Part IV
Reform of the Ministry of Defense

Section 1. Council for Reforming the Ministry of Defense
Section 2. Fundamental Efforts to Ensure Thorough Civilian Control
Section 3. Efforts to Prevent the Leakage of Information
Section 4. Efforts for Effective, Efficient, Open, and Transparent Procurement
Section 5. Other Measures
Defense capabilities are the last resort to ensure the nation’s security and cannot be substituted by other means. Nevertheless, a defense force that lacks the public support cannot function effectively. Thus, SDF personnel strive on a daily basis to live up to the public trust and expectations.

However, recently, the following issues have become apparent: problems related to the thoroughness of civilian control regarding mistakes in reporting the amount of refueling and accidental disposal of logbooks, problems related to the establishment of a rigorous information security system in light of the information leakage via the Internet and the Special Defense Secret leakage on the Aegis system, and problems related to the transparency of defense procurement such as excessive demand. In addition, the former Vice-Minister of Defense was arrested on bribery charges in November 2007 and on February 19, 2008, a collision occurred between the destroyer Atago and the fishing vessel Seitoku Maru. (See Part III, Chapter 4, Section 1)

In response to these various issues and in order to restore the public confidence in the Ministry of Defense and the Self-Defense Forces, and ensure that they function according to their mandate, it is necessary to implement a thorough examination of the working practices and customs that have been implemented to date and construct fundamental measures to improve the situation.

The Ministry of Defense and the Self-Defense Forces are committed to advancing fundamental reforms that will revitalize the organizations that are responsible for ensuring the peace and independence of the nation.

From the abovementioned perspectives, this chapter explains the reform measures being taken by the Ministry of Defense in the following sections:

Section 1 covers the Council for Reforming the Ministry of Defense; Section 2 covers fundamental efforts to ensure thorough civilian control; Section 3 covers efforts to prevent the leakage of information; Section 4 covers efforts for effective, efficient, open, and transparent procurement; and Section 5 covers other measures.

Section 1. Council for Reforming the Ministry of Defense

It was announced in the autumn of 2007 that “Through the deliberation for the Replenishment Support Special Measures Law, various points had been raised concerning the execution of the work by the Ministry of Defense, which is responsible for the defense and security of Japan. Given this situation, the “Council for Reforming the Ministry of Defense” will be held to engage in a fundamental review of the issues related to the Ministry from the viewpoint of the public, with gaining the participation of various experts.” This “Council for Reforming the Ministry of Defense” (hereafter referred to as the “Reform Council”) was established at the Prime Minister’s Office, and has held 11 meetings from December 2007 to July 2008, and has engaged in various discussions. (See Fig. IV-1-1)
1. Considerations within the Ministry of Defense

In conjunction with the Reform Council, a panel has also been established within the Ministry of Defense to engage in working-level discussions, and these two bodies accumulated discussions in close cooperation with each other.

Based on the various efforts in the Reform Council on the agenda items “Fundamental Measures to Ensure Civilian Control,” “Establishment of a Stringent System for Protection of Information,” and “Transparency in Defense Procurement,” and on discussions on other subjects, a “Ministry of Defense Reform Promotion Team” was launched within the Defense Ministry in February 2008 for the purpose of considering the ideal form that the structure and organization of the Ministry should take. Subsequently, at the ninth meeting in May, the Ministry of Defense explained the series of recent incidents as well as the status of considerations concerning the ideal structure and organization in the future.

At the ninth meeting of the Council, former Minister of Defense Ishiba presented the “Keywords for the Reform of the Ministry of Defense” as follows: 1) “Safety from the SDF (military)” as well as “Safety through the SDF (military),” 2) From partial optimization to total optimization, 3) Minimization of the distance and time between the units on the scene and the central organization, 4) Optimization of human resource distribution and personnel improvement of units on the scene and in the field of education/training as a result of this optimization, and 5) Elimination of responsibility shifting between civilian personnel and uniformed SDF personnel, and the development of human resources.

(See Column: Keywords for the Reform of the Ministry of Defense)
Keywords for the Reform of the Ministry of Defense

Keywords for the Reform of the Ministry of Defense (abstract) presented by former Minister of Defense Ishiba in May 2008 are as follows:

1. “Safety through the SDF (military)” as well as “Safety from the SDF (military)”

In the past, “civilian control” was a core concept as “passive civilian control” by preventing threats to the democratic system from armed organizations. However, nowadays, there is an additional need for “aggressive civilian control” on “how to utilize the SDF to secure the safety of the country and citizens, and how to realize national interests.”

Since the main body of democratic civilian control is politicians, who have responsibility to the people, it is strongly sought to establish the best support structure.

