LUNCH AND KEYNOTE SPEAKER

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MR. BUSH: Ladies and gentlemen, if I could have your attention. We don't have too much time, so I think we should go ahead and get started. I think our two panels this morning were very productive with a lot of useful insights. Now we are very privileged to have Dr. Kent Calder give us our keynote address. Dr. Calder is an important force here on Massachusetts Avenue. He is the Director of the Reischauer Center for East Asian Studies at Johns Hopkins University, and we are very pleased that he could join us today. He has a long bio in the materials that were provided to you so I won't repeat it. Please join me in welcoming Dr. Kent Calder.

MR. CALDER: Thank you very much. It's a real pleasure to be here to see so many people who know so much about this relationship, U.S.-Japan relations, in a global context. From what I've heard, and I am sorry this is our oral examination day at SAIS and so I haven't been able to be involved as much as I would like to in the conference so far, but I have been very impressed with the value of this kind of a bilateral exchange on third-country issues. I think both countries, one of the themes as far as I could see it, is that perspectives are somewhat different, and I've always thought that the dialogue between our two countries is both extremely important, and it needs to be a two-way dialogue, that there are differences in the way that we see Russia or Iran or various parts of the world and we can learn from each other.

The only thing that I could see, that I wish -- given the specializations, particularly tremendous backgrounds on Russia and Central Asia, it's natural that that would be the focus. In a global sense it does seem to me that Southeast Asia as well is a crucial area for U.S.-Japan interaction. There are many ways that they can cooperate in strengthening a crucial part of the world, a part of the world that is crucial for both of them, and particularly with the Obama administration, President Obama having spent around 5 years in Indonesia. And the next upcoming APEC summit of course being in Singapore, that Southeast Asia certainly as well is a very important area for U.S.-Japan dialogue, especially because Japan, for example, knows so much about Indonesia and deals with it so closely. And also where the two countries have much to their synergies in their abilities in that area with Japan in the energy efficiency area for, for example, and the United States on the energy upstream area having very complementary strengths. That's just by way of preface to saying that I think this is an extremely important type of conference to look at third-country issues in a balanced sort of way that draws on the strengths of both sides and is the kind of dialogue that we need a great deal more of.

By way of preface, the other thing I would want to say, I think, is speaking particularly to your Japanese participants. This program, the Center for Northeast Asian Studies here at Brookings, of course it has a long history, I believe Michael Armacost, former Ambassador to Japan, when he was president of Brookings played a key role in establishing it, saw its importance. And it really strikes me as a bit of an outsider but as someone who is located close-by to have an extraordinarily important role and of course particularly now with the close ties that it has with the administration.

Now, what I would like to talk about today to focus on is my new book, *Pacific Alliance: Reviving U.S.-Japan Relations*. It's also been published recently last November in Japanese as *Nichibeidoumei no shizukanaru kiki*. Those of you who know Japanese will probably – you'll note that the title is slightly different. And you'll also note that it contrasts -- that the thrust of that title contrasts a bit from the tone of the last part of our discussion just before lunch. Somebody asked I remember why is that U.S.-Japan relations have gotten so much better, you know, since the Reagan years or something like that. I thought there was a very thoughtful response from our Japanese participants, and in some sense certainly right, the waning of the economic frictions in trade, the prospects of trade war and all of that sort of scene.

But in a very important sense, I do think just as the Japanese title of my book suggests that there is a quiet crisis in U.S.-Japan relations, and if it simply goes on automatic pilot without proactive additional steps to strengthen the relationship, and one of them is the quality of the intellectual dialogue, the sort of things that we have seen today. But if there are not important steps to strengthen this relationship, that the two countries will gradually drift into a much more distant relation with each other and we will see some very important problems between them beginning to arise. I know that that is a counterintuitive notion. Ambassador Mansfield years ago said this is the most important bilateral relationship bar none and then a lot of people have said it, you know, as in the tone of our discussion just now, that basically things are fine.

