Research and Consulting, the Czech Republic and Poland are Toyota's fourth and fifth production point in Europe in 2008. First is the U.K., second is Turkey, and third is France. But, anyway, production share of the two countries -- Poland and the Czech Republic -- in Toyota's production in Europe is rapidly increasing. It is clear that in

Europe -- at least in Europe, Japanese manufacturers are shifting production centers from west to east. Of course, however, it is too early to draw a domestic conclusion for economic relations between CEE countries and Japan. For example, no one knows how recent world financial crisis will affect these young economies.

Anyway, I think that our Central and East European Studies cannot remain academic. Almost 10 years ago, one consulting company -- Japanese consulting company -- invited me to some seminar as a lecturer. Surprisingly for me participants of that seminar were only Toyota's staff member. And they told me that, okay, you are not economist, you need -- you do not need to say something about the economy. We analyze ourselves. But please say politics and international relations and history. You can say anything which I am interested in. So I say many things about this area. So they listened. My talk -- very earnestly and maybe more earnestly than my students in the University -- so I felt -- okay I finish -- okay. I felt -- so I felt as a time when new era had come. Okay.

Anyway, so it is clear that CEE countries and Japan and the United States are in the globalized world in the economics. So thank you very much. I finished.

MR. BUSH: Thank you very much, Mr. Hayashi. Justin?

MR. VAISSE: Thanks, Richard. I was a bit surprised, but -- well, let's say I was amazed, but not really surprised that my respected colleague, Hayashi, didn't mention the fact that the summit of Monday was, of course, an EU-Japan summit and not a Czech Republic-Japan summit. And that there was not only Topolanek, but also Jose Manuel Barroso and Javier Solana and that what came out of that is a 10 page joint press statement with, I think, pretty significant conclusions. And, of course, they talked about

the swine flu -- that's correct -- but they also talked about issues of lesser importance like the global financial crises, for example, global warming, where the EU and Japan are leaders, the future of peacekeeping operations, the future of the U.N, and such minor issues.

So my point, I guess -- my first point -- would be the idea that the rationale for what was called in the 1970s and what is still known as tri-lateralism remains very, very strong. By training, I'm a historian of the U.S. foreign policy -- especially in the 1970s, which is the decade where it really began. And I worked on the integration of Japan in what you can call the Atlantic World -- especially under the -- with efforts by people like Zbig Brzezinski and others. And, of course, America had a very important role after World War II vis-à-vis the, let's say, the socialization of Japan back into the international community, but let's not forget that the general idea in the '70s, '80s and which I think remain very true, is that there is natural link between the U.S., Japan and Europe.

The EU and Japan together represent about 40 percent of global GDP. With our junior partner, America, it's about 60 percent. And, of course, there is a diffusion of power and newcomers like China, Russia, and others. But the difference with them is that they cannot be full fledged allies. They can be -- and they should be -- partners. Sometimes they are competitors. But they cannot be allies. The U.S., Japan and the EU are natural partners. We share common values of democracy, the rule of law, social justice and human rights, as well as a strong commitment to free and open markets. So in this spirit, I'd like to focus not so much on what the U.S. and Japan can do for

Europe, but how the U.S., Japan, and the EU can cooperate to further their own interests and world order.

So my second point is that the EU and Japan have striking similarities in their position in the international system and could, and should, do much more together and that would really help the U.S. After all, when they act on the global stage, both Japan and the EU mostly emphasize their civilian power tools of trade, aid and diplomacy. Both take multilateralism very seriously. Both face the challenge of dealing with the demands of new emerging powerhouses like the ones I mentioned without the same clout as the U.S. And, of course, their relationship to America is strikingly similar. Granted, the security configuration is somewhat different as Japan is still more dependent on the U.S. for its security, but, by and large, we -- meaning Japan and the EU -- face a similar dilemma -- how to support our friend and ally, America, when it's doing good and useful things and how to influence it at the same time, especially when it's doing not so good things.

One example -- a good example is Iraq. This is something that by and large Europeans and Japanese were not very comfortable with to say the least. They were torn between the widely shared conviction that it was a blunder and the necessity of being good allies of Washington. And maybe you know the famous formula written by Bob Kagan about the U.S. making the dinner and the allies -- the European allies making the dishes, meaning coming after the battle and doing peacekeeping, etc. But in this case, we didn't do much of the dishes -- either Europe or especially France and Germany or Japan. Even if Japan sent some reinforcement between 2004 and the recent years, but that didn't amount to much. So that shows there was a problem. And so how can Europe and Japan

avoid that kind of situation? How can they both fine tune this balance between speaking their mind and being good allies?

Well, I think one way is to increase bilateral consultations and how, you know, what world order do we want and how best to talk to the U.S. about this. And second, I think, and that's a bit more sort of concrete policy recommendation, by conceiving of burden sharing differently. At a time when the U.S. is probably over extended, I think we can help America shoulder its global responsibilities by doing more together -- the EU and Japan -- on some issue -- issues. Like, you know, take Africa, for example. Let's take piracy off the coast of Somalia, which was discussed by Taro Aso and European leaders four days ago. This is a problem that affects us all since we have a large part of world trade -- especially in this region. And guess who is -- what's the main organization fighting piracy off the coast of Somalia? It's not the U.S. Navy. It's not NATO. It's the EU. It's the Euro NAVFOR EU mission. So why not cooperate with Japan, which has just sent escort ships there, and do more? That would be sort of different burden sharing with the U.S. -- acting where the U.S. is either not interested or doesn't have the resources, doesn't want to divert the resources to do these things.

