VIDEO 3: PANEL DISCUSSION AND Q&A

DR. MIKE MOCHIZUKI: The governor and the panelists have put a number of issues on the table, and I thought that a number of all of the questions. But first I wanted to give an opportunity for those of you in the audience to ask any questions, and if you could raise your hand I will call on you. And you've got a couple of roving microphones. If you could identify yourself and give your affiliation and then tell us to whom you want to direct the question, and then give the question. And since we have a limited amount of time, if you could be as succinct as possible in terms of your question, and then we can get as many questions addressed as possible.

AUDIENCE: Hello, everyone. My name is Andrew Oros and I'm a professor at Washington College in Maryland. I was in China recently last month during the anti-Japanese riots, and I met with a number of Chinese officials during my trip. And in almost every meeting Okinawa came up as a topic, U.S. bases in particular, but many Chinese told me that the Ryukyu Islands, as the Chinese say –they are an ancient part of China and that Japan administered or sort of took over these islands illegally, and that Japanese public opinion polls in Okinawa show that many Okinawans would prefer not to be part of Japan. And I wonder if – especially for Governor Nakaima, what the sense of that issue is among Okinawan people. I guess my specific question is: Are Okinawan people more concerned about China now because they see this reporting that China seems to be claiming Okinawan territory, not just the Senkakus. Thank you.

DR. MOCHIZUKI: Thank you, Andrew. I'll have the governor answer those questions, but I would also like to turn to Professor Takahara, since he's been an astute observer of China and to see what his views on how China looks at Okinawa, the East China Sea and the South China Sea and various maritime security issues.

GOVERNOR NAKAIMA: The question was how do I feel about the fact that Chinese people claim that Okinawa is part of China, is that right? People in Okinawa feel a strong affinity with and have a long historical relationship with China. However, China is a different country, because we're Japanese. We have absolutely no intention of becoming part of China. China is a good friend, but we have no such intention. All 1.4 million Okinawans probably feel this way. That's all.

As to the question of whether Okinawans might feel threatened by China's claim, time and again the people in China has repeatedly made this same assertion and I really don't know what can be said about it. The claim is unreasonable. Rather than feeling threatened, it's a matter of common sense. That's the only way I can answer that question.

DR. MOCHIZUKI: I would like to turn to Professor Takahara and get his views on what Professor Oros has been hearing in China.

DR. AKIO TAKAHARA: But, of course, that is not the official position of the Chinese Government. The Chinese Government has never said Okinawa is part of China, but surprising that the Chinese Communist society allows this discourse to go around. What do they aim for by allowing such argument to go around? I rather question that. And actually there's been an intense dispute between the hardliners, as it were, and the moderates, and it's quite clearly reflected on how the Chinese behavior evolved over the Senkaku issues this time. Let me try and explain a little bit about this internal dispute that's been going on in China. Many of you know or know of General Zhu Chenghu. Zhu Chenghu because very famous when he mentioned that China has the capability to

send missiles to Los Angeles several years ago. He's a very frank man, and he's a very honest man and I tend to like him personally. And he made the following remarks which were carried by the People's net on the 5th of September; he said about the purchasing of the three islands by the Japanese Government, there are two different interpretations in China. The first interpretation was that it was an open provocation to China by the Japanese government, and he also said that it's a great challenge to sovereignty and the territorial integrity of China. But there's another view, he said, that the Japanese government is acting to prevent Tokyo Governor Ishihara from purchasing the islands, which would bring about a lot of trouble to both Japan and China. So therefore, purchasing is actually an act to stabilize the situation, to quell the dispute. And Zhu Chenghu himself was inclined to the latter. And that's what he said openly on the 5th of September so we can clearly see that until that time there was a substantial moderate view within Beijing about this situation, but we also know that the hardliners that have a very good general control of the media had launched this vicious anti-Japanese campaign since the past summer.

And I have to say that it is had a very broad and deep impact on the public view of Japan amongst the Chinese. So we all know the result: hardliners won the debate. Very clearly I say that leadership has been pushed over by the hardliners after this intense debate that went on. So this is where we are. So in considering the future, we have to take into account that hardliners are prevailing now, and the general view in Japan is that this is very much linked to the power struggle there is going on. Just before the Party Congress no leader wants to be seen as a weakling, they have to show that they are tough negotiators, particularly against the Japanese.

So our hope now is for the next leader, Xi Jinping, to consolidate his power. Whenever the administration's power base is not solid, they tend to take a tough policy towards Japan. And whenever their power base is consolidated, they tend to take a friendly policy towards Japan. I think that's the general rule, and that general rule continues. So we all hope for the best for the next great leader of China.

DR. MOCHIZUKI: Professor Takahara, if I can just ask a follow up, and also because of Professor Michishita, if you want to chime in, that would be great. If, as you say, the hardliners in China won this round, then what do you think ought to be the response of Japan and the U.S.-Japan alliance? There are some reports that officials in Japan would like to change or revise the U.S.-Japan defense cooperation guidelines that were last revised in the mid 1990's, '97, and then in the administration in 1998 to strengthen the U.S.-Japan alliance. Would such a move weaken the hardliners in China or would it strengthen the hardliners in China?

DR. TAKAHARA: It's important not to forget that there are moderates in China. There are these internationalistic views, and we shouldn't do anything that would jeopardize their position, as it were, that's true. But on the other hand, while the hardliners are prevailing at this point, what they've been doing is not only to extend these governments to the economic realm and the cultural realm as I mentioned earlier, also they are sending these maritime law enforcement agency vessels every day – every day to the seas around the Senkakus' contiguous waters, and sometimes they even intrude into the territory seas and this is extremely dangerous. The Japanese Coast Guard is fully capable of defending the islands, and their morale is very high. So that's fine, but if there is an accident it can easily escalate. And we learned from the Chinese media a few days ago that there's been a drill in the East China Sea. The Chinese Navy and the Chinese Maritime Law Enforcement Agency together are preparing for a collision - you know, there's going to be a joint operation on that. So

that's the way they try to threaten the Japanese side. And if the Japanese side conceded in any way – see, now their target apparently is to force Japan to acknowledge some kind of joint administration of the islands, they're trying to make it a normal sea that these Chinese Law Enforcement Agencies would come to the seas close to the Senkaku Islands.