2. From partial to total optimization

At present, the Ministry of Defense and the SDF consist of four Staff Offices and the Internal Bureau. However, the interests for each organization, and the individual optimization within each organization are prioritized, resulting in a system that makes it difficult for the Ministry of Defense and the SDF to realize total optimization. Therefore, there is recognition of the necessity to reform the organizational structure which may hinder the total optimization through realization of the individual optimization of each organization.

Thus, it is necessary to establish a structure which enables us to serve the state and the people through the utmost unification of the present organizations, and enhancing support for the Minister of Defense in full consideration of the characteristics of the civilian personnel and the uniformed SDF personnel, and ensuring total optimization of the Ministry of Defense and the SDF as a whole.

3. Minimize the distance and time between the units on the scene and the central organization

Under the present organization, due to many connection points and long distance from the units on the scene to the central organization, the following problems can be seen: time delays, inaccurate information (facts) concerning the condition of the units and the situation resulting from alternations made at each connection point and distance, and inaccurate transmission of the executives’ intentions, including that of the Minister.

In order to dissolve such problems, it is necessary to eliminate the intervention of the intermediate organization as much as possible and to reorganize the organizational structure into a simple one.

In addition, with the current increase in SDF field operations, it is sought for the SDF to appropriately execute their duties strictly in line with laws and regulations, comprehend these operations and activities at the central organization, and achieve accountability by properly and appropriately reporting them to the Diet and the people.

Guaranteed accuracy and speed of such administrative works is vitally important and, in order to ensure it, we must simplify the organizational structure as much as possible.

4. Optimization of human resource distribution and personnel improvement of units on the scene and in the field of education/training

Due to a multi-layered organizational structure with many connecting points, an ineffective distribution of human resources has taken place.
The practice of drafting a budget for each fiscal year is a good example. It has a two-step process involving the collection of requests from the units on the scene by each Staff Office and their compilation into a hypothetical budget frame, followed by an assessment of the Internal Bureau in consideration of the overall balance. This process causes a considerable number of sections and personnel in the Staff Offices to engage in “budget drafting all year long.” Such situation is not considered to be ideal and effective as the central organization.

On the other hand, a situation which has been characterized by under-enrollment and a chronic shortage of personnel has been seen in some units.

Even if high-level SDF personnel are placed into the units on the scene, this would not directly resolve the shortage of personnel. However, by doing it we can expect an improvement in the poorly-staffed units. Moreover, we will be able to allocate good human resources to posts of instructors at various educational institutions, and contribute to the future development of human resources.

5. Elimination of responsibility shifting between civilian personnel and uniformed SDF personnel and the development of human resources

It is not possible for the civilian personnel in the Internal Bureau to conduct adequate defense administration without sufficient knowledge and awareness concerning the operations of the units on the scene, and the conditions of SDF personnel on the frontline.

Even SDF officers at the Staff Offices, a central organization, do not play a role as desired for the central organization, such as coordination with external organization, responding to the Diet and fulfilling the accountability to the public, while concentrating their energy on operation, training and improvement of units.

Since they have not been exposed directly to severe criticism from the outside, they tend to have peculiar cultures. The split structure of the “Internal Bureau that is solely in charge of external adjustment and Diet responses” and “Staff Offices solely in charge of units on the scene” are considered to be one of the fundamental reasons behind various misconducts and failures.

Civilian personnel learning about the difficulties of units on the scene and uniformed personnel learning about the difficulties of external coordination and responses to the Diet are expected to deepen mutual understanding, eliminate the responsibility shifting between them, and enable them to be defense professionals with a balance of characteristics and knowledge. From such perspective of human resources development, the organizational structure unifying civilian and uniformed personnel for executing works is extremely critical.

As a result of the abovementioned discussion process, the Reform Council compiled and published a report. The following is an explanation of the overview of the report.

1. Introduction

Last year the Reform Council was established at the Prime Minister’s Office in response to the frequent incidents of misconduct at the Ministry of Defense and within the Self-Defense Forces.

Since then the individual incidents and organizational problems that caused them to occur have been identified, and consideration has been given to demonstrate measures to prevent recurrence and a direction for reform. It is necessary to reconstruct the organization and decision-making systems of the Ministry of Defense and Self-Defense Forces to ensure that the principles of reform can function and that the organizations can engage effectively and efficiently in their activities, in line with their duties.

The Self-Defense Forces are entering an era in which they must act in a multi-functional, flexible and effective manner. In addition to further enhancing “safety from the military organization” as emphasized during the post-war period, it is also necessary to incorporate the perspective of “safety through the military organization.”

It is proposed to construct the system which will ensure effective functions of the principles of reform while ensuring civilian control.

