

Session Three: Toward Co-operative Acquisition

Key Findings from JFSS's Report on the  
International Defense Collaboration for Japan

---

Heigo Sato, Ph.D

Professor

Takushoku University

# *Contents of the Report*

- ◆ Strategic Landscape
- ◆ International Defense Collaboration, its policy and issues
- ◆ Case Study of the Japan's International Defense Collaboration
- ◆ Assessment of the Impact
- ◆ Policy Recommendation

# *Strategic Landscape*

- ✓ Emergence of 'Irregular' and 'Catastrophic' Threats, Combination of 'Traditional' and 'Disruptive' Threats in Asia Pacific
- ✓ Globalization of Economy
  - Integration of Defense Production Base between US and EU(Design and Production), High-cost
  - ✓ Defense-related Technologies
    - IT and Dual-use technologies, Sophistication and high-cost
- ✓ Change in Defense Production and Technologies
  - New actors(more spin-on)
- ✓ International Defense Collaboration
- ✓ Export Control and Information Protection

# *International Defense Collaboration*

- ✓ Case Studies: US, UK, France Sweden
- ✓ Issues related to Int. collaboration
  - arrangement needed for SPEC; restriction on disclosure of technologies; offset; cost spike
- ✓ Issues to be considered
  - disagreement of required performance; disagreement of selection of component; sovereignty; number of countries; capability of individual companies; political risk
- ✓ Specific Issues for Japan
  - Political Agreement by Government is Precondition for International Defense Collaboration
  - Information Security Arrangement
  - Three-ban on Arms Export

## *Study of Japan's Case*

- ✓ Background: Civil production, Budget (share for defense production), Three-bans
- ✓ Cases: US-Japan Joint Production, F-2, Missile Defense (SM3), Lazar, ESSM
- ✓ Issues
  - Policy, Three-bans, GSOMIA, Budget system
- ✓ Questionnaire

# *Assessment of the Impact*

- ✓ What JFSS found in Europe
  - Need for maintaining healthy and competitive defense production base
  - International collaboration is cost-effective solution for high-cost defense items
  - International collaboration is significant ways to acquire advanced technologies
  - Enhance joint operation capabilities and interoperability
  - “Best value for money for the taxpayer”
  - Political arrangement
    - Sovereignty issue, promoting mechanisms, common security and technological development strategy, framework
  - Consensus on arms export
- ✓ What is missing in Japan?

# *Policy Recommendation*

- ◆ Uniform defense industry policy
- ◆ Consistent policy and strategy
  - Arms export control policy
  - Defense acquisition policy
  - Research and development
  - Defense production strategy
  - Security of secret information
  - Budget system
- ◆ Defense production companies

# *Way forward*

- ◆ How to fulfill innovation and affordability?
- ◆ Open and/or Closed Competition
- ◆ National champions and sovereignty
- ◆ Globalization and Government policies
  - Market access impediments and its policy implications
  - US, transatlantic, 'trans-Eurasia continent,' and more
- ◆ Strategic Goals and Defense Collaboration