

Under the Threat of Trump's Tariff War: Japan's Response Strategy and Diplomatic Outlook

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Abstract

Since Donald Trump returned to the White House on January 20, 2025, he has consistently elevated the issue of tariffs to a national security level, attempting to reorganize the global political and economic order as a demonstration of his approach to diplomacy. On April 2, in a speech at the White House Rose Garden, Trump announced a brand new dual-layer tariff system, officially designating it as the “Liberation Day” tariffs. The new tariff measures have clearly indicated Trump's strategic intent to reshape the global political and economic order and the international trade system. This intention has become evident through the process of U.S.-Japan tariff negotiations. Trump's tariff war has not only had a profound impact on the Japanese economy, but Japan is already on high alert, fearful of the potential future consequences and impacts. This article analyzes the motives behind Trump's tariff war and how Japan should prudently respond to Trump's negotiation tactics and pace.

Keywords: Trump's Tariff War, U.S.-Japan Tariff Negotiations, Reciprocal Tariffs, Japan-U.S. Summit

I. Introduction

Since Donald Trump returned to the White House on January 20, 2025, he has consistently elevated the issue of tariffs to a national security level, attempting to reorganize the global political and economic order as a demonstration of his approach to diplomacy. In his inaugural speech, he announced a comprehensive 25% tariff on Canada and Mexico, and an additional 10% tariff on China, as a response to issues such as illegal immigration, fentanyl, and trade imbalances. This declaration

has placed unprecedented pressure on Japan, which has been the closest ally of the United States since World War II in areas such as diplomacy, military, and especially economic and trade relations. On April 2, President Trump delivered a speech in the White House Rose Garden, officially designating April 2 as “Liberation Day” (the Liberation Day tariffs), describing the announcement as “one of the most important days in American history” and also as “America’s economic independence



Figure 1. ‘Liberation Day’: President Trump at the Make America Wealthy Again Event

Source: The White House, “Liberation Day,” April 2, 2025, *Flickr*, <<https://www.flickr.com/photos/whitehouse/54426179977/>>.

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1. 〈トランプ米大統領、世界共通関税と相互関税課す大統領令を発表〉, April 3, 2025, *JETRO*, <<https://www.jetro.go.jp/biznews/2025/04/30ae3500e08d0bfa.html>>; Executive Order No. 14257 Signed by President Trump, Title: Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits.

declaration.”¹ Trump announced a new two-tier tariff system: the first tier consisting of a 10% base tariff applicable to all imported goods, with exceptions for Canada and Mexico; the second targeting about 60 countries, imposing an additional “reciprocal tariff” based on what the U.S. government considers unfair trade practices. The 10% base tariff took effect on April 5, 2025, while the additional tariffs on specific countries started on April 9. However, it was later announced that the implementation of the reciprocal tariffs would be postponed for 90 days, during which only the 10% base tariff was to be enforced.

After Trump's tariff war announcement, countries around the world adopted a cautious stance, and Japan, a G7 member, reacted as if facing a national crisis, with talk of a “national calamity.” Prime Minister Ishiba stated in the House of Representatives Cabinet Committee on April 4: “Japan is the largest investor in the United States and creates the most job opportunities ... I completely do not understand the basis for the Trump administration's tariff calculations, and it is necessary to properly rectify this ... This situation can be described as a national crisis. It is essential for the government and political parties, both ruling and opposition, to work together to devise a response.”²

Prime Minister Ishiba's “national crisis statement” clearly indicates that Trump's tariff war not only profoundly impacts the Japanese economy but also raises concerns that Trump's actions could lead to a second Plaza Accord. Japan had gone through the Plaza Accord in 1985, in which the U.S. demanded Japanese yen appreciation, and the Japan-U.S. trade wars of the 1980s, which required Japan to make concessions in economic, trade, and industrial negotiations. These events led to economic bubble formation in the early 1990s, initiating the painful “Lost Thirty Years.” Therefore, as Trump launches the tariff war, Japan is already on high alert, fearing the potential consequences and impacts.

2 〈米相互関税は「国難」と石破首相 超党派での対応の必要性を強調〉, April 4, 2025, 《産経新聞》, <<https://www.sankei.com/article/20250404-EALEOJSIBJK6TJQR4VHOJILJOA/>>.