So, what is happening to create a quiet crisis in U.S.-Japan relations? Let me note just a few dimensions of that. I think it's most easily seen if we contrast the world that Dulles made. That's the first chapter of my book, the world that John Foster

Dulles created in the Pacific through the San Francisco Peace Treaty of 1951, if we contrast that world to the world that we have today. In 1951, of course, the Korean War was underway. China had just or the volunteers had just come across the Yalu. There was -- Korea itself of course was in turmoil. Southeast Asia was under colonial rule. The United States and Japan stood as the only major economies -- political economies in the Pacific. And the world today of course is very different in, I would say particularly, three dimensions.

First of all, of course, Asia, the rest of Asia, has revived. China is growing explosively. Korea has revived both economically and politically, as those of you who know Korea's very active activities here in Washington, D.C., also will appreciate very effective representation. Globalization of course has proceeded very rapidly. And in a globalized world, China is particularly strong given its size, given its broad geographical scope, relationship to various areas of the world, large population, energy issues, environmental issues, there's a whole series of reasons why China naturally in a globalized world becomes quite central. And one might say similar things perhaps with regard to India as well.

For Japan of course globalization is a more complex proposition. I do agree with the participants that I have heard and from what I've read, I have read their summaries of their comments both morning and afternoon, that there is much that Japan has to contribute. But at a national level, Japan itself in the global system of course has particular problems of adjustment and also certain complexities in its broader relationships within the region that arise out of globalization. It is not I think it's fair to say, or has not so far been, the beneficiary in a global sense of globalization in the same

way that China has or India has or the United States of course in many ways as well. The United States I think has greatly benefited, its multinational corporations, its networks. Anne-Marie Slaughter's interesting piece in the current issue of *Foreign Affairs* points out the breadth of how America's heterogeneity and diversity actually gives it very important strengths in a globalized world.

For Japan of course many underlying strengths in terms of efficiency, in terms of high capital exports, in terms of technology, industrial organization, there are many, many underlying strengths of Japan and I think these are not sufficiently appreciated. But whether they are magnified by globalization or not, or whether they have been magnified so far because, of course, the Japanese economy has largely been in recession Japan has been in a complex period politically, possibly of political transition. It's been hard for Japan to be proactive on the global scene. Perhaps what we have seen today is the beginning, one would hope, or an intensification of an outward reach toward a global world. But the world today is globalized and it's not clear to me on the face of it that globalization is benefiting Japan.

Another important change, which to me helps to create the quiet crisis of the alliance, is the way that domestic politics is changing. In Japan I think what it is doing because it is unclear as to what the future is going to hold, it's preventing people who have tremendous expertise or insights potentially from speaking out in a very clear way or for Japan as a government to be really decisive. Now, there have been some important initiatives. I would certainly point to the Toyako Summit and important environmental initiatives that I think have not been appreciated enough. And my hope would be that given the new receptivity of the United States, at last, on environmental

issues and energy issues, that there is an important area for cooperation, hopefully with whatever government arises in coming months and years in Japan.

But the Japanese political scene without question I think creates complexities and particularly for alliance, and particularly in many ways for the kind of alliance that we have. In the last 8 years, I think on the military side certainly there has been an important expansion of U.S.-Japan cooperation. Japanese forces in the Indian Ocean, at one point, for better or worse, Japanese forces in Iraq and in Kuwait in support of the broader multilateral effort. But this cooperation which in a military sense has expanded is based it seems to me on a very, very narrow economic, cultural, and social base, and political base as well. The trading relationship has narrowed. Trade between China and Japan since 2004 has been greater than trade with the United States. Trade between the United States and China since 2005 is greater than U.S.-Japan trade which for many years was the largest trade across the Pacific. Financial relations of course have grown in many ways more complex as the U.S. becomes such a huge debtor and Japan as a very large creditor, and a certain community of interests with China which of course also is an extremely large creditor on the official account at the same time, so interests in the economic area have shifted.

