Headlines:

- Japan boosting cyber defense investment, amid report of vulnerabilities
- Former PM Aso visits Taiwan, calls for alliance to strengthen deterrence
- Notable US & Japan government personnel changes to report
- Japan manufacturer NIDEC acquires US auto parts firm in Ohio
- Allies deepen cooperation through joint training and interaction

Details:

- Some retired Japanese government officials and Self-Defense Force (SDF) officers announced year-end plans for a **new liaison organization in Yokosuka** between the Defense Ministry and private sector to bolster the government’s cybersecurity capacity. In addition to supporting the SDF with developing cybersecurity personnel, the organization will conduct research on global cyber-attacks and technologies. Early reports of Japan’s FY24 defense budget describe **large increases planned for cybersecurity capabilities**. These developments coincide with a dramatic *Washington Post* article on August 7 describing the US National Security Agency’s discovery in 2020 that Chinese military hackers had penetrated Japanese defense networks. Japanese officials downplayed the report, while US officials promised to continue sharing intelligence and collaborating on cyber defense capabilities, but it is a high priority alliance issue.

- In a meeting with Taiwan President Tsai in Taipei on August 8, former Japanese Prime Minister Aso said Japan, the US, Taiwan and other like-minded countries must show their resolve to defend Taiwan as regional tensions increase. Aso called the prospect of Chinese invasion of Taiwan a threat to Japan’s survival and stressed the importance of maintaining the status quo through deterrence. In a complaint lodged with the Japanese government, Beijing called Aso’s comments nonsense and said they interfere with China’s internal affairs. Aso is the first sitting Liberal Democratic Party vice president to make an official visit to Taiwan since Tokyo severed diplomatic relations with Taipei in 1972.

- **Victoria Nuland** became Acting Deputy Secretary of State following Wendy Sherman’s retirement July 28, while **Sasha Baker** is acting Undersecretary of Defense for Policy, replacing Kahl, awaiting confirmation of Derek Chollet. In Japan, the Foreign Ministry announced August 8 that Assistant Chief Cabinet Secretary Masataka Okano would become Vice Minister for Foreign Affairs. Other changes include, Hiroyuki Namazu became Director General (DG) of Asian Affairs, Yutaka Arima as DG of North American Affairs, DG Yasuhiro Kobe succeeded Keiichi Ichikawa as head of the Foreign Policy Bureau, who in turn took Okano’s NSS position. Takehiro Funakoshi is now Senior Deputy Minister for Foreign Affairs, taking over from Shigeko Yamada, who is a candidate to be the next Ambassador to the United States.

- Japan motor parts manufacturer NIDEC announced the acquisition of Ohio-based press machine equipment maker Automatic Feed and two affiliates on August 2. The US firms have 80 employees and $37 million in sales in 2022, making sheet metal cutting equipment for US auto makers. This is NIDEC’s 7th US acquisition in the past 10 years.

- The allies continued improving security operations coordination as JS Tokiwa conducted an **interchangeable logistics exercise** with USS Benfold on July 28. The allied vessels operated off the coast of Wakayama Prefecture to improve tactical capabilities, test interoperability, and conduct replenishment at sea. Separately, Fleet commanders Vice Admiral Thomas (7th Fleet Commander) and Vice Admiral Saito (MSDF Fleet Commander) engaged in a remote briefing (while Thomas was onboard the USS Blue Ridge) to discuss updates to bilateral defense cooperation on July 27.

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