But if the Japanese conceded under such pressure, or show of might by the Chinese, I think it would send a very wrong message to the Chinese. And this would have a direct impact on what's going on in the South China Sea, too. So I think that we are at a critical point in time. We are at a critical point in time. So this is not the time to show any sign of weakness, but we have to uphold our position. That's my basic feeling.

DR. MICHISHITA: Just one comment. When we deal with China I think we have to be careful of how to present ourselves, because when the Government of Japan decided to protest the ownership of the three island, only three islands, by the way, of five major islands constituting the Senkaku Islands – they are Taishō-jima, Kuba-jima, Taishō-jima by the way, has always been possessed, owned by the government of Japan. There was nothing used outside of government's own part of the Senkaku Islands so it was only this additional purchase that the government of Japan decided to undertake. So when we call the Japanese media and some media commentators and even some governmental shows, when the government purchased the three islands some of them used the term nationalization of the three islands, which, you know, had a kind of negative connotation of Japanese Government is going out to confiscate three islands from somebody else. And it was not that. The Government only purchased the ownership, so the use of the word and how we presented to our own actions was not – we didn't handle the situation very well. So in the future we will continue to face more or less the same kind of situation in the future, but we have to be very careful and we have to learn how to be sophisticated in presenting ourselves and explaining our actions. Thanks.

AUDIENCE: My name is Yamaguchi, originally from Okinawa, currently residing in Connecticut. I would like to direct my question to Dr. Patrick Cronin. I appreciate your strong argument for contingency plan and longer runway and so on. As someone who was born and raised in Okinawa like myself, I am more concerned about Okinawan people's basic civil rights. I am sure many people here today have heard about an incident which took not long ago near Kadena Air Base where two American Airmen allegedly assaulted a local Okinawan lady. To pay attention to this kind of social, civil issue is more important, I feel, than the arcane military or civil theory. Long runway, you must be kidding, Dr. Cronin any thought on that - In that tiny island of Okinawa?

DR. MOCHIZUKI: Since the microphone is there, Sheila, would you also want to ask a question and maybe we can have Patrick and anyone else on the panel.

AUDIENCE: Thank you, Sheila Smith, Council on Foreign Relations. I apologize for coming later, Governor and panelists, but I am deeply grateful that you could come and that we continue to focus intensively on the dilemmas that face the people of Okinawa and also our policy community. I just have a couple of observations and my question is specifically for the Governor and anybody else who would like to add to that. I've been watching the situation in Okinawa now for 16 years, as many of you in this room have as well; I think one of the consensuses of opinion in Washington and elsewhere is that, you know, the U.S-Japan Alliance must find a way to ensure the political sustainability of our deployed forces in addition to the operational sustainability. And I think that's the kind of effort that Dr. Mochizuki and Dr. O'Hanlon are supporting, and I congratulate them for

that. But we are – I think there are many people here, Governor, who would like to get a little bit more of your insight on the solutions going forward. And it's not necessarily specific to the FRF, but over the long term if you are to think of a more sustainable way in which U.S. forces can be stationed in Japan, in addition to Okinawa, one of the logical partners, I think, would be self-defenses courses. And I often hear that the self-defense courses, the opinions in Okinawa about the self-defense courses are rather mixed. But I wonder if we could hear more from you about whether, A, you think that SDF and U.S. forces co-location base sharing would be a more stable outcome over a longer term, and if these perceptions in Okinawa about the self-defense forces are, in fact, accurate? Thank you very much.

DR. MOCHIZUKI: First, Patrick.

DR. PATRICK CRONIN: Thank you. I'm not sure the gentleman understood my comments in the context of which I intended it. When I spoke about a longer runway I was critiquing the length of the runway proposed at Henoko relative to the kind of military operations that could be conducted in the regions. And so I wasn't suggesting lengthening the runway there, or even on Okinawa necessarily, so I was – it wasn't an Okinawa comment, it was a Henoko critique.

As for civil rights and rapes and crimes, these heinous acts are crimes and need to be fully prosecuted. I'm glad we have a Status of Forces agreement now that allows for crimes to be fully prosecuted under Japanese law, that's the right thing to do. It's not the choice between law and order and national security, you can't choose between those two, they're both important. So we have police and we have a judicial system for crimes, and we need a military – and we need to kind of integrated military that Sheila Smith was talking about – increasingly, both in terms of basing so that we show just as we did in Operation Tomodachi after the 3/11 crisis that the self-defense forces and the U.S. Armed Forces are there for the same reason, to try to conduct the same kind of mission to protect the people of Japan and the United States and to advance the peace and prosperity of the region, and that is the right thing to do. And that's why the governor's presence here and his proposals to make more politically sustainable – the real problem we have on Futenma is so important because we have to have politically sustainable bases while we maintain operational capabilities. I look forward to hearing from the governor on what he thinks of this issue.

GOVERNOR NAKAIMA: It's just my personal opinion, but I think the Japan-U.S. alliance is going to become more and more important to Japan and Okinawa. Meanwhile, though, U.S. military bases exert a very heavy impact on Okinawa. Roughly 18% of the area of Okinawa's main island is occupied by U.S. military exclusive-use facilities. That's quite a lot of area, and there are restrictions on air and sea space as well. Therefore, we want the U.S. military bases scaled back more quickly. That is what Okinawa has informed the Japanese and U.S. governments. Even so, I suspect that the greater part of the military base issue could perhaps be resolved as an internal matter, because it's a question of how Japan as a whole will bear this burden.

Next, as to the joint use of bases by the Self-Defense Forces and the U.S. military, my personal opinion is I suspect that approach is being considered. From the perspective of Japanese citizens and the people of Okinawa, and from the standpoint of stability, safety, and also control over the bases, instead of having Okinawa deal directly with the U.S. military, it seems more natural for Okinawa to deal with the Self-Defense Forces or the Japanese government.

However, Okinawa's desire is to first scale back the bases, because U.S. military facilities occupy such a large amount of space in Okinawa. One reason for voicing this desire is that Okinawa's economy is now expanding and becoming more energized. Still, considering the security and defense of Japan, these are other factors involved. The issue of U.S. military bases should probably be addressed at the national level.