Cultural ties quietly have also eroded I think sadly. For example, the number of Japanese foreign students in the United States is down significantly, about 10 percent from a decade ago. The number of Korean students conversely has sharply risen and is now greater than that of Japanese students even though there are of course nearly twice as many people in Japan as there are in Korea. Cultural relations, major conferences, the Shimoda Conferences that once were very dynamic have not been very

active recently. Fortunately we have discussions such as we have today and some of the people here in this room of course are playing very important roles. Yet they are more isolated and alone than has been true in the past, and so the cultural relationship has been narrowing, the economic relationship, precisely at a time when as I say in the military area the relationship has grown stronger and more intimate for better or worse.

Now, we could be on a point of political transition in Japan. In the United States as well politics have been shifting. I have been tremendously heartened by the visit of Secretary Clinton, and President Obama's meeting, of course, with the Prime Minister early in the administration. I think it probably surprised a lot of people who predicted that a Democratic government could not get along with Japan. I think if you look at history, it's very important to note that Democratic administrations have often gotten along very well with Japan. And conversely, many people seem to have forgotten the Nixon shocks and Richard Nixon's relations with Japan which contrasted of course greatly to those of John Kennedy and the Kennedy Administration and the Kennedy-Reischauer years.

I talk a lot about these things, how the relationship has evolved. I don't want to go on too long because I really would be interested in your comments. Let me just summarize briefly a few of the points that I make about how -- what the problem with U.S.-Japan relations is and then what to do about it.

To define the problem, I basically use an historical analysis. I look at Britain's relationship with Japan, the Anglo-Japanese Alliance of 1902 which contrasts in some very interesting ways to the post-war relationship, and then most importantly, I look at what's happened from the world that Dulles made to the world that we have today.

Broadly speaking, the theme is one of deteriorating networks. Networks are really quite crucial. Conversely, it seems to me, U.S.-China networks have greatly strengthened partly because of how they developed from Nixon's visit to China and so on. The U.S.-Japan networks, many of them came --historically of course they came out of the early post-war period which involved major reform and transformation in Japan but also of course was intensely hierarchical. It was an occupation relationship that gave birth to the post-war structure of U.S.-Japan relations. Now, that was fortunately changed over time, but I don't think we can forget in thinking to the future the embedded historical elements.

So, in summary, I think the problem that one has is a certain asymmetry that flows from history, a certain one-sidedness if you want perhaps to put it that way. Another is the decline of what I call common equities, that is to say, the stakes that the two countries have in the strength of their bilateral relationship. I do believe firmly in the importance of U.S.-Japan relations. I am not a narrow bilateralist. I have criticized many of the things that evolved particularly over the last 6 or 8 years. I think that it was -- in a sense reaffirmed many of the asymmetries in the relationship. But over time, what we've seen is we've seen the two countries beginning to go their separate ways in a relationship that needs to be for strategic reasons, for economic reasons, for cultural reasons, I think there are many reasons why a strong U.S.-Japan relationship is important for both countries and can also be positive for the broader world.

What to do about it. I look at four cases basically, four other countries, which I think can all give us a few ideas as to how to improve U.S.-Japan relations. First of all, Britain. Secretary Armitage and many others of course have said that U.S.-Japan relations should be the Anglo-American relationship of the 21st century or that that in

any case is a positive model. I think there are some things that one can learn from Anglo-American relations, but I don't think that's the best model and maybe I should cite in the positive side what I do think can be learned. Britain has been very early into the bilateral policy process with the United States. It has realized again partly just because of longstanding networks, longstanding personal ties, that there is a period of germination as policy begins to evolve that's very, very important and it's found various ways of getting actively involved in that. A second thing is symbolism. As many of you if you take a walk, it's a little far to walk -- a cab or whatever -- a ride up Massachusetts Avenue to the British Embassy, you'll notice a statue of Winston Churchill right in front of the embassy. Winston Churchill's mother of course was an American. Britain and the United States fought together in World War II. Naturally Churchill becomes evocative. There have been times of course when in the Oval Office there have been statues and representations of Winston Churchill, although I don't believe that's true at the moment. The other thing Britain as a matter of practice created the illusion and usually the reality that at the end of the day it will be on board as they say. The British have talked about steering the unwieldy barge of American policy. Right from the 1940s they talked about this, but ultimately they have with sided with the U.S., they have fought with the U.S., they have been on board, and I think this is one of the reasons why they have had credibility. Another part, the last element, of course, is the nuclear dimension. For various reasons including the last of those, it seems to me that really this is in many ways -- it's been effective for American diplomacy and certainly even more so for British diplomacy. It really isn't the best model for U.S.-Japan.

