

Trump's South Korea move creates more headaches for Takaichi

U.S. President Donald Trump's order to shorten allied exercises with South Korea to avoid sending "inappropriate and hostile" signals to Pyongyang jolted Seoul with immediate implications. But for Japan, the move raises longer-term uncertainties about how Prime Minister Sanae Takaichi's administration will adjust its North Korea policy and manage its alliance with the United States.

On Sunday night in Washington, Trump posted on social media that he was ordering an immediate reduction to the Ulchi Freedom Shield exercise that had been scheduled to take place over the next two weeks on the Korean Peninsula. He clarified that it was "too late to cancel" while noting that his view is that the exercises are "too costly" and send the wrong messages to a Kim Jong Un regime that "has been unthreatening and respectful" as long as he has been president.

In the same post, he mentioned that South Korea declined an invitation to support efforts in the Middle East — a point he doubled down on with the press on Monday. Trump said that it was "strange" that Seoul would not provide support to keeping the Strait of Hormuz open despite the U.S. contributions to South Korea's defense and the country's reliance on oil trade through the critical waterway.

He then launched into a tirade on alliance cost-sharing before explaining, "We can't go around protecting all of these countries, especially when they are not there to protect us." U.S.-South Korea cost-sharing is covered under the Special Measures Agreement, similar to the agreement Washington has with Japan.

Trump was also asked if North Korea has responded to his overtures. He replied, "Yeah, he has."

The practical implications of these developments remain unclear, with the exercise proceeding despite Trump's announcement. North Korea also has not published any commentary on this.

The Takaichi administration has not yet had to address these comments directly, but these developments already present several issues for Tokyo.

The biggest question is whether diplomacy with North Korea will resume and, if so, what U.S. concessions may accompany it.

Like Trump, Takaichi has remained open to dialogue with the Kim Jong Un regime. However, Pyongyang has repeatedly articulated an explicit precondition for dialogue: dropping North Korean denuclearization as a policy objective.

The Trump administration has wrestled with this question of whether to maintain denuclearization, with some officials arguing that it does not comport with the practical reality. They argue that because North Korea possesses a viable nuclear arsenal and has repeatedly stated that it will not give it up, there is no utility in maintaining this policy. Others argue that dropping denuclearization as a policy objective threatens to upend the global nonproliferation regime and undermine the credibility of U.S. policy commitments.

The Takaichi administration must now consider whether Washington is moving toward abandoning — or at least shelving — denuclearization in order to facilitate engagement with North Korea. This could result in a shift toward arms control efforts or a decision to defer negotiations on the nuclear issue in favor of other dialogue up front.

Any change in that decades-long policy will have far-reaching effects, particularly as Japan is currently updating its three core defense documents. The National Security Strategy, National Defense Strategy, and Defense Buildup Program are set to be revised by the end of the year, and the North Korean nuclear and missile threat remains a central feature in Japanese security designs.

For the NSS, a shift in U.S. policy toward Pyongyang could affect the assessment of the North Korean nuclear threat and alliance reliability. For the NDS, it could influence operational assumptions about U.S. force posture and activities in the region. With the DBP, it may affect Japanese capabilities requirements relevant to perceived threats and alliance contributions.

Also of concern for Tokyo is that the White House's North Korea outreach comes at a time when Pyongyang is deploying additional troops and equipment in support of Russia's war against Ukraine. The Ukrainian government has already indicated the dispatch of additional missile units to Russia's Voronezh region, with Kyiv claiming that the Kremlin has requested up to 50,000 more North Korean troops.

These deployments are concerning for Japan not only because of Tokyo's strong support for Ukraine, but the economic and military benefits that the Kim regime is gaining, including advanced weapons technology and real

battlefield experience. The U.S. outreach to North Korea presents a divergence of interest with Japan, and the Kim regime may interpret the White House's openness to talk as indifference to its wartime contributions to Russia.

Further afield, Trump's criticism of South Korea's reluctance to support efforts in reopening the Strait of Hormuz will also raise questions in Tokyo about how to respond if the White House makes similar demands to Japan.

Seoul's response was to say that the government has actively participated in "international discussions aimed at achieving a ceasefire in Iran and restoring freedom of navigation through the Strait of Hormuz." It added that "the government is in close consultation with the United States on ways to make practical and military contributions."

For Japan, Takaichi was able to address the first round of requests from the White House for operational support earlier this year by citing constitutional limitations. Whether this will continue to satisfy the Trump administration is unclear given the recent criticisms of Seoul and the unresolved conflict in the Middle East.

More broadly, the issue of alliance contributions and Trump's complaints about Seoul's cost-sharing contributions matters because the Japan-U.S. Special Measures Agreement, which defines Japan's financial contributions for basing U.S. forces, is set to expire in March 2027. Trump's renewed demands about alliance cost-sharing could affect the positions being deliberated.

Any U.S. demands for increased financial contributions will put additional stress on a Takaichi administration that is managing a record high defense budget request while she pursues her proposed consumption tax cut.

Takaichi now faces a difficult balancing act — ensuring Trump's overture to North Korea does not undermine the assumptions underpinning Japanese defense planning, while avoiding the ire of a U.S. president who is once again seemingly judging allies by their financial and operational contributions.

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