After Trump designated April 2 as “Liberation Day,” many countries began engaging in one-on-one trade and tariff negotiations with the United States. Countries like Japan, South Korea, Taiwan, and Vietnam were among the first to enter the early stages of negotiations — Japan the first among them. However, while the U.S. and Japan were still having negotiations by the end of May, Trump reached a preliminary agreement with the UK on May 8 to sign a bilateral trade agreement. Furthermore, on May 12, the U.S. and China began tariff negotiations in Geneva, where both parties agreed to suspend the “reciprocal tariffs” for 90 days and to reduce tariff rates by 115%. The progress in U.S.-UK and U.S.-China tariff negotiations has exceeded that of U.S.-Japan negotiations. What is Trump’s intention with these actions? How should Japan respond to Trump’s negotiation tactics and the pace thereof?

II. Diplomatic Arrangements Prior to the U.S.-Japan Tariff Negotiations

1. Japan-U.S. Summit Meeting on February 7

At the Budget Committee of Japan’s House of Representatives on January 31, Prime Minister Ishiba expressed his hope that through talks with President Trump, a new alliance that satisfies the national interests of both countries could be established, elevating the Japan-U.S. alliance to new heights. He emphasized that Japan would seek to demonstrate what it can contribute as a foundation for gaining understanding and cooperation from the United States.³

Faced with the aggressive approach of Trump’s new tariff policy, there are concerns that it may negatively impact Japan’s economic dependence on exports to the U.S., and there is also worry that this move could have detrimental effects on the Japan-U.S. alliance.

In response, Ishiba made his first visit to the United States since taking office, holding his first summit with President Trump at the White House on February 7. This meeting was particularly crucial against the backdrop of global economic and

3 〈1月31日の衆議院予算委員会 論戦のポイント〉, January 31, 2025, 《日本経済新聞》, <<https://www.nikkei.com/article/DGXZQOUA31DMS0R30C25A1000000/>>.



Figure 2. U.S. President Donald Trump Shakes Hands with Japanese Prime Minister Shigeru Ishiba at the White House

Source: The White House, “US-Japan Cooperation,” February 8, 2025, X, <<https://x.com/WhiteHouse/status/1887934080165032363/photo/1>>.

trade tensions, as well as increasing risks of regional security uncertainties. The two leaders discussed a range of topics, including security guarantees, economic and trade cooperation, and technological development, with a focus on defense policy, trade balance, and strengthening responses to China's expanding hegemony and issues on the Korean Peninsula. They reached several agreements:

On security, the two sides confirmed their close cooperation in realizing a “free and open Indo-Pacific region,” emphasizing the importance of maintaining peace and stability in areas such as the East China Sea, South China Sea, and Taiwan Strait, and explained Japan's current efforts to enhance its defense capabilities and strengthen the Japan-U.S. alliance.

Regarding economic cooperation, they discussed topics related to Japanese investment in the U.S., with Prime Minister Ishiba noting that Japan has been the largest investor in the U.S. for five consecutive years and plans to increase its investment to US\$1 trillion, including Nippon Steel investing instead of directly acquiring American steel companies. He also proposed expanding energy imports, primarily by increasing imports of liquefied natural gas (LNG) from the U.S.

In the field of technology, both countries plan to establish a “de-Sinicized” semiconductor supply chain system to ensure that advanced chip manufacturing is not influenced by China, while also enhancing cooperation in high-tech areas such as AI, quantum computing, new semiconductor technologies, and space exploration.⁴ In the Japan-U.S. joint statement that followed the talks, the two sides explicitly stated that both parties are determined to build a “new golden era” in Japan-U.S. relations.⁵

In this meeting, both Japan and the U.S. were represented by newly appointed leaders. President Trump and Prime Minister Ishiba aimed to establish a trusting relationship between the heads of state, affirm the importance of the Japan-U.S. alliance, and emphasize the creation of a “new golden era” in their alliance. However, Ishiba’s strategy also faced potential risks. Trump planned to impose a 25% tariff on steel and aluminum and threatened similar tariffs on automobiles, semiconductors, and pharmaceutical products. If the U.S. raises the automobile tariff from the current 2.5% to 25%, the tariff costs for Japanese car manufacturers exporting to the U.S. would increase tenfold. Undeniably, strengthening the Japan-U.S. alliance has been a crucial pillar for successive prime ministers since the post-war era. For Prime Minister Ishiba, whose support has remained low since taking office, enhancing relations with the U.S. could potentially boost his cabinet’s approval ratings by translating diplomatic achievements into domestic support.