Another example -- Darfur. The main mission to secure refugee camps was the EU Mission and it ended a couple of weeks ago to help the UN take over. But we need help and Japan can help these kinds of mission. But also I could give other examples -- the Congo or dealing with Sudan, for example. More generally we're faced with the increasing role of China in Africa, and that role is not very helpful, frankly, in the sense that what China is offering African countries goes against the policies of conditionality that the U.S., Japan, and the EU in particular have insisted on

implementing. And so this is undermining our leverage for getting a better governance in Africa. And so we should do more to consult -- the three of us -- the EU, Japan, and the U.S. -- including in multilateral institutions like the IMF or the World Bank.

So at the end of the day, the kind of EU-Japan leadership -- this kind of EU-Japan leadership is really what I think could do a lot to help the U.S. make this a more stable and secure world -- probably as much as sending people in Afghanistan, for example.

That gets me to my third and last point. I think the U.S., Japan and the EU together must do a lot more in the realm of reform of multilateral institutions. I don't need to tell you what a great tradition of presence and influence Japan has in the multilateral system -- whether in the UN or its weight in the Bretton Woods institutions. It's, of course, part of the G8 since the '70s. We get back to that important period for tri-lateralism. And I think we -- the three of us should do more to reform the system. After all, we have, by and large, similar goals. We are, by and large, like minded on this question of multilateralism. We face similar challenges -- that is how to accommodate the legitimate demands made by new powers to integrate these institution and how to adapt them to our age. And third point is that we would have considerably more clout if we acted on the basis of common position. So, what does that mean concretely in terms of policy recommendations? I would like to focus on four examples -- the U.N. system, peacekeeping, G8 versus G20, and the IMF.

The UN system first -- Japan is one of the biggest contributors and, of course, its objective is to benefit from a reform of the UN Security Council or at least avoiding to see its role reduced in any reform while also reforming the U.S. -- I'm sorry --

the UN system which costs so much that is to streamline its budget, to make it more efficient, and to expand voluntary contributions versus assessed contributions and more generally increase its clout. And this is a point of convergence with EU, not a point of difference -- especially at a moment when a new administration -- the Obama Administration is sort of reinvesting or reentering the UN system and wants to reform it. There is room for what I believe should be a tri-lateral discussion. I also believe that there's general convergence on the question of UN Security Council reform, but I'll leave that maybe for the question and answer sessions for the benefit of time.

Second example -- peacekeeping. Peacekeeping has exploded in the very recent years to the point that we are now in sort of a similar situation as we were in the early 1990s when it first exploded. We are getting close to 20 operations worldwide, more than 110,000 blue helmets around. This is very expensive -- especially for, guess who? Japan, the U.S. and EU countries. We represent about 80 percent of these costs. So basically we are the UN peacekeeping. Of course, we are not the peacekeepers. That's different. But for the budget, the three of us make up about 80 percent of that. So can we continue in times of economic crisis? Aren't we at the tipping point? Are these operations effective? Do they make a difference? Are they cost effective? Well, my answer -- it's open to debate -- but my answer is probably that yes, these operations still make sense. And they are, if we follow the conclusions reached by James Dobbins at Rand, yes, UN peacekeeping operations are cost effective and it's a cheap way to help maintain world order. But still, I think we can do better and the way to do better is to discuss together about what we want to do with something that we basically fund in almost its entirety.

Third example -- G8 and G20. Look at the -- let's talk about the G7. The G7 -- it's us. It's the U.S., Japan and Europeans -- and then Canada as well. So I would include Canada here. And then we added Russia, but we all know the specific conditions under which it was done. I think this is a very good example of dilemma for Japan, the EU, and the U.S. Shall we cling to this forum of the G8, where basically we get to decide things, but which is increasingly irrelevant? Or do we maximize our clout -- our tri-lateral clout -- in new institutions that work better? You know, it's a matter of serious debate. After all, we stand to benefit from a strengthening of the rules of the road and multinational -- multilateral institution even more than the newcomers do -- like, you know, Brazil, India, Russia, China, etc. But the evident recommendation here on jumping from the G8 to maybe a G14 or to the current G20 is that the EU, Japan, and the U.S. -- and I would add Canada -- would closely consult and coordinate beforehand.

Last example, and I'll finish with that -- the IMF. The IMF is an interesting zero sum game because voting rights are 100 percent and you cannot expand to 110 percent. It doesn't make sense. So one's gains, is the other one's losses. And -- but if you add the U.S., Japan, and European countries, then you get about 50 percent. And if you add Canada, you have a bit more than 50 percent. So basically we are still paying for the bulk of the IMF reforms -- even more with the recent increase during the London G20 Summit. Of course, that needs to be reformed and, of course, we want to integrate the newcomers like China. We want to do that. But I think we should be very, very careful about it. One of the clichés is that oh, well, these Europeans -- well, they could get together because they are the European Union and so they could just one seat and make room for the newcomers like China, India and others. But actually if you look

closer to the issue, you will see that the U.S. already made a lot of efforts and actual reform to increase the role of China, Mexico, and Turkey in particular, and it will certainly go further, but then you -- meaning Japan and the U.S. -- you really need to think twice about a unique EU seat. You know, be careful what you ask for because, of course, the newcomers would be much less likeminded than European powers are and especially because the way voting rights are assessed, they are partly based on contributions, partly based also on trade. And so if there's just one EU seat, the trades -- the intra EU trade would disappear. So the role of Europeans would be dramatically decreased and, you know, maybe Europeans don't like that. I guess they don't. But it's not the issue. The issue is that the power balance at the IMF would be dramatically different and we don't necessarily want that to go in a direction that we don't like. And so we have to think twice. And here again, I think the logical conclusion is we need to consult -- the three of us -- EU, Japan and -- the U.S., Japan, and the EU -- much more closely.

