

JAPAN CHAIR PLATFORM

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**U.S.-Japan-India Strategic Dialogue
February 27–March 1, 2009
Tokyo, Japan**

Recognizing the growing importance of India in East Asia and the enormous potential for expanding cooperation on global challenges based on shared values and interests, the Center for Strategic and International Studies (CSIS), the Confederation of Indian Industries (CII), and the Japan Institute for International Affairs (JIIA) initiated the U.S.-Japan-India Trilateral Strategic Dialogue in June 2006. Cochaired by Central Japan Railway Company chairman Yoshiyuki Kasai, CII chief mentor Tarun Das, CSIS president John Hamre, and former deputy secretary of state Richard Armitage, and directed by Michael Green of CSIS, the group has met five times, most recently in Tokyo from February 27 to March 1. Each meeting has increased the participants' enthusiasm for working together and has reinforced the importance of strengthening this trilateral strategic dialogue at the official level so that our three great democracies can play a leading role in defining the future contours of the Asia-Pacific region and positively affecting human society.

In this meeting, the participants focused their discussions on five areas: domestic political developments; the economic crisis; international security challenges; regional architecture; and climate change /energy.

The Economic Crisis

The participants noted the possibility that the current economic crisis could lead to prolonged difficulties with an “L”-shaped recovery rather than the “V”-shaped recovery more often seen after recessions, but they also acknowledged that previous models for predicting recoveries have frequently proven inaccurate. There was consensus that in the current environment:

- All three nations have a responsibility to resist protectionist tendencies through a renewed effort to successfully conclude the Doha Round, strengthen multilateral institutions, and explore liberalization through bilateral economic partnership agreements (EPAs), free-trade agreements (FTAs), or economic cooperation agreements (ECAs).
- Japan's commitment to significantly increase support for the International Monetary Fund (IMF) demonstrates important leadership at a global level.
- The international economic architecture needs to better reflect the increased importance of Asian economies.
- Japan's commitment to cooperation with India through yen loans (India is currently one of the leading recipients of Japanese official development assistance) and foreign direct investment (FDI) has particular strategic and economic significance at this time.
- India's commitment to improve the environment for FDI has improved, but further efforts are required with respect to infrastructure, governance, and reduction of intergovernmental obstacles within India.
- Technology innovation and collaboration can continue to strengthen relations among the three countries, as it did when the U.S. FBI made its forensic capabilities available to the government of India after the Mumbai attack.

Security

The three delegations discussed the challenges and opportunities in South Asia, the security environment in East Asia, and the possible modalities for increased trilateral security cooperation. It was noted that:

- U.S.-Japan-India trilateral naval exercises are a strong element in the security interface of the three countries and should be continued annually.
- Indian and U.S. participants highlighted the importance of Japan's naval deployments in the Indian Ocean in terms of countering terrorism and piracy and increasing Japan's strategic presence.
- The passage of Japan's new space law points to the expanding possibilities for common efforts on commercial space launch vehicles and satellites for environmental monitoring, arms control, and missile defense.
- The three nations can contribute jointly and each in their own way to stabilization and recovery in Afghanistan.
- All three delegations shared concern about developments in Pakistan.
- All three delegations agreed on the importance of a complete and verifiable end to North Korea's nuclear program and a complete accounting by North Korea on the abductee issue.

Regional Architecture

Participants were briefed on the February 2009 CSIS survey of elite strategic opinion in Asia on the region's future architecture, including key findings that:

- 80 percent of respondents in East Asia welcomed a role for India and 79 percent welcomed a role for the United States in forming an East Asia Community.
- 65 percent expect China to be more powerful in Asia in 10 years, but China led the list of nations that were seen as a potential threat to regional peace and security, while the United States led the list of countries seen as contributing to peace and security in the future.
- Large majorities highlighted the importance of governance, human rights, and free elections—values shared of the United States, Japan, and India.
- Based on discussions of these findings, it was agreed that the region's institutional architecture will continue to be fluid and diverse, but the United States, Japan, and India should continue coordinating closely to ensure that regional forums consolidate an open economic regionalism and the promotion of universal norms.

Climate Change/Energy

The participants compared national strategies for reducing greenhouse gas emissions and welcomed the United States' leadership in this area and Japan's path-finding technology innovations on renewables and energy efficiency. It was noted that:

- The delegations shared a consciousness of the need to balance economic, environmental, and social issues.
- Measures on both the demand and supply side of energy use play critical roles in solving climate change issues. On the demand side, promoting "electrification" in the transportation sector (e.g., electric vehicles) as well as heat utilization (e.g., heat pump appliances) is essential.
- The delegations also recognized the importance of modeling, simulating energy portfolios, and using concrete figures (e.g., amount of CO₂ reduction and required investment cost) as market principles to effectively promote energy-saving technologies.
- Nuclear energy is an essential element of strategy, but proliferation issues need to be addressed if there is

a worldwide expansion of nuclear energy use, and it will be important to consider the entire nuclear fuel cycle.

- Near-term political pressures complicate national long-term resource allocations.
- The current recession (with lower energy costs) limits investment in modern infrastructure and investment in (more expensive) alternative fuels.
- The United States has a strong intention to lead international efforts at Copenhagen, but this will be more difficult without carbon-constraining legislation in the United States, and the economic crisis has cast doubt on the prospects for swift passage.
- The AP-7 forum on clean energy and climate in Asia, which includes the United States, Japan, and India, can play a key role in building cooperation and consensus.

The delegations briefed Prime Minister Taro Aso, Foreign Minister Hirofumi Nakasone, Defense Minister Yasukazu Hamada, Economy, Trade, and Industry Minister Toshihiro Nikai, Finance Minister and State Minister in charge of Economic and Fiscal Policy Kaoru Yosano, and Democratic Party of Japan leaders Katsuya Okada, Yukio Hatoyama and Seiji Maehara on the discussions and recommendations. Briefings will also be made to the U.S. and Indian governments by those delegations on their return to capitals.

The Japan Chair invites other essays for the Platform. Please contact Eri Hirano at (202) 775-3144 or by e-mail at ehirano@csis.org.

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