



US-Japan Alliance Digest

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Image Source: [Reuters](#)

Headlines:

- Japan secures LNG supply agreement with US firm in Louisiana
- US praises Japan's new security and defense strategy
- Japan MSDF Captain ousted for alleged intel leak including US info
- US-Japan goods trade rising by over nine percent in 2022
- US travel to Japan rebounds in November with looser COVID controls

Details:

- Japanese firms [signed](#) new deals with US and Oman-based companies for liquid natural gas (LNG) following global divestiture from Russia after its invasion of Ukraine. Inpex, Japan's largest oil and gas explorer, signed a 20-year deal on December 26 for one million tons annually with US firm Venture Global LNG's Louisiana-based project, set to begin construction in 2023. Japanese electricity generator JERA and trading house Mitsui & Co signed a 10-year [deal](#) with Oman LNG for 2.35 million tons per year starting in 2025. The deals will help Japan move away from Russian natural gas supplies that currently [account](#) for about 9 percent of Japan's 74 million tons of annual LNG imports.
- The release of Japan's new national security strategy on December 16 was met with [praise](#) from US officials. National Security Advisor Sullivan [said](#) that Japan took a bold step to defend the free and open Indo-Pacific amid growing threats from North Korea, China, and Russia. US Ambassador to Japan Emanuel [lauded](#) Prime Minister Kishida, saying he is ushering in a new era in the defense of democracy. Japan's defense policy changes in the new strategy [include](#) the development of long-range counterstrike capability, establishment of a permanent joint headquarters for military operations, and a plan to double annual defense spending within five years.
- A Japan Maritime Self Defense Force (MSDF) Captain was [fired](#) on December 26 for allegedly providing classified information to his former commanding officer who was retired from service. The March 2020 [incident](#) involved Captain Takashi Inoue, who disclosed classified information including intelligence gathered by the US military to a former MSDF Admiral. The leak, in violation of the 2014 [secrecy law](#), frustrated US officials who reportedly [criticized](#) Japan's lax information management, according to Mainichi Shimbun. At a press conference, MSDF Chief of Staff Admiral Sakai apologized, saying that he would strive to restore the trust of the countries concerned. There is no evidence that the information went beyond the retired admiral.
- According to US Census Bureau [data](#), trade in goods between the US and Japan is increasing by a little over 9 percent in 2022, compared to 2021. Bilateral trade in the first ten months of 2022 exceeded \$190 billion, compared to roughly \$174 billion in 2021. The US goods trade deficit with Japan widened slightly to about \$55 billion during this time. This past year saw several important episodes in US-Japan trade including an agreement on US [beef exports](#), a rollback on Trump era [steel tariffs](#), and strong growth of Japanese direct investment in the United States.
- International tourist and business travel to Japan rebounds as pandemic controls are loosened. Japan [lifted](#) major COVID restrictions on travel from countries including the United States in early October. Data by Japan's National Tourist Organization (JNTO) [shows](#) a growth in American travelers from 15,823 in August to 84,300 in November. This is still far fewer than the 148,993 Americans that entered Japan in November 2019. Overall, there was a doubling of international tourists to Japan each month this year from September onwards, topping [over](#) 900,000 in November alone. Japan's government aims to bring in \$38 billion from tourism annually, though it may be difficult to achieve given the COVID surge in China.