AUDIENCE: Thank you. I'd like to ask a question about China and Japan in this context. It seems just as we talk very much about the problems of access and denial of space looked at from the American perspective, it seems to me that surely from the Chinese perspective their capacity to reach out to the Western Pacific means they have to go through straits between Japanese islands, and therefore from their perspective however much they may talk about the first island chain and the second island chain, there is a structural strategic problem which they face. If in the event of some kind of major hostility they must feel that their capacity to go through those straits will be stopped. And purely from a Japanese perspective, if the Chinese are able to develop a sort of major presence in the West Pacific having gone through these straits, this directly affects Japan's security, it affects the trade routes and a whole range of things. So isn't there underlying a lot of this sort of discussion by the Chinese and Japan this deeper strategic structural problem, and are there ways in which the kind of rules of the road can be established to somehow meet these because as Dr. Takahara suggested that the Chinese approach at the moment is to try and impose their views by force or by threat of force, so isn't there an aspect of the alliance that should seek to somehow address this broader issue and, of course, from a geographical point of view Okinawa is central to this.

DR. MOCHIZUKI: There are a lot of people here who can answer that question, perhaps Professor Takahara could start, but I know that Patrick Cronin edited a report on the South China Sea and Michael O'Hanlon is writing a book on the rise of China, so if any of you want to address that question – Professor Takahara?

DR. TAKAHARA: Thanks, Michael, for the question, and Mike your earlier question hinted at the possibility of us falling into a security dilemma and I think I'd say that's very true, and we all have to try and avoid that. And personally I don't think that we can contain the military rise of China so we have to find a way to live with a militarily rising China – and how do we do that – we have to talk. I would say that dialogue with Japan, China and the United States together in a trilateral dialogue on security issues is very, very necessary.

DR. CRONIN: Well, certainly the questioner is on to a big conundrum, it's a big philosophical point and it could be a major strategic policy issue in the future, but it doesn't lend itself to any simple answer. The signal change in the region is the rise of China. The rapid economic growth, there's a lot of rapid military modernization. And China is redefining its strategic interest as the question had suggested in terms of looking at the littoral seas and the exit routes to the western Pacific and therefore to the critical sea lines of communication that keep the Chinese afloat and that we all support and defend in terms of looking at the rise of China's middle class, for instance, and the growing trade that we all want. Last night's presidential debate was a brilliant exposition on the fact there's no difference between our two presidential candidates on the desire more of workable cooperative relationship with the rising China, even while there's some hedging that must go on. Okinawa is right in the middle of this strategic geography, and this Ryukyu southwest island group, that allows potential pressure on those routes, and because of that there is a strategic competition

that I cannot resolve here for you. We can't go away and say we're going to be completely satisfying all Chinese that they are going to be able to have pure exits regardless of the behavior, regardless of any scenario, that's not going to happen. So we do have to manage the rules of the road, we do have to build the trade; build the people-to-people to contacts; consider putting energy on the agenda in terms of Japan and China and the United States, and I've proposed this in another report called The China Challenge where we could try to assure China that they will get access to these critical resources for their economy on which we all depend.

So I don't have an answer to solve this other than, yes, we have to be mindful that this could lead to a self-fulfilling prophecy, could lead to a security dilemma that becomes a cold war that does not exist and that we're trying to avert even while we're trying to responsibly hedge and protect against uncertainty.

DR. MOCHIZUKI: Michael O'Hanlon, do you want to add something?

DR. O'HANLON: Thanks, Mike, I'm actually going to put this in the form of a provocation, and I hope that you'll correct me if you think it's outlandish even to propose. But I'm wondering – and forgive me in a crowd of largely Japanese – if there is at least a conversation worth having about Japan offering to give the Senkakus to China as a – and that would have to be part of the negotiation where we declare that this was the end of it, the Japanese got an agreement from China that that was the end of it. In other words, there aren't going to be new discussions the next decade about Okinawa or about any other island, but that there's a recognition if there's a historical disagreement and that these islands in and of themselves are unimportant for anything except symbolic reasons. And Japan, proving just how far it's come towards being one of the great soft-power nations on earth and one of the great diplomatic and peace-promoting nations on earth is actually willing to put this on the table.

I only say this because I admire Japanese people so much that I actually think Japan is one of the few countries on earth capable of even doing this in theory. I know right now Japan is not interested in doing this. I sense that as an American my country would never be interested in doing anything similar about any territories it might have once controlled. But it's only out of my deep admiration for the Japanese and my understanding of how far they've come to try and make peace with their neighbors that I even put the idea on the table. And I only do it with the hope that if Mike Mochizuki thinks this is a bad idea even to table that he will quickly correct me. Thank you.

DR. MOCHIZUKI: Well, I'll have Patrick address that.

DR. CRONIN: I'm reminded of the real world anecdote, Mike, about the American negotiator talking to the Chinese about North Korea's nuclear weapons program, and after we were coming out and going to Tokyo and the Japanese saying what of ours have you given away now? And then he went to Seoul and they said what of ours have you now given away? So we have to be very mindful that we're sitting here in Washington, D.C. talking about the sovereignty of other countries, and I know you know that, I think, in the spirit of your provocation. One of the places where we've already seen deals struck on fishery agreements, for instance, around the Senkakus between Japan and China, we've seen deals with Korea and Japan. That opens up a space to talk about joint oil exploration, fisheries cooperation, so there is a negotiation space out there for cooperation to grow in this area short of the question of sovereignty. And in that sense, that's ideally where you'd like to be.

And if you look at the cost of the current territorial disputes in the East China Sea you can start to put billion dollar price tags on how much it's costing business in Japan and in China because of these territorial disputes. So the bottom line – the cost benefit analysis of this suggests that there are a lot of costs going on and not a lot of gain at the moment. So maybe some kind of more cooperative framework could be workable and feasible. Where it ends up, I think we should be very wary of proposing where that ends up.

DR. MOCHIZUKI: I agree with that. I think the best way to manage this issue is to try to restore the move towards growing economic development in the East China Sea so that sovereignty issue does not get further politicized and does not end up being militarized.

AUDIENCE: Thank you very much for inviting me here. I'm very grateful to be here. I helped to co-found World Trade Center of Okinawa, although I think it's more of a bamboo plant that takes about 14 years underground before it really starts to grow, but I hope that it can in part of the solution. My question is – this has been discussed since I first went there in 1994, and my kids went to elementary school right next to the Futenma Air Base at Ohama Shougakkou and I can't understand, so what is Japan's objection to relocating parts of a base or a base in another part of Japan? I mean, obviously they – especially now there's more interest and enthusiasm for the U.S.-Japan alliance with the rise of China, it just never seems to come up that negotiations between U.S. and Okinawa directly – it seems to be missing something and I never could understand that.