The better one I think is Germany, the U.S.- German relationship. What is it about it that strikes me? One thing I should point out right at the beginning, there is a tremendous amount of very active intellectual dialogue and joint research projects going on between the two countries. Germany has the largest Fulbright program in the world, for example. The German Marshall Fund was created, an initiative of Willy Brandt, as returning to the United States for the Marshall Plan that aided Germany's reconstruction. Of course it's become very large. It sponsors a lot of joint projects. For example, scholars of the two nations work on immigration and how to deal with that, or industrial change and the impact on labor, there are a large range of social and political issues and defense issue that they consider together.

NGOs play a very important role in the U.S.-German relationship. The political parties of Germany all have institutes here in Washington. Because the German NGOs are so active here in Washington, they are I think much more effective than many countries on Capitol Hill in strengthening ties. The Werner Fellowships for example invite Americans, congressional staff members and scholars and different people to Germany, so there is a very intense dialogue. This flowed as in the case of U.S.-Japan of course from an asymmetrical relationship. It flowed out of a war in which the two sides were antagonists, and yet they have succeeded I think to a significant degree in neutralizing, in deepening a dialogue which is much broader also than the military and it doesn't include the same sort of nuclear dimensions and so on as the U.S.-British relationship.

U.S.-China, interestingly, I think also provides some lessons for U.S.-Japan. Of course, it isn't an alliance relationship of the same kind, but China has been

very effective on Capitol Hill through American corporations who do very significant business in China. Chinese leaders when they come to the U.S. rather than just flying into Washington, they very often have gone slowly across the country and visited local areas, meeting with governors and local businesspeople. They have announced contracts -- prime minister along the way, so have done many things to broaden the base, the geographical base of the relationship. And the U.S.-China Business Council it seems to me also has been rather effective here in Washington. I could go on and on, but just to give you a flavor of what I tried to do is to suggest that there are things that the U.S. and Japan could do to strengthen their relationship by looking at some other countries in the world.

In policy terms, again I don't want to spend too long on this, maybe we could discuss it briefly in a Q and A, foreign investment, there needs to be more foreign investment in Japan I think clearly. If you contrast U.S.-European relations with U.S.-Japan, they are strikingly different in that regard and that has been a handicap for Japan I think here in Washington. Reciprocal presence, a diplomatic and NGO presence in the capitals of the two countries, again what is happening here is a good antidote, but there hasn't been nearly enough. There aren't enough Japanese NGOs here, there are not enough -- American presence in Japan is not nearly broad enough. There have been many American cultural centers for example which have been closed in the last decade. Koizumi and Bush might have gotten along well personally, but at a lower level there was much that was eroding, and as I say, particularly on the economic and the cultural side.

Rapid reaction capabilities -- I remember I was with the U.S. Embassy at Tokyo during the tragic "Ehime Maru" case when an American submarine surfacing accidentally hit a Japanese fishing boat. The crisis exploded very rapidly, as also incidents in Okinawa and so on often did. And very frequently if you weren't there right at the beginning with a response and an explanation, then all kinds of misunderstandings very easily proliferated. So in the internet age, the ability of policy to respond quickly to sudden developments I think is tremendously important.

Finally, political economic networks, some of the sorts of things that Anne-Marie stresses in her, I think very good, "Foreign Affairs" piece. A reverse JET program, the JET program that some of you I know have been involved with, has been a success. Japan has invited many foreigners, not only Americans, to Japan. They work in schools and international affairs institutes in Japan and I think have contributed to understanding or some way that we could create some reciprocal flows. The Boao Conference that China has. International conferences that provide networking opportunities. Shimoda has deteriorated. China has the Boao or Korea has Cheju Forum. Does Japan have anything like that? Internet dialogues. We have initiated a Skype dialogue between the Tokyo Foundation and our center a couple of times a month which has been quite successful. What new kinds of dialogues can we think of? Is it time for some more analytical thinking about how to strengthen the relationship, a new Wise Man's Group or something like that? There are a lot of other ideas that we have tried to develop in this book or in the course of this work.