So my conclusion -- my overall conclusion is that now that the world is more complex, that power is more diffused, that we have less and less leverage over it, it's time for likeminded poles or powers to get together. In other words, and with all due respect to the author of the formula I'm about to emulate, ask not what the U.S. and Japan can do for Europe, but what the U.S., Japan, and Europe can do for themselves and for the freedom of man. Thanks.

MR. BUSH: Thank you very much. Our first two speakers have put a lot of interesting material on the table. I'm sure that's provoked some questions and

comments in your mind. Please hold them in reserve for the question period. We now move to the Middle East and we start with Professor Sakai.

MS. SAKAI: Thank you very much, Mr. Chairman. Well, it's the first time for me to speak -- to give the presentation in front of the audience on the -- not on the Middle Eastern studies. I'm specialized on the Middle Eastern studies and especially on the -- keep studying on the Iraqi domestic politics. And it's also the first time for me to speak about the U.S.-Japan alliance and actually as a researcher for the Middle Eastern studies, I frankly have to admit that the presence of the U.S.-Japan alliance work often negatively in my study in the Middle East. So I'm afraid my presentation will not satisfy the intentions of our leader of my team, Mr. Iwashita, but I apologize from the beginning -- at the beginning.

Let's start. Whenever Japan's policy on the Middle East is discussed, the scholars finish their arguments saying that there is no policy on the Middle East other than to follow the U.S. policy. As Japan tried to search for her own policy toward the Middle East only for two decades after the oil crisis in 1973, but in most of the cases her policy has been decided in the context of her relation with the United States. It does not mean, however, that there is no room for Japan to play a role in the Middle East. Japan has a strong advantage in having her relation with some Middle Eastern countries which have no official relation with the United States. It means that Japan can act as a mediator between the U.S. and these countries. She could have been able to prepare the under the table negotiation between the United States and the Iran, for example, as she did between PLO and the United States. Japan could have provided a complementary choice to cover

the lack of U.S. experiences in the countries such as Syria, Iran, and Iraq under the Saddam's regime, where Japan had some business and cultural relationship.

Let's take another example of the case of Iraq. Could Japan have done, or still can she do something to cover the U.S. failure in Iraq? One of the major mistakes of the United States in Iraq can be described as follows. The first was the problem with the immediate dissolution of the Iraqi military and the security apparatus and the purge of the Baathist from their official post. Second was over generalization of the Sunnis as supporter of Saddam. The third point was that the U.S. failed to predict the political emergence of the Shiite Islamists properly. These failures were caused by the lack of the U.S. experience in Iraq during the '70s and the '80s. While the United States has only 60 years diplomatic relations with Iraq in the late '80s, Japan used to have a close connection with Iraq since '70s. Even though Japan cannot contribute to improve the security situation in Iraq, the experience of Japanese diplomats and the business circles that had direct contact with the Iraqi society should have contributed to give better advice in the post-war reconstruction in Iraq. Moreover, knowledge that the Japanese academics had on Iraq might have shown the different direction in the post-war management in Iraq.

I, as a researcher on Iraq for more than 20 years, share the understanding of the other Japanese scholars on Iraq as following. The first -- the Baathist as a whole should not have been considered as Saddam supporters. Second, that we could have been able to employ anti-Saddam Sunni tribal group in the post-war regime in the earlier period. Third -- difference between the Al-Da'wa party and the Supreme Council is fundamental in their nature and the ideological stance and we could have been able to restrict the power of Shiite Islamists in the post-war regime.

Well, I have published two articles on the above subject shown in my handout. In the latter article, I analyze the social and the political background of the Saddam regime using the official data on the cabinet members, members and the candidates of the Parliament as well as party politicians published in the official documents and state-read newspapers. To conclude it briefly, Saddam stopped relying on the Baath party after the mid '80s and especially after the Gulf War. Instead, he established a coalition-like ruling system among the local groups from the Upper Tigris, that is Mosul, and the Middle Tigris, that is Tikrit and Samara, and the Upper Euphrates, that is Anbar province, and mobilize a tribal identity along that system. It does not mean that the coalition among the local groups always kept integrity as being Sunni. On the contrary, the conflict between the local groups in the Upper Tigris and those in other areas developed into the tribal feud and the military upheaval in the '90s.

The Dulaim tribe in the Anbar Province are the typical example. The Dulaim tribe revolted against the Tikriti dominance in 1995. When the United States gave the privilege to the opposition against Saddam's regime, in the post-war regime, Dulaim's should have been considered as a possible partners. Once the United States failed to do so, they started anti-U.S. militant activities. Same can be said to the member of the Baath party. Many of them used to be enrolled in the party simply for their job promotion. In the '90s, the Baathist member no more enjoyed the political privilege in the regime. It was wrong to categorize those Sunni tribes and the Baathist members as a whole into remnants of the Saddam regime.