AUDIENCE: I wonder how our panel of experts has considered the overseas Chinese aspect that includes Taiwan also. As you well know that President Ma Ying-jeou – has also spoken very courageously on this issue, and as for the overseas Chinese, I think we all have affinities with China like Governor Nakaima have affinity to China 500 years ago. But, you know, if you pay attention, there are demonstrations everywhere, just counting Washington alone last – during last month there were two demonstrations outside of the Japanese Embassy, not counting elsewhere in California, Midwest, et cetera. Not counting only the South Seas – Southeast Asia, et cetera. So I think there is a problem for us, maybe you should do some anthropological research.

DR. MOCHIZUKI: Well, I think they're two related but very different questions. The first question is about the willingness of other parts of Japan, especially the main islands of Japan, to host U.S. forces. Professor Michishita and Professor Takahara, both of you agree that the U.S.-Japan alliance is more important, especially in the context of the rise of China, and that the U.S. military presence is also very important for Japan's security, not to mention the stability of the region. So why doesn't the rest of Japan kind of volunteer and say we will host U. S. forces more, and reduce the burden on Okinawa to make the alliance much more politically sustainable.

GOVERNOR NAKAIMA: The question of why people in other areas of Japan wouldn't welcome the U.S. military at a time like this is probably a difficult philosophical issue for Japanese people. Please go ahead and ask them about it. It's not a question that I can answer.

DR. MOCHIZUKI: Professor Takahara and Professor Michishita, please – I mean, it's always been a puzzle to me. I hear Japanese security specialists say over and over again the importance of the U.S. military presence, but why do they have to be concentrated in Okinawa; there are many other places in Japan that has more space that could host U.S. forces, is there a reason for that.

DR. MICHISHITA: Certainly. You know, it would be very difficult if you put yourself in the position of mayors and governors of different prefectures and cities – certainly there are now local municipalities in Japan, many of them are suffering from economic difficulties and aging problems and, you know, as population is declining, and I will say potentially there is a kind of – it might be a good idea for those municipalities to accept U.S. bases in your areas but if you are a head of those municipalities if you decide to bring the bases and U. S. forces in your area and that might – if that results in accidents and incidents of different kinds, you know, who takes responsibility. And so as long as there is a dire need to bring in U.S. forces to really change the situation of your municipalities it would be very hard for heads of those cities and prefectures to get – accept a deal.

DR. TAKAHARA: I can only use my common sense that the 'not in my backyard' phenomenon is very strong and the sense of threat on our national security is not that high yet, so human security comes first. No U.S. bases, no SDF bases and no need to have nuclear power plants in my back yard.

DR. MOCHIZUKI: Now the second question about President Ma Ying-jeou's proposal for managing the territorial dispute in the East China Sea competition, I believe the Republic of China had an ad in the Washington Post laying out President Ma's vision. Does anyone have any comment on that?

DR. TAKAHARA: I visited Taiwan in September and I had a discussion with some of the leaders of the Taiwanese government, and I think the proposal made by President Ma is a very constructive one; we pay a lot of attention to the content of it. And I do think that in Japan and China and perhaps Taiwan together, that depends a lot on Mainland China, but anyhow, we should agree on a 2012 consensus which is not much different from what President Ma had been proposing in his proposal, which is called the East China Sea Peace Initiative.

I think we should agree to disagree about sovereignty issues, we cannot say that there is a dispute on sovereignty. The Chinese side cannot say that there is a dispute on sovereignty, so actually what the Chinese government is saying is contradictory because is they say first that they have an indisputable sovereignty over the Diaoyu Dao and in the next paragraph they criticize Japanese for not agreeing that there is a dispute. But I can understand because no government can say that it is a disputable case. So we have to agree to disagree over the sovereignty issue.

But as suggested, we can talk about other issues, and for the Taiwanese the most important issue is the fishery, and the lack of a fishery agreement between Japan and Taiwan, we've been negotiating that a long time but we haven't come to any conclusion yet. And also we can agree that we should both – or three parties – should try to maintain the situation that we have maintained for the past 40 years since 1972. The Chinese will have to stop sending their boats, and the Japanese, on that condition, will do its utmost to maintain the condition that we had maintained for the past 40 years.

AUDIENCE: Thank you everybody for your time. My name is Matt, I work for TV Tokyo, and we're just up the street in Washington, D.C. The question I have is intended for Governor Nakaima, but I imagine it will provoke a few other responses as well. I would like to know, Governor, what you and what your citizens think about the idea of reinterpreting Article 9 of your constitution to allow Japan a standing Army. Do you think that would help or hinder this refocus on Okinawa and the rebalancing of our troops in the region? Thank you.

AUDIENCE: I am Mieko Maeshiro from Naha, Okinawa, and in terms of 'not in my backyard mentality' I agree with Dr. Takahara, I think this is because of not in my backyard, and of course if they try to move the bases to someplace in Japan they will protest. But my question is how can the people, the public in Japan, understand Okinawa's situation? Isn't there a way to motivate Japanese public? Japanese citizens to share Okinawa's burden? I don't know how you can do, but I hope Dr. Takahara and the gentlemen will able to answer my question, how to motivate them to share in the burden. Now Okinawa is doing– Okinawa is only 75 miles long and please, please – this is my plea – how can you reach the Japanese people. Not in my backyard is the natural reaction.

Another question I have is to Dr. Cronin. If I understood – my understanding was not correct, please correct me, it seems you are in favor of Henoko – I think this is what you said – there was an agreement between Japan and United States is that right? Or you didn't say that?

DR. CRONIN: I didn't say that.

AUDIENCE: Oh, I'm glad. Thank you very much. That's all.

DR. MOCHIZUKI: Okay, well, I'd like to ask the governor to answer the question about the constitution and also if he has some thoughts about how to convince the Japanese public to assume more of the burden of hosting U.S. bases and forces.

GOVERNOR NAKAIMA: Concerning the matter of Article 9, I don't really know. Frankly. . . the question was whether, apart from the debate about the Constitution in Tokyo, any discussion is taking place in Okinawa, is that right? And if I'm opposed to revising Article 9? Or what is Okinawa's perspective on Article 9? I believe the discussion of Article 9 is nothing less than an issue for the entire nation of Japan. I'd really rather respond to this when I have the experts with me. Sorry.