The conclusion that I have as I say is that we really need to look beneath the headlines. In the headlines themselves of course things look as though they're going

fine, but the trends of history, the wheel of history, is moving in a different direction particularly if one considers the nature of the world as it was 50 years ago and the fact that many of the institutions were created then and they haven't changed. So we need to think about the future and how to configure for a new sort of world, and I think this conference has been an excellent step in that direction. Thank you very much.

MR. BUSH: Thank you very much, Kent, for a creative and stimulating approach to a very important issue. We have about 20 minutes. We can take a few questions. Why don't you field the questions yourself? If you have a question, wait for the mike, which will be with you very soon. So, Aki we'll give you the first question.

QUESTION: Thank you, Dr. Calder. A very impressive speech. Let me explain shortly my concept on Japan's foreign policy. The so-called lost decade discussion was very passionate in terms of economy in Japan, but I think we pay much attention to the lost decades of the foreign policy chance in Japan, particularly in the 1990s. Let me brief -- I agree that the starting point of our foreign policy reshape of the post-World War II, San Francisco Treaty and the U.S.-Japan security arrangement in the 1950s. But in the 1960s what happened, before the 1960s? After the reshaping the relations with wartime countries, Japan tried to keep good ties with the Soviet Union in the middle 1950s. We tried to normalize relations but we failed. So in the 1960s what happened? We had good relations with Korea, normalization. The 1970s, Japan-China relations normalization. Japan and the Middle East good relations. Japan and Southeast Asia also advanced. And in the 1980s we tried to resolve the two remaining issues, the Soviet Union and North Korea. Then we tackled particularly after Gorbachev's perestroika period, but we failed. In the 1990s we again did the issues with Russia and

now sometimes we repeat with North Korea and we failed. So in this sense we have yet to overcome the past issues. So after finishing the two obstacles, Russia and North Korea, Japan could be – hold new stage I believe, so it's very critical for the United States I think. Therefore I would like you to give your impression of my assessment on how to overcome the lost decade in foreign policy (inaudible) chance it's very critical.

MR. CALDER: Thank you very much. I think there are two dimensions. First, the descriptive part, what has happened over the last several decades, a declining capability it sounds like you are suggesting in achieving Japan's foreign policy goals recently for example in respect to North Korea. I don't know, maybe in the missiles, you might mean the abductees or issues like this that Japan hasn't been too effective and earlier things went better.

As a general matter, I agree that there has been that sort of a drift and I think the relationship to the quiet crisis of the U.S.-Japan relations is important. Why is it that Japan is finding it more difficult to achieve its objectives? I think this is partly because Asia is changing. Other countries are becoming stronger. American politics in some ways is changing. I think the Obama Administration will prove to be receptive to U.S.-Japan, a strong relationship. But ethnic politics are changing. The population of Japanese Americans is pretty much stable, about 800,000. There are now 4 million Chinese Americans in the U.S., and in 1985 there were less than there were Japanese Americans. So I think the structural changes that are occurring in the Pacific and then in the United States are one factor that's at work.

Another factor I think could be political uncertainties in Japan and the lack of a structure which is suited to global diplomacy. For example, the Prime Minister's

office, of course, it's begun to get stronger, but it hasn't probably been strong enough to support a really global diplomacy. You're dealing today I believe with Eastern Europe and Central Asia and all of these things and the *Kantei*, also the Foreign Ministry -- Japan's Foreign Minister is maybe about one-third of the size of the State Department, I believe -- my guess is that it's not probably strong enough to support a really global diplomacy. Also think tanks. Your center is really the distinguished center in Japan I know on Russian Studies and Slavic Studies, but does Japan have the think tank infrastructure like Brookings or other centers to sustain a global role? So the two points that I take away from what you are, first of all, that the quiet crisis of U.S.-Japan relations has made it more difficult for Japan in some ways to influence policy.