As for the other article that I mention in my handout, I have pointed out the nature of the Da'wa party differs a lot from the Supreme Council although both of

them are Islamist based on the Shiite belief. Studying in the history of the activities and the political thought, we can see the Da'wa party pursues the separation of the religious circle and layman political leadership and aim for the institutionalization of the religious authorities. On the other hand, Supreme Council is inclined to depend on the social network of the religious authority in their activities. In addition, it was proved that some of the founding members of the Da'wa party used to participate in the Muslim Brotherhood or (Arabic), the Sunni Islamist organization in the '50s. It hints that the Da'wa party may have more connection with Sunni Islamists than the Supreme Council has.

If the United States or Japanese policy makers take these academic findings into consideration, they should have come to the conclusion that the Da'wa party and Supreme Council should not be treated in the same category from the beginning before they formulated the Shiite coalition. There was a possibility for the Da'wa party to establish a coalition with Sunni Islamists before the sectarian conflict happened in year 2006.

Well I have reached the above conclusion, which might be quite different from that of the scholars in the United States through analyzing the primary data from Iraq. It seems to me that the reason why our understanding on Iraq differs from that of the American scholars is that our analysis is mainly based on the empirical evidence. Japan had an advantage in collecting the primary data from Iraq either directly or indirectly. It is one of the feature of the Japanese academism to attach importance and rely on the primary sources from various actors in the area. In the tradition of the Middle Eastern study in Japan, long-term field research is essential to understand the area. For

them, the most important thing is to know the history and the language and shed light, the role of the traditional religious network in the society. It is obvious when we see the composition of the member of the Japan Association of the Middle Eastern Studies, the biggest academic organization that was established in 1985. About 60 percent of the scholars in the Middle Eastern study major in the humanities. Only less than 20 percent are social scientists.

Unfortunately, the Japanese government does not necessarily appreciate the huge accumulation of the historical and agricultural and the linguistic knowledge among the academics and does not utilize it in their policymaking. On the other hand, skepticism among the Japanese scholars against the Japanese policy -- government policy towards the Middle East seems to be an obstacle for the scholars to be involved in policymaking. One of the reasons is that the antipathy on the Japanese dependency on the United States and her policy towards the Middle East. Most of them are critical on the U.S. stance on the Middle East and insist that Japan should keep distance with the United States. It might be irony, however, that the Japanese government often emphasize the fact that the Japan differs from the west in having no colonial past in the Middle East. It is true that the people's expectation in the Middle East towards Japan is very high in this sense. It is a sympathetic mood -- there is sympathetic mood among the Iraqi people towards Japan, mainly because Japan was hit by atomic bomb.

When the Self-Defense Forces was dispatched to Samawah and in Iraq, Self-Defense Forces tried hard not to be perceived as a part of occupying force. The people in Samawah fortunately recognized the Self-Defense Forces as a kind of the construction company because they still keep a good impression on the Japanese

companies which used to construct almost everything in Iraq in the end of the '70s. It means that the role of Japan is highly appreciated in the Middle East when Japan does something different from what the United States does.

To summarize, Japanese government should show that there is room for building up their own policy toward Middle East, utilizing the knowledge and the information and the search for the possibility of doing what the United States cannot do in the Middle East. Thank you very much.

MR. BUSH: Thank you very much, Professor Sakai. And now we go to our cleanup hitter, Mike O'Hanlon.

MR. O'HANLON: My first job is to make you forget that it's lunch time. That's a pretty tall order. So I'm just going to try to be quick and echo some of the points, add a couple more and then look forward to the discussion as I know we all do.

And by the way, Keiko, very interesting presentation and I would like to add a point which is that because of Prime Minister Koizumi's relationship with President Bush at the time when some of the Iraq decisions were being made, there was the potential -- although it was hard for anybody to have this impact -- but there was the potential for Japanese scholars and the Japanese Middle Eastern expert community to have an impact that some of us might have liked to have in the United States but didn't always find receptivity. Not that I have the detailed knowledge of Iraq that Keiko does, but that some of the themes that I heard her speak about were, in fact, prevalent among American critics of Bush Administration policy, but there are often moments when a key relationship between two major alliance leaders can actually provide an opportunity for the experts in that country to indirectly have influence here. And I don't think it would

have been very easy to do this because George Bush was fairly set on his ways and even Tony Blair couldn't have much impact. But nonetheless, it's a point worth keeping in mind for the future.

I just want to make three points on three subjects, all of which Justin raised. And so I'd, in some ways, like to echo his perspective. He was speaking partly as a Brookings scholar and partly as a European I think. I want to echo some of those points from an American point of view thinking about the U.S.-Japan relationship.

Let me start with the counter piracy mission in the Gulf of Aden and other parts of the waters near Somalia and I think here there's an opportunity and a need to do quite a bit more. Justin is right that Europe has played a substantial role, but so has the United States, and Japan has played at least some role. I think that we're going to need to do more, however, to protect the waterways going south from the Gulf of Aden, such as the waterways and the routes over which the American ship, the Maersk Alabama, was recently hijacked and thankfully that turned out okay, but it runs the risk -- that particular scenario, runs the risk of being repeated. And I think it would be unwise for us to wait until Al-Qaeda is part of the next kidnapping before we decide to take the threat more seriously. And so I think that we need roughly a doubling in the number of international ships and certainly the United States and Japan can both play a role.