DR. MOCHIZUKI: Professor Michishita and Professor Takahara, what can be done to convince the Japanese public to be more willing to host U.S. forces.

DR. MICHISHITA: Well, I mean, we have been in the situation where, you know, large burden has been on Okinawa's shoulders, and it's been going on for a long, long time. And we certainly have tried – the government as well as the Okinawa Prefectural government has tried to, you know, make the Japanese people understand how burdensome maintaining U.S. – large areas of U.S. military installations on the small island of Okinawa. But Japanese people didn't – you know, has not been convinced that we have to do some – well, we know – I think Japanese people understand the burden, and that's why government as well as the people have tried to seek alternative options, but fail to come up with – I mean, realize it or to implement the idea into practice. So I think what's important is that as Mike and Michael and have been doing, we have to keep coming up with viable alternatives, I think that's the only way. I mean, I think people already convinced that it's just too burdensome for Okinawa, and so what we have to do is to come up with real feasible options and try to get together and make it come into reality.

DR. MOCHIZUKI: One of the things that I notice as an observer of the Japanese debate is that we see a lot of ideas emerging in the United States of different things, but there is a kind of a deafening silence on the Japanese security community that they don't come up with ideas. And it seems to me to suggest that Professor Takahara may be right that there isn't this real sense of a kind of an acute security problem so that Japan needs to make some fundamental adjustments in

the way bases and forces are hosted. And so in a sense there seems to be a real kind of obligation on the part of the Japanese security studies community to think about this seriously.

DR. MOCHIZUKI: So the lady right by the Apple Computer.

AUDIENCE: It's a Dell. I'm SHIHO KENKASIA with the Woodrow Wilson Center, and the fact that the United States will be holding an election has been mentioned a number of times by all of the panelists. At the same time, South Korea will also be having an election in December; there is the major regime change in China moving ahead; Japan is also expected to have a snap election within the next few weeks. Under those circumstances how does the conversation about the U.S. pivot towards the Asian Pacific region affect negotiations regarding the bases in Okinawa, and to the governor in particular I'm interested in knowing whether a change in leadership in Japan, whether it's led once again by the LDP or if there is another coalition government under the DPJ with the new prime minister, whether you have any strong views on which or what kind of Japanese leadership will be a better negotiator on behalf of Okinawa.

DR. MOCHIZUKI: So this is a question about the implications of the various elections that are coming up, not just the United States but South Korea and Japan and the probably leadership change in Japan, the implication that this has.

AUDIENCE: My name is Victor Okim, US-Japan Research. I heard several suggestions for solutions to U.S. naval bases in Okinawa. Dr. O'Hanlon suggested several possible solutions to the problem, and Dr. Cronin seemed to suggest national security issues combined in the U.S., but let me pose this basic question, I see Okinawa military base issues is not a problem in just Okinawa, Japan or Tokyo, Naha and Washington – so I see three entities involved in this issue. It's not just between Tokyo and Washington. It's not between Tokyo and Okinawa. It is the three entities very intimately involved. Okinawa people suggest this is unfair – as Governor Nakaima suggests – but I think if we cannot solve this issue – between Japan, Tokyo and Naha – you have to agree what to be done. And then next step will be between Tokyo and Washington. And unless these three entities argue – I don't think there's a peaceful solution to that. I heard many, many suggestions, several suggestions how to integrate Japan Self Defense Force and the US military, but I think the basic issue is really between Naha, Tokyo and Washington simultaneous. Otherwise you'll be going around. I work for U.S. government in Okinawa, back in the fifties, and that time I think – I don't want to be too long – the basic question is how can you solve this issue – military base issues. I suggest a couple ideas, one is probably national referendum, you were talking about appealing to the mainland, a national referendum see what the whole country will come up with, not Okinawa only which would be victimized.

So my real question is: is there any strategic plans or solutions to resolve this triangular issue, not between U.S. and Japan, but not between just Tokyo and Okinawa, but three entities must be able to resolve issues. So I'd like to hear some of the responses from the panel.

DR. MOCHIZUKI: Governor Nakaima, would you like to address the question about the possible leadership change in Japan and the implications that has for addressing the Okinawa base issue? And also regarding this last question about the trilateral dialogue that's necessary between not just Tokyo and Okinawa, the central government and Okinawa, but also between the United States and Japan, and is there a way to somehow promote a three-way conversation. And the

gentleman proposed a possibility of even a national referendum, kokumin tohyo regarding the base issue.

GOVERNOR NAKAIMA: I'll respond to the second question first. With regard to a national referendum, I don't really know. I've never considered that, so it's hard to give an answer. Regarding three-party talks among the Japanese and U.S. governments and Okinawa, if that's possible then I think it would be the best way. However, with issues of diplomacy and national defense, negotiations usually tend to begin between the national governments. Dialog with the local area comes at the very end, when there's no more room for debate. Since this happens after everything has already been decided, when the local side puts forth its own views, it takes a long time to coordinate the situation. In Japan it's relatively difficult to incorporate the concerns of local governments into a dialog with another country, unlike the U.S. My conclusion is that all three parties need to be coordinating things to the extent they can go beyond the established pattern, and that's what we are asking the Japanese government for.

Regarding the question about the possibility of a change of government, if the question is how will Okinawa's security issues and relations with the U.S. military change, it doesn't really seem to change. In any discussion of national security among Japanese people in general, it seems very hard to get past the standard line of reasoning. We're now discussing and exchanging views with various political parties about those conventional beliefs whenever we have the chance. Does that answer your question? Sorry.

DR. MOCHIZUKI: Does anyone else want to comment on the impact of the various elections that are coming up in terms of security cooperation and security composition in the region?

DR. CRONIN: Mike, I think, obviously trying to transition is pivotal in the sense that the potential need to give in to growing nationalism in China has added to the kind of tensions in the region that we see in the East and South China Seas in particular, so that's likely to persist for a while, and managing that will be very important. Japan has had a series of short-term prime ministers where they almost have a national referendum, and that's one of the problems in Japan, a vote of no confidence brings down a prime minister; there's no continuity; there's no political will to be able to implement anything really hard. We're dysfunctional enough in our country with four-year elections; I can't imagine America trying to operate with an annual presidency. And the fact that these are coalition governments as well means that they're weakened even when they're in power and they're constantly trying to protect their base so they can't bring up controversial issues that are unnecessary, or if they do, they bring them up only to their benefit for the election.