4. Ministry of Foreign Affairs of Japan, 〈日米首脳会談〉, February 7, 2025, *Ministry of Foreign Affairs of Japan*, <https://www.mofa.go.jp/mofaj/na/na1/us/pageit_000001_01583.html>.

5. Ministry of Foreign Affairs of Japan, 〈日米首脳共同声明〉, February 7, 2025, *Ministry of Foreign Affairs of Japan*, <<https://www.mofa.go.jp/mofaj/files/100791692.pdf>>.

2. April 7 Phone Conversation and “Priority Negotiation Rights”

The summit, characterized as a stable and somewhat flexible meeting aimed at maintaining the Japan-U.S. alliance through economic concessions, was overshadowed by Trump's ambiguous tactics. His dual strategy of increasing negotiation leverage and imposing high tariffs left both sides still locked in tariff negotiations after the summit, casting a shadow on Japan's Ishiba Cabinet.

After the April 2 reciprocal tariffs, President Trump announced the implementation of 24% tariffs on Japanese imports and a 25% tariff on imported Japanese cars. Japan, as the country with the largest trade surplus with the U.S., particularly in the automotive industry, called upon Trump to seek to rectify the trade imbalance. He held a roughly 25-minute phone conversation with Prime Minister



Figure 3. The 2nd Meeting of Comprehensive Measures on U.S. Tariff Actions

Source: 首相官邸, 〈第2回米国の関税措置に関する総合対策本部を開催しました〉, April 11, 2025, X, <<https://x.com/kantei/status/1910611186590375977/photo/1>>.

Ishiba on the evening of April 7. After the call, Ishiba told a press conference that he had expressed his wish to the U.S. that unilateral tariff measures not be taken. Instead, he advocated for broad cooperation that benefits both Japan and the U.S., including expanding investments. He emphasized that Japan has been the largest investor in the U.S. for five consecutive years and expressed concerns that the U.S. tariff measures might reduce Japanese companies' willingness to invest in the U.S. He urged President Trump to reconsider the series of tariff measures.⁶

The leaders of Japan and the U.S. agreed that, to conduct candid and constructive consultations in the future, both sides will appoint relevant ministers to continue discussions based on the phone call on April 7. The U.S. announced that the negotiations with Japan would be led by Treasury Secretary Scott Bessent and others. Bessent also stated on X (formerly Twitter), "I have been instructed to begin negotiations with the Japanese government to realize the President's vision of a new golden era in world trade." Bessent emphasized that Japan is an extremely important ally for the U.S., both militarily and economically, and that the U.S.-Japan relationship has a deep historical foundation. He noted that negotiations with Japan would be prioritized, with topics including non-tariff barriers and coordination on the yen exchange rate.⁷

Trump has outlined four areas to address the U.S.-Japan trade imbalance:⁸

- (1) Focus on the adjustment and removal of non-tariff barriers. The U.S. is particularly concerned about issues such as automotive safety standards and import restrictions and inspections on agricultural and aquatic products, which are considered "non-tariff barriers." The Trump administration has repeatedly

6. Ministry of Foreign Affairs of Japan, 〈日米首脳電話会談〉, April 7, 2025, *Ministry of Foreign Affairs of Japan*, <https://www.mofa.go.jp/mofaj/na/na1/us/pageit_000001_01785.html>.

7. 〈石破首相 トランプ大統領と電話会談 担当閣僚が関税協議継続へ〉, April 8, 2025, *NHK*, <<https://www3.nhk.or.jp/news/html/20250407/k10014772711000.html>>.

8. 〈関税協議、日本に「優先交渉権」米財務長官が交渉担当〉, April 8, 2025, 《日本経済新聞》, <<https://www.nikkei.com/article/DGXZQOGN07CVD0X00C25A4000000/>>.

mentioned non-tariff barrier issues related to Japan, making the review of Japan's systems a major topic. At the same time, tariff reviews will naturally be among the main focuses of negotiations. The 2.5% tariff imposed by the U.S. on Japanese automobiles has not been removed, with the final agreement settling on the need to "continue negotiations."