The other thing is that Japan has not institutionally developed the dynamic structures to respond to globalization. Globalization has occurred basically since 1985 and Japan's Foreign Ministry, its *Kantei* has not changed, or its political role have really not changed very much.

One last point I really think is important. I hear this from many Japanese leaders, that the Diet, the *Kokkai touben*, the fact that they have to stay, the Finance Minister, the head of the Bank of Japan, all of the key leaders, have to stay in Japan to respond to Diet interpolations prevents them from developing the sort of international contacts. They all come to Washington now during Golden Week and they can't come at other times, or to Beijing or wherever. In a world of globalization, I think that that's unfortunate.

QUESTION: Chia Chen, freelance correspondent. You were talking that U.S.-Japan military alliance is the cement of this relation. I would like your comment to

undercurrent. First of this, both people in Okinawa and Japan are concerned about the huge military base in Okinawa. And second is this, I keep hearing the voices from Japan and from here that are we trust the other side is reliable when really crisis happens.

MR. CALDER: You say the other side. Do you mean the United States?

QUESTION: Yes, I said U.S. -- Japan would be reliable or trust if military crisis happened? And also the USA – would Japan be reliable when the things happens?

MR. CALDER: Thank you very much. Those are both really important questions. Let me take first the question of U.S. bases in Okinawa. Okinawa of course has a very strategic location right in the center of the East China Sea. I was at the Peace Park, there may be some others who were there, when President Clinton spoke during his visit in 2000. And I was very struck by what he had to say about the importance of reducing the footprint of the U.S. military in Okinawa, at the same time, retaining the credibility and the deterrence -- the stabilizing role of the presence that the U.S. had there. So over time I would broadly agree with the thrust of what he said, that the U.S. should be trying to reduce the inconveniences and obviously the environmental problems and crime and all of that sort of thing. There is always too much of that, although I think sometimes it's over-exaggerated.

There is a major transformation proposal underway as you know. Talk is all of Futenma. I think Futenma does need to be closed, but the agreement that was made back in 1996 at the summit between the two countries provided for some alternate facilities. What we have now is we've got a downsizing by 2014 of the Marine presence, both countries have agreed to that, and to close Futenma and to open an alternate facility.

Broadly speaking it seems to me that that is a sensible arrangement. Whatever we do, we need to maintain the credibility of the alliance.

But that said, to get an agreement if it really would cause things to move forward, I suppose some sort of minor adjustments might be possible by mutual agreement. The big picture, we can't forget the big picture, really is the stability and the credibility of the alliance itself. History of Europe in the past showed that a balance of power world does not produce stability and the U.S.-Japan alliance in that sense I think does provide -- aid the stability of a very important and increasingly prosperous part of the world.

Now, would Japan be reliable in a crisis? I think it depends on what you mean by reliable and what kind of crisis. I would say that the fundamental role of Japan in the Pacific is not primarily in the military area. Japan's tremendous capabilities in energy efficiency, also extraordinary successes on environmental issues. ODA, it was for a long time the highest in the world, it's now down around number five. It's quietly declined which I think is unfortunate. That said, I think the alliance is fundamental to the broader relationship of the two countries. If Japan did not come through in a crisis in some key area where the two countries had mutual expectations, then that would be very unfortunate. It would help I think if the collective self-defense provisions or the interpretation of the constitution were changed. That would make the alliance more flexible.