I would also encourage Japanese friends to think about, frankly, being a little more robust in the rules of engagement and being willing to risk the use of force. I know Japanese sailors are willing and able to do it. I would think the Japanese people would be supportive because the mission is fairly unambiguously legitimate and so it's an opportunity for Japan to continue to broaden its international security role not just by

being present in the mission, but by willing to be an assertive participant in the mission with even more ships and even more robust rules of engagement. I think Americans will have to do more as well by providing more ships. And that's a part of our military that does have capacity, despite our current preoccupations in Iraq and Afghanistan. So that's the first point.

The second point -- speaking of Iraq and Afghanistan, don't worry, as an American, I'm not going to ask Japanese friends to do more in Iraq. And, in fact, Justin is tired of me making this joke, but he had an event on the possibility of the United States and Europe doing more in Iraq together, and, frankly, I learned a lot at that session and I decided there were some opportunities, but I still couldn't help but notice that the event was held on April 1st, which as American friends know is April Fool's Day. And let's face it, that one the United States decided to do largely on its own and it's more -- more than ever our joint responsibility with Iraqi friends and I don't think it's realistic to expect a lot more help. Certainly it's good to hear the expertise of people like Keiko and international companies will have a role in developing Iraq's oil. And I hope everyone will do that responsibly because there have been some efforts by some companies to sell Iraq things that it probably doesn't need or can't make good use of and I think we have to watch out for frankly a little profiteering tendency -- not from any one particular country, but from the international community on the whole. But generally, this is an area where commercial companies can help, but we're not going to expect any Japanese direct governmental activity above and beyond what we've already seen.

But Afghanistan is a little different. And Justin mentioned Darfur and Congo potentially more likely opportunities or maybe slightly more appealing

environments for the Japanese to deploy forces to and that would be fine. But I hope the Japanese friends between Afghanistan, Darfur, Congo, in particular -- but for today's purposes, let's say Darfur and Afghanistan so I don't go too far beyond the Middle East -- would consider, frankly, taking the next step in international security obligations and being willing to risk the mission -- a kind of mission that has Japanese ground forces on the ground. My guess is that Japanese friends will be more comfortable with this in Congo or in Darfur than in Afghanistan, but I would as an American scholar, ask you to keep your minds open -- Japanese friends -- about trying to do a bit more on the ground, because the resupply mission in the Arabian Sea is appreciated, but it's not enough given the severity of the challenges.

We're also going to need a lot more help from all of us in supporting the Afghan development effort financially and also with civilian expertise. We've heard President Obama talk a fair amount about this. The needs are only going to get bigger -- especially because we are probably still under-sizing the degree of our commitment -- the degree of the need in Afghanistan in terms of security forces, government capacity and so forth. So I think whatever aid and assistance people are giving now, will probably have to be roughly doubled and then sustained if this mission is to be successful.

Final point -- and if you don't mind my broaching the sensitive topic of UN Security Council reform -- it's, I think, one of those topics that some people care about more than others and some people think is a more realistic area for action than others. I'll be blunt, Americans don't think about this very much. We feel like we have enough problems to think about and also, more than that, no one knows how to make UN Security Council reform and expansion actually work. Most Americans would certainly

support a Japanese seat. The problem is once you do reform, it's very hard to add on a single deserving country without raising the broader question of how do you bring the UN Security Council up to date for the 21st century in general. And it's pretty clear to most of us who have thought about this -- or at least I, maybe I should just speak for myself -- that Japan and probably India need to have some kind of permanent status on a reformed UN Security Council. But after that, the consensus ends and it's not, therefore, realistic with any of the models that I've heard to think about how we can do this correctly.

President Obama cannot afford, in my judgment, to promote UN Security Council reform that brings aboard Japanese and Indian membership, but does not bring aboard a major Muslim country at this moment in our history when we have such a challenge with the broader Islamic world. Recognizing, of course, that India is one of the world's largest Islamic states in a sense because of the number of Muslims, but you know what I mean. That doesn't really count in the idea -- in the mind of the Muslim world. And so we're going to need intellectual help if Japanese friends really want this issue to be on the table. We're going to need intellectual help figuring out how to bring in a Muslim voice to a permanent UN Security Council -- whether that is the organization of the Islamic Conference rather than a nation state, whether that should be Turkey because it's a democracy, whether that should be Indonesia because even though it's not an Arab state and not from the Middle East, it is the largest Muslim country and a country that is showing some signs of impressive movement towards democracy and reform.

These are the kind of questions we're going to need help with and without Japanese friends help, I don't see the issue moving because, again, the United States has

enough on its plate and we don't know how to solve this problem and, frankly for us, it's -
- to be blunt -- just not enough of a high priority. And so to the extent it is a priority for
Japanese friends, we're going to need to work on this one together to figure out the right
formula. I'll stop there. Thank you.

MR. BUSH: Thank you, Mike. We now have about half an hour or so for
questions and comments. I'm going to follow the Iwashita model and take about five
questions and then let the members of the panel answer those and then we'll go for a
second round. So who has the first question? Somebody must have a question. Back in
the back, and then I'll come here.

