

RSIS Commentary is a platform to provide timely and, where appropriate, policy-relevant commentary and analysis of topical and contemporary issues. The authors' views are their own and do not represent the official position of the S. Rajaratnam School of International Studies (RSIS), NTU. These commentaries may be reproduced with prior permission from RSIS and due credit to the author(s) and RSIS. Please email to Editor RSIS Commentary at RSISPublications@ntu.edu.sg.

Japan's International Strategy and the Challenges of Trump 2.0

By Christopher W. Hughes

SYNOPSIS

Japan has been conducting proactive and high-level diplomacy with the US since the inauguration of the Trump 2.0 administration. The early signs for alliance continuity and strengthening are positive, but numerous challenges remain for Japan to manage its ties with the unpredictable Trump administration as an alliance partner.

COMMENTARY

Japanese Foreign Minister Iwaya Takeshi met with his new counterpart, US Secretary of State Marco Rubio, in Washington, DC, on 21 January, with [pledges](#) to take the bilateral alliance to “new heights”. Prime Minister Ishiba Shigeru met with President Donald Trump at the White House on 7 February 2025, just over three weeks after Trump's second inauguration. The summit yielded a [Joint Statement](#) that affirmed many of the US-Japan alliance's key areas of cooperation. Japan, nevertheless, will be anxious over the challenges of Trump 2.0.

Alliance Anxieties

Japan has thus moved with alacrity to engage the Trump administration and extracted as far as possible early assurances over US intentions to maintain the alliance. Nevertheless, for Japan, as the contours of Trump's grand strategy have started to become clearer – based on America First, talk of spheres of influence and territorial aggrandisement, offshore balancing, mercantilism, and disregard of the rule of law – so have also the potentially deep challenges to the alliance, and thus the entire basis of Japanese foreign policy.

Japan's policymakers have frequently anticipated a reboot of contentions from Trump 1.0 but are now seeking to deflect these arguments by stressing the importance of the

alliance to US interests and the recent progress in security and economic ties. Japanese leaders are also aware that they may need to plan for longer-term frictions in the alliance, as well as the potential failure of US support and leadership for Japan and in the wider Indo-Pacific region.

Former Prime Minister Abe Shinzō forged a strong personal bond with Trump and was thought to have influenced his adoption of the QUAD and the [Free and Open Indo-Pacific \(FOIP\)](#) concept as key components of Asia's security architecture. However, Japan under Abe was not exempt from Trump's approach to US allies. It experienced US tariffs on its exports of aluminium and steel. Trump held two summits with North Korea's Kim Jong-Un in 2018 and 2019, leading to the collapse of the previously agreed US-Japan "maximum pressure" policy on the North, and leaving Japan initially isolated in summitry with the North.

Trump repeatedly decried the limited reciprocal obligations of Japan to defend the US and even hinted at its abrogation at the [G20 summit](#) hosted by Japan in Osaka in 2019. To defuse trade tensions and demonstrate its security commitment to the US, Japan ramped up purchases of US defence equipment, [rising by 2019 to a high of ¥700 billion \(US\\$4.65 billion\) annually](#) – nearly ten times the value of a decade earlier.

Japan's Alliance Management Approach

Ishiba's summit with Trump in February was judged within Japan to have been a [relative success](#) despite his lack of personal ties with Trump and own weak personal standing in Japan. Japanese tactics in discussions with Trump and Rubio in January and February have been to demonstrate Japan's indispensability as an ally and to exert influence on Trump's capricious decision-making.

Japan has argued that since 2022, it has [pledged to hike its defence budget](#) to the NATO standard of two per cent of GDP, responding to Trump's expectations for allies to shoulder a fair share of the defence burden. However, Japanese policymakers fear that the US may already be moving the goal posts with US Defence Secretary Pete Hegseth's talk of allies' needing to attain three per cent or more of GDP; and with the known [preference of Eldridge Colby](#), the recently confirmed Undersecretary of Defence Policy and self-regarded "Japan hand", for Japan to spend at least three per cent of GDP.

Japan has already started to push back in part seeing the high US demands as Trump's usual negotiating tactics but also pointing out how under Prime Minister Kishida Fumio's 2022 defence reforms, it has strengthened its military capabilities and integrated US and Japanese deployments in Okinawa's southwestern islands to deter China's threat to Taiwan.

Japan has further moved ahead in March 2025 with the establishment of the new [Japan Joint Operations Command](#), with the expectation that the US would establish a collocated new US Joint Force Headquarters Japan to enhance and lock in bilateral cooperation.

Can Japan Hold Back US Pressures?