So this is the problem with Japan. Korea's election is fraught with implications for Japan and the United States and the alliance. My biggest concern is that the December 19 election will lead to a Korean government that will seek a new engagement policy, a Sunshine policy potentially with North Korea, and while it's reassessing what that means in 2013, North Korea will again exploit the seams that exist in interests in policies among Tokyo, Seoul and Washington, among others, and that creates the potential for a new crisis, a new provocation, and those things. You're only one missile away from being engaged in a regional war in Japan. And so that's very important.

On the other side, very positively on all of these issues, trying to get and build cooperation and build a common roadmap, you know, needs to be done, but it's complicated by the constant transition of government. But it does provide a fresh opportunity for seeking a common Japanese,

Korean roadmap, for instance, and also trilaterally with the United States, or seeking new engagement with China. These are the opportunities. The flip side is the security concerns that national security planners have to be worried about.

If I could just say a word about the problems of Okinawa, how they're unique and not unique. I mean, every base in the world is no longer an enclave in our modern world. There is no separate military base anymore, it's all – and you can go to Google Maps and look down on bases, but every community is affected by this. Now Okinawa has a disproportionate burden, yes, absolutely, that is unique in the case of Okinawa. So you have the trilateral, but for political reasons that I just mentioned or military requirements in terms of needing to keep your forces relatively prepared for combined arms, because you don't just operate Marines separately from air power, for instance, or naval power, they have to operate together in combined arms. Which is also why the real estate in Okinawa is unique. This is geographically strategic, and that's why the U.S. Marines are training ground Self-Defense Forces to be able to implement the 2010 National Defense Program Guidelines to help defend Japan's territories in the southwest island group. That's because it's strategic real estate. So the more you push north you're pushing away from the challenged area, which is the real nitty gritty security question of how will Japan protect its territory when it's stretched out so thin. And the alliance is a key answer to that. So it's not just not my backyard syndrome, its history; its geography; its military requirements; costs and politics as well.

DR. MOCHIZUKI: Mike.

DR. O'HANLON: Thanks, and I wanted to touch on this general question, too, and again it's getting a little bit away from the immediate issue of Okinawa, although it obviously relates to the general region. And Patrick's comment is a good segue because I generally would agree with him, but there's an element of nervousness that I also feel, not about the way he put anything, but about the situation as it's developed, and specifically about American treaty commitments to Japan regarding the Senkaku Islands. And I think it's worth underscoring, and those of you who watched the American presidential debate probably detected this, that the Republican candidate used the word peace more often than I've ever heard a Republican or Democratic candidate for that matter, with the possible exception of our dearly beloved, just departed George McGovern. So it's important to know that this country is not in the mood to have another unnecessary war. And with all due respect, and I know Japanese friends are not in the mood for such a thing either, and I know that the provocations in the general South and East China Seas are largely China's doing these days. But let me just say one thing for the sake of argument, and I – again, I can say this as a private citizen, and maybe in a similar spirit to how I made my earlier comment about Japan and the Senkakus, but more realistically I'm glad that Mike and Patrick amended my comments or gave a more traditional American view because I think they are certainly closer to the political center of gravity on that question.

But I think I'm pretty close on the following, I don't think the United States would liberate the Senkakus for Japan – by a Marine operation, period, ever. I don't think it would ever make sense. I think if China did something so stupid as to send a paratroop company to take the Senkakus, the thing to do is to respond with economic sanctions and maybe someday to interfere with their resupply, but never to take it back by force. It's not worth it, and it's definitely not worth it to us now. I realize that this is not the sort of thing that government officials would enjoy hearing me say because we're trying to walk this fine line of not taking a position on the ultimate resolution of the

islands and yet saying that we are sworn to the defense of Japanese territory. Because Japan administers the Senkakus, therefore, the treaty applies.

The treaty does not require any specific American military response. Yes, we would have to take it very seriously if China committed an act of aggression towards the Senkaku; it does not require us to do a counter invasion, so to speak. There are all sorts of options, and I think American policymakers would have to prudently consider, along with Japanese counterparts, the most prudent.

And so I'm not suggesting that anybody on this panel or elsewhere was trying to predict a certain kind of operation, but I am trying to remind friends of just how war-weary this nation is and how much we need to avoid getting into a conflict where we're doing something we don't really need to do. This is not meant to invite the Chinese to aggression, because if the Chinese were to do something stupid in the Senkakus, we would have to respond. I just don't think it would be with Marines or SDF ground forces. There are a lot of other things we can do that may even be disproportionate, that may cause the Chinese far more economic pain and diplomatic pain then they would ever benefit by controlling a few rocks in the East China Sea. And I would favor a strong response; I just don't think it would necessarily – or that it should be a military one.

AUDIENCE: Thank you very much. My name is Jim Schoff from the Carnegie Endowment for International Peace. And I just want to say a quick word of thanks to the organizers of this even today and to the governor for being a part of it. It's a tremendous opportunity for us. We talked about a number of important things today, but certainly the central, most practical problem we face is how to close Futenma as soon as possible. I get strong sense from listening to the governor that speed is incredibly important and that perhaps closing Futenma quickly is more important than – I'm not putting words in his mouth, this is my view – but closing Futenma quickly is more important than moving all of those operations outside of the prefecture. And I would suggest that if speed is really important, then evaluating a whole bunch of new potentially viable alternatives is not a way to quickly realize that, and we already have the agreement between the two governments that is actually supported by the LDP and the DPJ, ostensibly, in Japan, that reduces the Marine presence in Okinawa by 9,000, that provides a way for early land returns and land returns on the medium and longer terms as well, and relocates those operations to a more remote, less densely populated area. So I think the key is how we implement that plan, and if we're able to focus on those issues because I think the triangle dynamic is incredibly important, and that perhaps is the Okinawa piece that has been the most left out of how this plan has been put together. But I wonder – and this is my question to the governor – if there is political space, in your view, for a discussion to begin soon on implementation of the current plan, say, okay, we're going to take this as the best near-term way to satisfy all these different competing needs and responsibilities, but we're going to look at it – we're going to bring Okinawa more into the picture in terms of how it's implemented so that it's as acceptable but still operationally viable as possible. So I was curious to the governor's political read of the potential near-term viability of entering into that kind of implementation discussion.