QUESTION: Samar Chatterjee from SAFE Foundation. Ms. Sakai, you
mentioned that Japanese would have given good advice to Mr. Bush or the U.S.
Administration instead of giving all the details of Baath party and Sunnis and Shiites and
all that, it probably would have been better if you had told him not to invade Iraq. It
would have been better. But anyway, he wouldn't have listened as Mr. O'Hanlon pointed
out. So that's the end of it. However, I do feel on the United Nations seat, Japan should
not get one because it very closely, and almost blindly, follows U.S. policy. So,
therefore, the suggestion of Japan being on the Security Council would be meaningless.
Of course, India and a Muslim state may be one of them. Thank you.

MR. BUSH: Okay. The gentleman from SAIS. Just wait for the mic. It's
coming.

QUESTION: I would like to take issue with one item in the written
presentation that was given here. I understand it is the presentation by Professor Ieda --
namely the statement that East Europeans need a counterbalance to the heavy presence of

Germany in the post-Communist era. It is my understanding that for most East Europeans, the problem is precisely the opposite -- that they see Germany too weak. So I just wonder how can that statement be justified? And second, this I can only assume is some kind of a misprint -- namely saying that in the military sense, NATO plays the role of a counterbalance -- that is to say against Germany for East Europeans and politically the EU steps in to fill that role. It just doesn't make sense to me, so I would like anyone to address this question.

MR. BUSH: Okay. Another question? Sun-won?

QUESTION: I'm Sun-won Park from Brookings. I would like to ask question to Michael and Professor Sakai about East Asian allies commitment to the Afghan war efforts. So, as you, Michael, said that NATO (inaudible) has a lot of difficulties, agonies to legitimate their war efforts in Afghanistan because NATO should not cover Asian part for their own security, and when especially Asian allies like South Korea and Japan does not take any commitment and responsibility in closely working with the United States under the war efforts in Afghanistan. So, however, there is a problem that U.S. side need to show up. What is the real goal of the Afghan campaign of the United States? And also need to make sure and make more clear that what is the commitment U.S. side want to receive from Asian allies. So I would like to hear about.

MR. BUSH: Okay. Over here.

QUESTION: Thank you. Mike Billington from EIR. I wonder if Ms. Sakai could comment on Japan's current role in regard to the crisis with Iran and if to what extent you're actually working to facilitate better relations and prevent a new war from breaking out? Iran.

MS. SAKAI: Iran?

MR. BILLINGTON: Yes, Iran. Yes, yes -- to prevent a repeat.

MR. BUSH: Okay. Over there. Mark?

QUESTION: To sort of link what was said in Professor Ieda's paper as well as with some of the discussion of China in the earlier panel, Professor Ieda is making the suggestion that there's maybe a special role for Japan with its strengths in pollution control technologies to play with environmental issues in Eastern Europe. I heard a very similar proposal made by Professor Lieberthal at Harvard just a couple of months ago with regard to China -- that the U.S. and Japan could play a special role. In terms of rethinking these geometries, is there any special advantage for Japan to be playing the role, sort of, out of area rather than in Northeast Asia? And I guess I address that as well to the Chair who could maybe speak for the China side. Thank you. Sorry. David Wolf from University of Hokkaido, Slavic Research Center.

MR. BUSH: Thanks. I think Professor Sakai had the most questions. So, you can -- what? We'll have a second round. And I'll do you first. Okay?

MS. SAKAI: Well, as for the question about the possibility of the Asian alliance for the security in Afghanistan -- I think that's what you mean. Well, actually I'm not quite specialized on the security issue. I'm sorry to say but it's quite natural for the Japanese scholars to be quite unaware about the defense and security policy. But, anyhow, what I'm thinking is that -- well, of course, it is very important to have some kind of security alliance concerning Afghanistan, but at the same time the root cause of the conflict in Afghanistan and Pakistan is religious issue and socio-economic problem in that area. And well, I think that Japan or an Asian country can play some role in -- how

can I say -- eliminating the poverty in there or the shrewd economic and the social support may be -- there can be some role in the cooperation among the Asian countries, especially Japan can help. But as far as a defense policy or security policy, maybe I better ask Professor O'Hanlon to answer this question.

As for -- as for the role of Japan in Iran -- I mean what they are doing in Iran now. Well, as far as I understand, Japan was very active in a -- how can I say -- keeping touch with the Iranian government to persuade them -- to persuade them to be the partner with the West, especially under the Khatami's regime. And the Japanese government were very active in encouraging the so-called dialogue between the (inaudible) and they tried to keep in touch with the Khatami regime. But, unfortunately, currently I think that there is no specific effort to make some pressure on the Iranian government. And I'm sorry they don't have any -- how can I say -- special policy on Iran unfortunately. This is what I understand.

MR. BUSH: Mike, do you want to sort of comment on Sun-won's question?

MR. O'HANLON: A couple of points. First off, I appreciate the comment in the back, although I'll come to the defense of Japanese friends in saying that no permanent member of the Security Council is perfect and I think Japan qualifies by virtue of its commitment to development, its resources, and now its exemplary role in energy technology -- speaking of the issue about pollution and environmental stewardship. So, I would like to see Japan broaden its global perspective a bit and care about human rights issues and conflict issues a little farther away from Northeast Asia. I think it actually might be easier for Japan to do that farther away in some cases. So I

prefer that, but I'm not going to wait for any country to be perfect before I support its membership. My problem is with not knowing how to move beyond Japan and India, and that's where I think the process still breaks down.