2. Incidents of Misconduct - Identifying the Issues

In recent years incidents of misconduct have repeatedly occurred at the Ministry of Defense (formerly the Defense Agency) and in the Self-Defense Forces. Incidents that have had a considerable impact on society include the following: mistakes in reporting the amount of refueling, leakage of information via the Internet, leakage of Special Defense Secrets related to the Aegis system, the collision between the destroyer Atago and the fishing vessel Seitoku Maru, and the misconduct of a former Vice-Minister. (See Fig. IV-1-2)

In order to prevent future incidents of misconduct, it is essential that continuous organization-wide efforts be made to identify goals and nurture a sense of duty, while making every effort to minimize mistakes.

3. Reform Proposal (1): Reform of the Consciousness of Personnel and Organizational Culture

(1) Principles of Reform

The Reform Council, based on consideration and analysis of the incidents of misconduct proposes the following principles for reform: (1) Thorough adherence to rules and regulations, (2) Establishment of professionalism (professional awareness), and (3) Establishment of a management of works that prioritizes execution of duties, with the aim of total optimization.

(2) Thorough Adherence to Rules and Regulations

It is necessary to ensure that awareness of adherence to the rules and regulations prevails in an organizational climate. In addition, it is necessary to organize these rules in a manner that clarifies what needs to be observed.

(3) Establishment of Professionalism (Professional Awareness)

Senior personnel with thorough professionalism should take leadership to instill a high degree of ethics and a sense of mission throughout the entire organization.
### Outline of Incidents Highlighted in the Report

<table>
<thead>
<tr>
<th>Incidents</th>
<th>Outline of Incidents Highlighted in the Report</th>
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<tr>
<td>Mistakes in reporting the amount of refueling (Negligence of duty to report)</td>
<td>Concerning the amount of fuel provided to U.S. naval vessels, incorrect figures were reported by the Head of Defense Plans and Program Division of the MSDF Maritime Staff Office, and were subsequently reflected at the press conference held by then Chief of Joint Staff, and in statements made by then Director-General of Defense Agency and Chief Cabinet Secretary. His negligence to correct the mistake even after its recognition indicates a lack of professionalism and a denial of civilian control. The responsibility to correct mistakes is ambiguous and this organizational problem must be corrected.</td>
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<tr>
<td>Information leakage via the Internet (Information and communication modernization and information security)</td>
<td>Several incidents concerning information leakage occurred in sequence until 2006, including one such incident where administrative data containing classified information was leaked through file-sharing software on a personal computer. These incidents occurred due to the failure of the SDF to stay abreast of the rapid modernization of information and communication technology, and due to the inadequacy of the security awareness of classified information.</td>
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<td>Leakage of special defense secret related to the Aegis System (Education on advanced technology and information security)</td>
<td>Information on Aegis categorized as special defense secret was used as teaching materials and was distributed within an MSDF unit without appropriate procedures. This incident occurred due to both a desire to learn about the latest technology and a lack of awareness of information security.</td>
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<tr>
<td>The collision of the destroyer Atago and the fishing boat Seitoku Maru (Negligence of basic action)</td>
<td>The MSDF destroyer Atago collided with a fisherman’s boat. This incident demonstrates how the loosening of basic discipline, the prevalence of disregard of organizational rules, and the lack of navigation capability, can lead to disastrous results. Problems with communications information between the Staff Office and the Internal Bureau in emergency also became apparent with this incident.</td>
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<tr>
<td>Breach of faith by the former Vice-Minister of Defense</td>
<td>This was an incident in which the former Vice-Minister of Defense received monetary gifts, and used influence on the procurement of defense equipments and materials. In the procurement of equipments and materials, actions motivated by personal gains are unacceptable and are far from the professionalism of which the Internal Bureau is proud. This is a breach of faith. Furthermore, there were organizational problems to allow a grave deviation by a high-ranking ministry official.</td>
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(4) Establishment of a Management of Works that Prioritizes Execution of Duties, with the Aim of Total Optimization

In addition to reform of the consciousness of individual personnel and units, it is necessary to create an organizational culture that aims at total optimization of the organization, focusing on the execution of duties. (See Fig. IV-1-3)

4. Reform Proposal (2): Organizational Reforms for Modern Civilian Control

(1) Necessity of Organizational Reform

In order that the Ministry of Defense and Self-Defense Forces can implement the above-mentioned three principles of reform steadily and effectively, organizational reform is required.