Personally, I think the alliance should not be too ambitious. Let me put it that way. Fundamentally I don't think the main thing the United States needs from Japan is military. For symbolic reasons I wouldn't disagree with what Mike O'Hanlon was

saying before lunch that some commitment in major crisis areas of the world would be desirable, but I don't know that it necessarily needs to be boots on the ground. If we look at Japan's Iraq involvement, for example, I'm not sure that it was necessarily so fundamental. It cost a lot politically. What it contributed, could Japan potentially have contributed more by a more detached stance in the ability to influence key nations in the region like Iran? There are various ways to look at that issue. But I do believe that if we define the alliance realistically and it does include a military dimension, and one dimension that I think on that side that is important is rapid reaction in cases of terrorism, joint cooperation against terrorism, probably missile defense, in certain ways a limited version that doesn't stir an arms race in East Asia. So there is a core of military dimension where cooperation is needed and the security treaty is important. And if we define the alliance in a sufficiently narrow way and if we strengthen, and this is the point of what I was saying before, if we strengthen the political base, the broad base of the alliance so that what we agree to do is politically feasible, then I think Japan would be reliable.

QUESTION: My name is Dmitry Novik. I have this question, as we know from history, territorial disputes is the basic problem of the next war, and after the Second War we have three territorial disputes. Number one was divided Germany, that is solved. Second is dividing the Korean people, and territorial dispute between Japan and Russia about four islands. What international community, alliance between the United States-European Union can do to solve this problem? Because in the long run, is the most dangerous situation which we can wait in years to come.

MR. CALDER: Thank you very much. I think first of all I need to repeat what I said about the importance of the U.S.-Japan alliance being both credible on the one hand, and precisely for that reason not too ambitious. If it is so ambitious, then I think in the last years it pushed into many areas of military cooperation that potentially are difficult to sustain unless there is a very strong political base of cooperation. I don't think on territorial disputes that the U.S.-Japan alliance is really suited for direct involvement. I don't think, and I think this is a theme of the conference, that on every issue just the two countries being seamlessly unified and acting on the same issues is necessarily the right model. I think triangulation in some cases is useful, although the countries need a coordinated diplomacy.

On Korea I think it's really rather difficult for Japan to be too directly involved because of historical reasons. This is why I think the Six-Party Talks and the Northeast Asia format that the center here is promoting is important. On maybe the one where there is some interrelationship is Japan and Russia. Fundamentally I think the United States needs to stand diplomatically with Japan on the question of the territories but also recognizing that there could be possible ways that the countries could cooperate economically. Fundamentally though I would say on this question of territory that it's not really an area where they can be too involved. That said, I guess I would also say that the issue of Middle Eastern stability, the future of the Palestinians, on that question probably there is some significant role in terms particularly of Japanese assistance to make a settlement viable.

QUESTION: Thank you, Kent. What you were saying I found both very important and very moving especially for those who have built lives that bridge between

the United States and Japan. No one can sail against history and in that sense there really is no way to sail against the forces of globalization that you're describing. On the other hand, history has left us -- the last decades of the alliance have left us with very large human capital that can be built on in the form of constituencies that believe strongly that this is an important alliance – do you possibly recommend this in your book? I haven't read it yet. Is there a particular organizational locus that you would recommend as the place from which to organize, promote and to potentially mobilize those constituencies for a renewal of the Japanese-American alliance?

MR. CALDER: That's a very interesting question. I think some of the existing NGOs that already are on the map is an important place to start. I mentioned the JET Network. I found those people, many of them of course young, the numbers are increasing. They're very important among our students and alumni. I think building on that sort of a group. Japan-America societies across the country I think are another potential. There I should note that there is a tremendous imbalance between New York City and the rest of the country. The Japan Society of Washington, D.C., -- John Foster Dulles went straight from being the negotiator at San Francisco to being chairman of the Japan Society of New York, and from there to being Secretary of State. The president of the Japan Society in 1952 was John D. Rockefeller III. So you had Dulles and Rockefeller together right after the peace treaty. They expanded. They're huge. They've got lots of money. They got a beautiful headquarters right near the United Nations. And nobody else in the country including Washington, D.C., can compare with it. So the NGO structure of U.S.-Japan relations is badly skewed. I think some place that we ought to start is with improving the structure supporting the Japan-America Society, the

Brookings Center, some of the institutions in Washington, D.C., that have a concern for this relationship.

Also, I think the cultural side is very important. I'd like to talk more about that.

MR. BUSH: I think we'd better conclude, but thank you again, Kent. Please join me in expressing our appreciation for a really outstanding talk.