On the issue of what it would be nice to see East Asian allies do in these conflict zones, I would personally say, of course, they have to decide for themselves and the Obama Administration knows that which is why it's not asking for very much, because it knows what the answer will be. And that's a bit tragic, in my mind, at a time when Japan and Korea are really two of our most impressive allies in their resources, in their military capabilities, when President Obama is bringing a kind of leadership that should illicit more international support. And yet, from what I can tell, he doesn't even feel he can ask the question of getting more meaningful help on the ground because he knows the answer will not be favorable and, you know, don't ask a question when you know you're going to get an answer you don't like. Now, I would leave it to Japanese and Korean friends to decide which of these three big conflict zones they are most comfortable contributing to, but the international community is on record needing more capability in Congo, Darfur and Afghanistan. And my own view is that Japan and Korea should each send a brigade to one of the three. And I don't personally see any historical reason or any geostrategic reason or any financial reason why they can't. So I'm pretty emphatic on that point myself. And then I think that's probably the main issues that I was going to address, so I'll leave it right there.

MR. BUSH: Professor Hayashi, do you want to respond for Professor Ieda -- to put you in a very difficult position?

MR. HAYASHI: Okay. I see. I didn't want to shadowboxing against Ieda, so I didn't say nothing. I didn't say. But almost I agree with you, Professor Mastny is right. But there exists some discourse -- only discourse -- against Germany. That is exist. Majority -- majority of Central East European political parties think that Germany is not threat or its presence is too weak. They don't think so. But, for example, the typical case is Czech Civic Democratic Party or Mr. Klaus -- he uses some kind of rhetoric against German existence. For example, Iraqi war, for example, they criticized the so-called Moscow-Berlin access exists now -- or Moscow-Berlin-Paris access exists. Only rhetoric of his way, but there exists some kind of discourse exists against Germany. But I think it's not a policy or so. And unfortunately I cannot understand also the controversial words may be. But anyway, for the Central Eastern European people, NATO's existence, framework itself is very important to feel safe against Germany. It's very important. So -- only I say so. Okay.

MR. BUSH: Justin, do you want to address the geometry question?

About --

MR. VAISSE: No, just to say that I agree and that in the 1990s, basically I guess you had three phases during the Cold War, of course, as the famous phrase by Lord Ismay went, NATO was built to keep the U.S. in, the Germans out and the Russians -- I'm sorry -- the Germans down and the Russians out. And, of course, part of it -- especially when it was integrated in 1955 -- which was precisely to keep the Germans down. Then a second phase in the 1990s in the post-Cold War world where in Eastern Europe you did have some fears about the resurrection, the resurgence of a sort of Mitteleuropa which would have been largely dominated by Germany and where, by the

way, most investments were made by Germany and where German presence was extensive and so there was a -- not a resentment, they were welcoming these investment - - there was a fear of too big a Germany. And then I think in the most recent years, this has been replaced by the fear by smaller countries especially in the east that the big countries -- not only Germany, but also France and the U.K. It's more of a sort of big versus small divide. So I would mostly agree with my Japanese colleagues here that there is an issue.

MR. BUSH: On David's question, I think there's no sort of automatic answer to how this should proceed. Each of the four actors -- the United States, Japan, China and the EU -- have to first create an internal consensus on how they're going to address the big issue of climate change. And then I think that the ones that are ready the first will probably sort of form a sort of leading group to push the issue forward and whether that's U.S.-Japan-China or U.S.-Japan-EU, I think it just depends on circumstances. But hopefully our diplomats are talented enough to figure that out. So let's start a second round. The gentleman right here.

QUESTION: My name is Dmitry Novik. I have two sort of questions. Number one -- it's wondering that no one said about the role -- potential role -- which Japan can use to help the solve the problem in Palestine. It's Middle East region. And my question about what mentioned by Mike and its number one, fight with pirates. Japan can do very important impact, because Japan is highly scientifically advanced country. And the only way to stop pirates to use this science because we have satellite, we have unmanned aircraft. I don't see any problem to fight pirates. Of course, maybe we have

not enough (inaudible) commands to do it, but we have another tools. It's unbelievable so many times since it's no solution. Solution is so simple from my point of view.

And the second question is to bring Muslim voice in as permanent member of Security Council of UN. It's absolutely wrong idea because Security Council is last useful organization of United Nation.

MR. BUSH: Okay. We get the idea.

QUESTION: Only because we have veto power. Try to remember history. It's useless. It's propaganda organ instead to security order.

MR. BUSH: Okay. Thank you.

QUESTION: And I need to --

MR. BUSH: Other people want to ask questions, too.

QUESTION: Give me -- give me --

MR. BUSH: Go ahead.

QUESTION: -- 10 seconds to finish this point. And therefore if we will be instead five veto powers, seven veto powers -- it will be mess. Not -- and that's it maybe.

MR. BUSH: Okay. Thank you. Other questions? Okay. Stan?

QUESTION: Thank you. Stan Tsai from Organization of Chinese-Americans. My question -- I think Mike just mentioned about Japan is looking for a seat in the Security Council of the United Nations. I don't know if Japan needs to know why most of Eastern Asia countries do against it. And I think maybe you could give me the answer. Do you know why or how you're going to fix it or how to resolve it -- the issue?

More precisely, why those Asian country do that and why cannot resolve the history?

Okay. Thanks.

MR. BUSH: There's a question over here -- at the back of the room.