(2) Strategic Level: Strengthening Command Functions of the Prime Minister’s Office

The Reform Council proposes that the Prime Minister’s Office should utilize the Security Council and other ministerial councils to strengthen the command functions by actively and comprehensively discussing the critical items for security. The specific measures are shown in Figure IV-1-4.
The Reform Council proposes that while maintaining the current organization of the Ministry of Defense basically through drastic reforms and restructuring of the various functions and responsibilities, a structure should be created so as to prevent recurrence of incidents of misconduct, enable civilian control to function, and enable the implementation of more effective defense policies. The specific measures are shown in Figure IV-1-5.
Fig. IV-1-5 Structural Reform within the Ministry of Defense

<table>
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<th>Measures</th>
<th>Outline</th>
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| Expansion of Policy Decision-Making System which centers on the Minister of Defense | 1) Abolish the Support System by Civilian Defense Counselors and appoint Aides to the Minister of Defense  
2) Explicitly establish the Defense Council by law, and advise the Minister of Defense on policy decision-making and responses to emergency situations through deliberation by politicians such as the Senior Vice-Minister and Parliamentary Secretary for Defense, and civilian officials such as the Vice-Minister of Defense, and uniformed officials such as the Chief of Staff, Joint Staff  
3) Establish a center which engages in information gathering and disaster management at the ministry |
| Functional reinforcement of the Bureau of Defense Policy | Attempt to improve the system of planning, drafting and implementing defense policies. Also, plan functional reinforcement that takes the actual situation into account in terms of operation by appointing SDF personnel. In particular, work to improve intelligence-analysis capabilities, and drafting projects such as international peace cooperation activities |
| Functional reinforcement of Joint Staff Office (JSO) | Abolish Bureau of Operational Policy and ensure the execution of operations under the Chief of Staff, Joint Staff, who receives orders from the Minister. Concerning important matters such as unit mobilization and operational planning, submit the matter for approval to the Minister of Defense, after obtaining suggestions from the Defense Council through the Bureau of Defense Policy |
| Unification of defense capability build-up sections | 1) In order to ensure optimization of defense capability build-up, arrange and realign the defense capabilities build-up sections of the Internal Bureau and the three Staff Offices of the ASDF, GSDF and MSDF. Then establish a defense capability build-up department that unitarily engages in build-up projects, and study how the department should specifically be. Maintain a posture able to conduct procurement by using the IPT method  
2) Concerning important matters, the defense capability build-up department of the Ministry of Defense will prepare options, gain approval by the Minister of Defense via the Internal Bureau through discussion at the Defense Conference, and seek deliberation and resolution at the Cabinet level, based on the defense build-up plan of the Cabinet Office  
3) Review local procurement to transfer it as much as possible to central procurement. Moreover, strengthen the frameworks for highly independent third-party verification |
| Other important measures | 1) Concerning the management sections, actively appoint SDF personnel familiar with the actual conditions of the unit while aiming at utmost integration  
2) The ASDF, GSDF and MSDF Staff Offices will bear responsibility for issues related to personnel, education and training of the SDF. However, the Internal Bureau will assist the Minister of Defense in terms of system and policies |

5. Conclusion
The Ministry of Defense should promptly compile an implementation plan for the reforms contained in these proposals and move to implement such reforms. In addition, when implementing organizational reform, multifaceted simulations should be implemented in advance.

The Reform Council proposed issues to be considered in the future, such as how the Ministry of Defense and Self-Defense Forces, police forces, and the Japan Coast Guard should cooperate more closely to fulfill the function of the government as a whole.

The Council expects that the Ministry of Defense and the Self-Defense Forces will be revitalized as professional organizations that have their pride.

3. Future Efforts
Given the series of incidents of misconduct since last year at the Ministry of Defense and the Self-Defense Forces that resulted in a significant loss of public confidence, the reform council was established at the Prime Minister’s Office and the contents of the report issued by the Council have been taken with the utmost seriousness by the Ministry of Defense.

This report sets out a fundamental direction for the rebirth of the Ministry of Defense and the Self-Defense Forces, and in order to follow the basic direction laid out in the report and to realize reform of the Ministry, the Ministry of Defense Reform Head Office headed by the Defense Minister was established in July. Furthermore, in order to thoroughly disseminate the reform to all personnel, and to secure engagement by the Ministry of Defense and the SDF as a whole, the Ministry of Defense Nationwide Staff Meeting was held with the attendance of senior personnel of the Ministry of Defense and Self-Defense Forces.
Prime Minister Fukuda attended the 11th meeting of the Council for Reforming the Ministry of Defense held on July 15, 2008 and stated the following after receiving a report from Chairman Nobuya Minami.

“The recent incidents of misconduct as well as the collision involving the Aegis-equipped destroyer “Atago” this February have shaken and damaged the long-established trust of the people toward the Ministry of Defense and the SDF. Based on the detailed analysis of these problems and issues, the Council for Reforming the Ministry of Defense has presented three reform principles and proposed to reform the organizations of the Ministry of Defense and SDF, and to strengthen the command functions of the Prime Minister’s Office. The Government will swiftly advance the reform in the direction based on the Council’s proposals. Together with the Minister of Defense, I will make the utmost efforts to restore the people’s trust as soon as possible, by constructing a strong and flexible Ministry of Defense and SDF consisting of personnel with pride and a sense of mission.”