Nevertheless, Japan is aware that these arguments may not be sufficient to stem further US requests. Japanese diplomats certainly anticipate harsh new demands in Host Nation Support negotiations scheduled for 2026 regarding payments to support US base costs in Japan. At the end of his first administration, Trump sought a tripling of Japan's commitments to US\$8 billion annually. Japan was only saved from this by President Joe Biden's election victory and willingness to cut a more modest deal. Japan may thus be forced to accelerate increases in its defence budget and buy more American weapons to appease the US.

Japan is also concerned that Trump, seeking to dismantle his predecessor's legacy, might halt the recent progress in regional "minilateralism". The US, Japan, and South Korea attempted under Biden to "[institutionalise](#)" and "Trump-proof" trilateral cooperation by establishing a range of forums for coordinating security towards North Korea and wider regional issues.

The Ishiba-Trump Joint Statement affirmed the importance of trilateral cooperation; however, the Japanese concern is that Trump may abandon the grouping in preference for bilateral interactions. The US, Australia and UK have favoured [Japan joining Pillar II of AUKUS](#). Still, the future of the entire arrangement might be in doubt, being seen as a Biden project, while Trump prioritises the US' own needs and its limited capacity for producing submarines and advanced technologies in AI, cyber, and drones.

Japan is further wary of a return to bilateral economic frictions. Trump followed the Biden administration in blocking Nippon Steel's takeover of US Steel for alleged economic security reasons, and declared unilaterally at the bilateral summit – largely seen as a slap in the face for Japan – that Japan would no longer be seeking a takeover but to "invest" instead.

Japan is set to face the reimposition of US tariffs on steel, aluminium, and automobiles, not only bilaterally, but also through US tariffs on Mexico and Canada as key production sites for Japanese exports to the US. Meanwhile, Trump has abandoned Biden's Indo-Pacific Economic Framework for Prosperity and continues to show no interest in joining the CPTPP, thereby undermining US leadership in setting the standards for free trade in the region. Trump 2.0 may also renew calls for Japan to decouple its economy from China.

Japan has responded preemptively by emphasising that it remains the number one investor in the US, generating manufacturing jobs in its domestic economy, as well as employment in other sectors, which total approximately one million jobs. Japan will try to resist decoupling from China in favour of de-risking and argue that its 2022 economic security law is sufficient to protect key technologies and resources.

A Bumpy Road Ahead?

Japanese policymakers have expressed greater confidence compared to their European allies that they can endure Trump 2.0, given Japan's indispensability to the

US in curbing China's influence. However, Japanese strategists realise there is no room for complacency.

Trump's possible resumption of dialogue with Kim Jong-Un and apparent favouring of Russia over Ukraine sends worrying signals to Japan. As Prime Minister Kishida famously remarked in 2022, "[Ukraine today could be East Asia tomorrow](#)".

The US' apparent lack of resolve to assist Ukraine's defence and cut a short-term deal with Russia indicates that the US could abandon allies such as Japan. Other revisionist states, such as China, could then challenge the territorial status quo, including attempts to take back Taiwan by force. Indeed, most concerning for Japan would be if Trump, in seeking rapprochement with President Xi Jinping, were to falter in the US defence of Taiwan, and thus likely Japan also.

Japan's concerns have been further amplified by Trump's opinion in March that the US-Japan alliance is an "[interesting deal](#)", revisiting his early critique of the alliance as one-sided in terms of Japan's more limited commitments to defend the US. Hegseth was also rumoured in March to be considering halting the planned creation of the [US' command HQ in Japan](#) to reduce the Pentagon's budget. Any such moves would be a major blow to alliance efforts over the last few years to [integrate doctrines and forces](#).

If Trump appears willing to abandon allies, Japan may see no other long-term option than to take matters into its own hands. Japan will need to double down on maintaining free trade standards through the CPTPP and making common cause with the EU, and possibly even China, to some extent. In recent months, Japan-China relations have undergone a mini-revival, with meetings between Ishiba and Xi, the resumption of visa-free travel, and a Japan-China-South Korea trilateral meeting in Tokyo in March.

Japan will need to continue boosting its defence efforts, diversifying its security partnerships with states such as Australia and the UK, to build coalitions of like-minded states, and perhaps even revisit Ishiba's much-maligned concept of an "[Asian-style NATO](#)" to compensate for the US absence.

*Christopher W. Hughes is Professor of International Relations and Japanese Studies at the University of Warwick, United Kingdom. He was recently NTUC Professor of International Economic Relations at the S. Rajaratnam School of International Studies (RSIS) at Nanyang Technological University (NTU), Singapore. His latest book is *Japan as a Global Military Power: New Capabilities, Alliance Integration, Bilateralism-Plus* (Cambridge University Press, 2022).*
