The Japanese have responded to American pressure to increase their defence budget and Tokyo's recent agreement to increase further its financial contributions in support of USFJ, ¹⁵ while alleviating to some extent bilateral tensions, still has not answered a fundamental question: to what extent should Japan assume responsibility for its own and regional security?

It is not lost on the Bush Administration, Congress - or the Japanese - that the United States has to borrow from Japan in order to ensure American security, a situation which is untenable in the long run. Yet, the historical baggage and latent anti-militarist sentiments within the Japanese electorate are also strategic realities. The result of these contradictory tendencies is that the Japan-United States security relationship, while indispensable to both, will become more complex in the face of increased bilateral trade friction and a growing (if grudging) realization of the changing nature and sources of Asia Pacific instability.¹⁶

There is no evidence to support the theory that Japan will increase significantly its military posture and scope of operations in Asia Pacific. The concept of "defence for defence" will continue to guide force deployments and procurement. While a significant increase in Japan's military commitments in the region might be viewed favourably by the United States (although there would also be some criticism), this would be offset by the adverse reaction of others in the region, especially - but not limited to - those countries which had suffered invasion and occupation by Japanese Imperial forces. By the same token, any drastic cutback of American military capability in Asia Pacific would be viewed with concern by regional states as lessening the ability of the United States to exercise a "restraining" influence on Japanese power.

Japan's contribution to regional stability and security will focus on the disbursement of Official Development Assistance funds, with emphasis on those countries which are essential to regional stability and where there are Japanese economic interests to bolster and protect, and to ensuring that all aspects of Japanese defence planning and budgeting are as transparent as domestic political practices permit. This, and agreement to discuss security matters with other Asia Pacific states in the context of the ASEAN Post-Ministerial Dialogue¹⁷, will somewhat lessen suspicion of Japan in the eyes of its neighbours which, in itself, will be an invaluable and far-reaching regional confidence building measure.