DR. MOCHIZUKI: Governor Nakaima, would you like to address that question.

GOVERNOR NAKAIMA: The question is whether or not this is a realistic plan. This plan was created by the Japanese and U.S. governments. The question is whether it's capable of being carried out. In our view, it would probably take 20 years to carry out the plan. It would take an unbelievably long time. Do you think this plan can be put into effect immediately? On paper it looks okay, but no one has offered an opinion about whether it can actually be carried out. In other words,

it's just words on paper. If they go back and hear Okinawa's side of the story, they should realize how difficulties it is to carry out the plan. This is where everyone seems to have a different opinion. So we feel it would take a very long time to carry out and achieve the goal.

DR. MOCHIZUKI: And I think we have time for a couple more questions. Ben Self, you had your hand up.

AUDIENCE: Thank you; I'm Ben Self, Adjunct Fellow at CSIS. It's a question for Professor Michishita. I really enjoyed your analysis – I enjoyed all the presentations, but your analysis, and I enjoyed and agreed with your gut feeling that this is likely to continue to be a relatively low-intensity margin conflict between the U.S.-Japan alliance and the PRC in the South China Sea/East China Sea area. I worry however that this is used as a basis for saying we cannot do anything that might potentially weaken deterrence. Your argument is if that's the nature of the ongoing conflict with China, low intensity around the Senkaku area, that we need to preserve the forward-deployed U.S. capabilities in Okinawa in order to maintain to deterrence and maintain stability. Would you then say that the plan that Professors Mochizuki and O'Hanlon have put forward shouldn't be proceeded with because it undermines or weakens deterrence, or do you think that you can do both, that you can respond to growing Chinese power while also removing Marines from Okinawa and maybe back to the mainland United States?

DR. MICHISHITA: Thank you very much. I don't think those do not contradict with each other because two gentlemen's proposal. They are not talking about bringing all the Marines to the Continental U.S., they are talking about leaving the 31st Marine Expeditionary unit in Okinawa, which would be enough to respond effectively to different kind of low-intensity conflict, so I think my idea and their ideas don't contradict with each other, and I regard their ideas to be credible and realistic.

DR. MOCHIZUKI: We have time for one last question.

AUDIENCE: My name is Katsuko Kudaka Lee, I'm the executive director of Okinawa–America Ryukyu Culture Association. I am married to Chinese, my husband is Chinese, and I would like for this little island conflict to be resolved very quickly mainly because I am sure that many households like mine, Japanese married Chinese, and that many of my friends asking me, do you fight with your husband. So my answer is as soon as I raise my hand and karate chop, then he will be quiet.

Anyway, my question is what kind of things that is going on or is there any roadmap for solving this conflict? If so, how long will it take? What do you suggest for Okinawan people to do? Or Japanese? Or Chinese people to do? I really appreciate what you say, Governor Nakaima – (Japanese) - panelists, I really appreciate this conference because this will, I hope, focus on, and everybody understand worldwide what is going on in Okinawa. And again my question is: is there any roadmap to solving this problem.

DR. MOCHIZUKI: And this problem you mean the Senkaku --

AUDIENCE: Yes, the Senkaku islands.

MOCHIZUKI: I'd like to be able to task for all the panelists to address that question or say last closing thoughts. So if you want to start, Professor Michishita, and we'll end up with the governor.

DR. MICHISHITA: Thank you very much. And I am not – actually, some people might look at me as a base issue specialist, but I'm not. I'm more of a policy specialist, but I have to understand some part of base issues. But, I mean, the issue is that we always have to think about policy defense – what is Japanese defense policy and where we should be – how the U.S. and Japan should be working together defending Japan as well as maintaining the peace in the region. And we talk about base issue on the other hand, but this is – there is no right answer, and some people, you know, tend to look for right answers, but there's no right answer, and we have to keep looking for a – the way to strike a good balance between maintaining credible deterrents and maintaining credible capabilities to respond to various kind of contingencies, you know, and low intensity up to high intensity conflict and reducing the burden on Okinawa.

And so I'm glad to be here today in this conference talking about this issue and I hope we will continue to talk about discussions on this issue. Thank you.

DR. CRONIN: Well, we've gone from a runway to a roadmap. I'm not sure that there is one roadmap right now to lower the tensions in either the East or the South China Seas. There are certainly lots of tools, diplomatic tools, but I've heard even just in the last couple of weeks from very senior Japanese – different parties, that they have different ideas about how to lower tension. And some of them are of the opinion – in fact, Governor Ishihara, when I spoke to him a few weeks ago on this – his concern and the reason he wanted to purchase the islands and the rights is because he thought that the Japanese government was going to be too weak and was going to be rolled over by Chinese assertiveness. And that is a legitimate concern because China is becoming increasingly assertive as its influence grows, its might grows, and it's testing and probing and what it can now do to exercise what it sees as its rights on these issues.

On the other hand, there are those who want to negotiate. And the problem with that is that there's no easy deal. There are already agreements with China, for instance, on fisheries, and yet there are not enforcement mechanisms for this issue. So there are real challenges to how to implement an agreement. I think it's going to take leadership on the part of the Chinese and the Japanese; it's going to take a strong U.S.-Japan Alliance that depends upon public support, but also depends upon very capable armed forces in both countries to maintain deterrence. It's going to take a focus on economic agendas that are the overlapping cooperative area with China.

In looking at costs of these recent tensions in the East China Sea, as I've mentioned, it's a good reminder that real people's lives are getting hurt by focusing on a territory that, as Michael O'Hanlon suggested, is not going to be really the core issue of the peace and prosperity for the region. But we have to be very mindful of the role that our military forces play. You know the historic bargain in the U.S.-Japan Alliance has been Japan providing bases in exchange for America's protection of its territory. When we reverted Okinawa, the Senkakus included, we gave and recognized not only in the '51 San Francisco Treaty, but we recognized that there was administrative control and judicial control, in fact, of the Senkakus. So we cannot walk away from that. This is part of the U.S.-Japan bargain is to protect the Japanese. Even if Michael O'Hanlon was absolutely right, nobody in Washington wants to look for a military scenario for how to protect those islands, but deterrence remains a part of that calculus. Because if you look too weak, China will take too much; and if you don't look for an opportunity, you go down the road as a security and problem and dilemma that we heard about earlier in the day. Thank you.