QUESTION: Hi, good morning. (Inaudible) Wen, Global Times. Most recently, I mean the Japan-U.S. alliance have been frequently mentioned here and also in the think tank have been frequently discussed. Wondering is -- they may have a lot of expect it can be alliance and also the history -- from history perspective over 60 years up to now. I wonder is how to -- what's word -- and also the China-Japan relationship of historically there's a lot of back and forth. Wondering the right now, in the new circumstances, how to dealing with this three triangle? Thank you.

MR. BUSH: Okay. Yes. Back there.

QUESTION: I have a question on U.S.-Japan relations to our Japanese speakers. At one time, during the Reagan Administration, in his first phase, there was a pretty hostile relationship between U.S. and Japan, especially with some issues relating to advanced bombers and so on and the manufacture of that. And so much so that Sony chairman once said that if we had mistreated by United States, we would develop chips that would go to U.S. defense industry and would undermine the U.S. military power. Having said that, I would like to know how was that solved? Is there -- how did this relationship suddenly become smooth again and Japan continues to follow lots of policies which are pro-U.S. and some of them are very -- most of the world kind of condemns U.S. policies and Japan continues to follow it. So, how was that problem resolved by the way? And it happened during Reagan's second term.

MR. BUSH: Why don't we take those? Mike, do you want to do the UN Security Council one and --

MR. O'HANLON: I can be pretty brief on that I think. Dmitry, most of the ideas for UN Security Council reform would not add veto-wielding permanent members. There would be some kind of a third status for countries that would be permanently part of it, but would not have the same kind of absolute veto. Recognizing to some extent the point you made, although I wouldn't personally have put it quite so -- in quite those words. I think the UN Security Council has accomplished some important things. But the basic point, we don't want too many vetoes. I agree with that and most of the models for reform would not bring in additional veto-wielding members just to clarify.

MR. BUSH: Does anybody want to address the question of Japan's role in the Israel-Palestine dispute? Professor Sakai?

MS. SAKAI: Well, you are right. Japan played a role -- a big role in the Palestinian issue actually. But it was -- how can I say -- they were very active also during the '80s and '90s and the beginning -- especially the beginning of the '90s. And after the Madrid Conference in 1991, well Japan became the chair country in one of the committee of the Middle Eastern peace process. I think it's the chair of the committee for the environment or something like that. And Japan played an important role in pushing forward the peace process in the '90s. But, at the same time, well, once -- after the Oslo Agreement, unfortunately -- well, fortunately for Japan, but fortunately for maybe the Palestinians -- well Palestinians had direct contact with United States or other major actors with international politics. So, while Japan lost the role to substitute the -- how

can I say -- the lack of the U.S. role. So, I think that such kind of the importance of the Japan in the Palestinian issue is decreasing -- unfortunately decreasing and now a days.

And, of course, our Prime Minister Aso insists that Japan is helping -- establishing the kind of -- constructing the kind of the corridor for the peace and what richness or something like that. But, as there is a lot of criticism among the NGOs working for the Palestinian issues, insisting that such kind of the effort is making the Palestinians alien from the other Palestinian committees and well, that happen -- that Japanese effort may have the negative effect for the autonomy of the Palestinian people there in the West Bank especially -- West Bank and Gaza. Well, this is what I understand about Japanese role in the Palestinian issues.

And as for the pirates, I'm sorry I don't have any idea about the possibility of the Japanese Self-Defense Forces to supply the -- how can I say -- the technology to prevent the pirates in Somalia. Maybe Professor Hyodo may answer that question more better than me. Thanks.

MR. BUSH: Do either Vice President Hayashi or Professor Sakai want to address the question of why U.S.-Japan got -- U.S.-Japan relations improved from between the late 1980s and now?

MR. HAYASHI: Okay. I'll try, but probably is out of my specialty. But, only very amateur scholar say something. One thing -- so-called trade war in 1970s and 1980s -- from that period and between that period and now there is very big differences. For example, now Toyota, Nissan, or Honda is biggest producer in United States. So, trade structure drastically changed and this is first. And second, now for United States --

China is more problem -- have a trade problem and not Japan. So, I don't think this answer is not -- enough for you, but I -- only I say so. Okay.

MR. BUSH: I would just supplement it. I think that's right. But I would supplement it to say two things happened. One was that the Japanese economy went into a decade long decline. The real estate bubble collapsed. The financial bubble collapsed. But more importantly, the bubble of self confidence collapsed as well. Second, Japan's security environment changed. It went from being benign to one in which Japan was increasingly concerned about North Korea and China and in those circumstances it saw the need to hug its ally close. On the question about the U.S.-Japan alliance in China -- we really discussed that in the morning and my answer to that was that it's really an important task of the U.S.-Japan alliance to work very hard to further accommodate China into the international system and we should work very hard to do that. Is there one last question? Anybody? Okay. That's fine.

We're now in for a real treat -- and I'm not talking about Brookings food. We're going to have lunch, and I'm sure the food will be just fine -- but more importantly, Dr. Kent Calder from down the street is going to talk about his new and very important book. So, before we all sort of get up and move, I would like to ask the general audience to stay seated for a couple of minutes so that the speakers can get in line for the buffet first. And, particularly, Kent because Kent has to sing for his lunch. So if the other speakers could move through these doors and out the back, you'll find the food and once you've gone, we'll release everybody else. So, thank you very much to all the speakers for an excellent panel.