DR. TAKAHARA: On the citizens' level a fundamental problem is that the Japanese people and the Chinese people don't share a common-sense consensus. If you ask the Chinese demonstrator about what the nationalization of the Senkakus really meant, he or she would not be able to answer. I've talked too many Chinese students that came to Japan after the row, and they were quite surprised to find that out that the islands before the government purchased had been owned for a long, long time by Japanese private citizens. So the common sense is so different and information flow is being controlled in China by a very powerful government-owned party agency. And in both countries there is the problem of a populist and sensationalistic media which really distorts the reality of the matter.

The people of Okinawa have offered to host a discussion away from politics by academics, and we can sort out – ask academics - including not only academics from Japan and China, but perhaps from Taiwan and the United States, and sort out our arguments. There's a lot of misunderstanding, even amongst the academics of the historical facts and international law. And on the governments' level as I already mentioned, I think we should quickly move to establish a 2012 consensus because now the situation is very, very dangerous. And no one – at least on the Japanese side, wants the situation to be escalated – to escalate. And perhaps the change of government will be – will provide a sweetened opportunity, but in order to seize the opportunity we have to start our preparations now.

DR. O'HANLON: My last comment, and again thank you all for being here today, and for the honor of being part of this panel. My last comment would be that there are a lot of patient people in this alliance on both sides who have worked very hard to try to resolve this question for a long time, and I admire them and I commend them, and I'd like to hope that Jim Schoff for example, could be right, because I think the deal that's been proposed is pretty good. But unfortunately it doesn't seem to be taking. And so perhaps it's worth one more try to try to find a way to modify it or not. I'm skeptical, but let's say it's worth one more try. As far as I'm concerned, that is as much as we can sustain anymore because this issue is beginning to make the U.S.-Japan Alliance look like a weak alliance. Its making us look as if we could not solve an issue over a few thousand marines and an airfield.

When I was in Beijing last, which was August, I was joking with Chinese friends about how if they wanted to solve this they would have solved it in a week, and we had a plan going back to about '96, which we're still arguing over. This is frankly not a worthy place for the world's historically greatest bilateral alliance to stay mired forever. And so whether there is room and time for one more try at this or not, I don't know, but I think we should set an upper limit of one more try. And then get on with something that frankly doesn't require a major new construction project on Okinawa because I'm just not convinced that the Japanese constitution or Japanese politics are going to make it possible to ever follow through, even if we did sit down in a triangular negotiation from the outset. So that's my concern.

And the final point I would make, having just visited Okinawa for only the second time in my life and not having been back since the late '90s is that – and this is more for American ears, just a general point of fact, and I think many of you know this issue better than I, but think about in these terms – and this is a little bit of a casual way to put it, but Okinawa is about the only growing prefecture in Japan, or one of the only growing ones, and it's not that hard to figure out why; it's beautiful and it's warm. We have states like Florida and Arizona that absorb our population seeking

such things – and these are big states, several hundred kilometers on a dimension. Okinawa, as discussed earlier, is a hundred kilometers long and maybe five to eight kilometers wide. If you travel through Okinawa – I was struck, the bottom third of the entire island is completely developed. I was struck, there's basically no open forest in that bottom third, I'm sure I'm missing a little or exaggerating slightly, my apologies, Governor, but the northern two thirds still has a lot of space, but I would guess that even that is going to be developed more over time. My point is that we have to recognize we have too many American bases on such a small piece of land. It's prime real estate in a densely populated country, they're starting to catch that American bug to go south to retire, and it's just not sustainable, I don't think, to keep hoping to keep as many forces as we've had. So while I like the plan that's been devised, it's better than the existing status quo, and maybe it's worth one more try at convincing local populations and governments to support. I think we have to recognize the trend line, and the trend line is we've got to reduce our footage on Okinawa.

DR. MOCHIZUKI: Thank you. I'd like to turn to Governor Nakaima for his final thoughts.

GOVERNOR NAKAIMA: Thank you, everyone, and I thank the distinguished panelists as well. Some very interesting views have been presented.

The final questioner asked whether there's a roadmap concerning the Senkakus. I too am hoping for one. Right now we're waiting to see if one will emerge. Okinawa Prefecture is very close to Taiwan and has longstanding connections with China. Our role has not yet become clear, but we'd like to help too. I think the roadmap is something that will be worked out between the governments.

Finally, about half of today's discussion has focused on the Futenma base. Though this may appear to be a minor issue, this is a very big issue. That is, it may seem to be just one part of the U.S. defense system in Japan, but that's not true. Actually, political measures need to be taken. Over the past 16 years only technical and bureaucratic measures have been taken. Bureaucratic measures alone can't change the plan. I've spoken to Japanese and American defense officials, time and again. They say the Henoko relocation plan is a done deal, so they're going ahead with it. They're still calling it a plan, although it isn't moving forward, but to us it's just words on paper. It's not a plan. Japan's prime ministers and ruling parties come and go, and the situation in the world is quickly changing, but the issue of bases has been addressed with technical and bureaucratic measures, so ultimately we've ended up where we are. We've asked a lot of people, and they say they won't budge one inch when it comes to this plan. Even when we ask for minor modifications, they refuse and say they won't budge an inch. The Futenma issue is a highly political issue, and the impact extends in every direction and affects different areas. Because it's been treated as if it were a minor issue, measures have devolved into a technical discussion. While this may appear to be a minor issue, it affects social stability in Okinawa and the settlement of issues involving Japan-U.S. security arrangements. From the standpoint of changes yet to come, as Dr. O'Hanlon said, it should be possible to resolve this issue quickly. If you take the attitude that the done deal can't be altered even a little bit, then this issue absolutely can't be resolved. There may be people attending today who are involved in this, and if you're willing to resolve it by political means, I believe it can be resolved immediately. Dr. O'Hanlon's view on this is very perceptive. Still, I really can't accept his idea about offering the Senkakus as a present. Thank you.

DR. MOCHIZUKI: Thank you very much, Governor Nakaima , and thank you to all the panelists and all of you for coming and asking great questions and being attentive. We're going to take a 15-

minute break and we'll have the lunch set up. So if you want to go to the lobby to take a break, that's fine, or you can stay here. And then we will move to the last part of the program, which is to hear remarks by Senator Jim Webb. So thank you very much for coming.