- (2) Trump still views the yen exchange rate as an issue. Over the past year, the yen-to-dollar exchange rate has generally remained in the range of 140 to 160 yen per dollar. For the Japanese government, a moderate correction in yen appreciation is an acceptable option.
- (3) Specific countermeasures remain unclear, but Japan-U.S. cooperation is still significant. The response measures from financial authorities are currently uncertain. Due to the large scale of the foreign exchange market, interventions

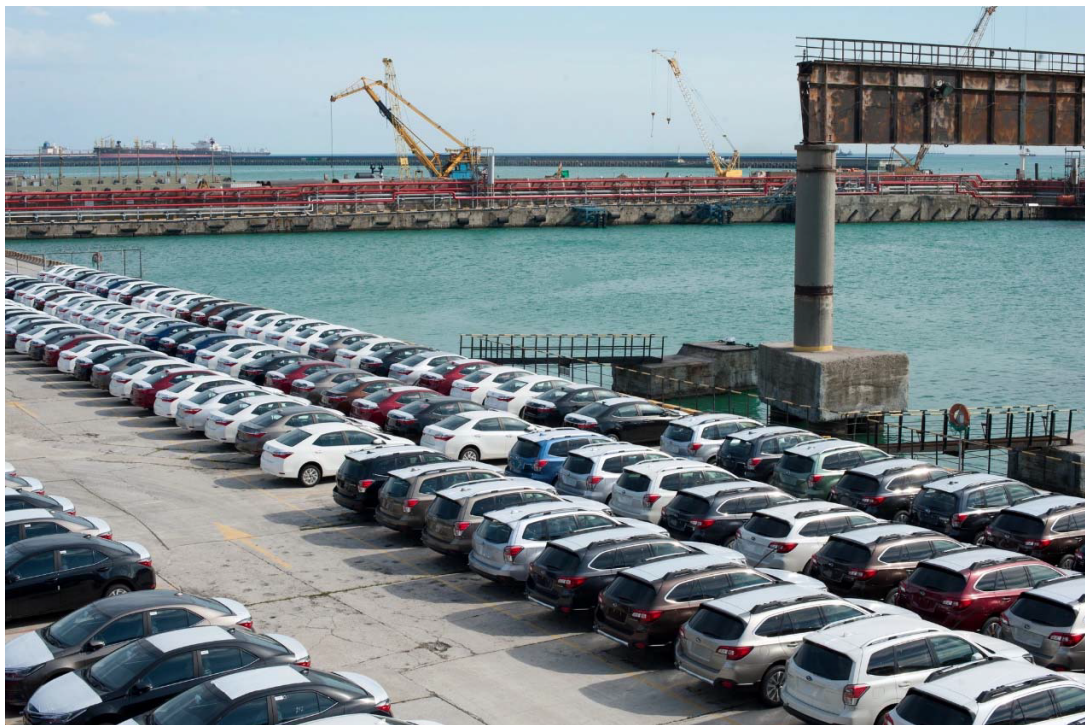


Figure 4. The Automobile Tariffs are the Real Lifeline Issue for Japan

Source: Depositphotos.

are unlikely to have a significant effect. The U.S. Treasury has always been cautious about coordinated interventions involving the sale of its own currency. Additionally, G7 countries have reached a consensus that exchange rates should be determined by the market, and intervention could violate this principle. However, in the context of market turmoil caused by high tariffs, joint efforts between Japan and the U.S. remain important.

- (4) Japan's domestic politics are in a difficult period, with Diet elections scheduled for the summer, making negotiations more challenging. Given the difficulty in making concessions on rice tariffs, the extent to which Japan can negotiate with the U.S. for revisions to Trump's tariffs on industries such as automobiles will be crucial.

Trump's aggressive tariff measures have had a significant impact and sparked concerns in the Japanese economy. Japanese scholar Masahiko Hosokawa, a former official at the Ministry of Economy, Trade and Industry who specializes in economic security, U.S.-Japan relations, and semiconductor issues, pointed out that automobile tariffs are the real lifeline issue for Japan. Hosokawa believes that Trump's logic is that to revitalize American manufacturing, tariffs must be increased. If tariffs are raised, it will directly impact Japan's automotive industry, which is a critical issue for the nation's lifeline.⁹ In other words, although Japan has currently secured "priority negotiation rights," it will inevitably face challenging negotiations with the U.S. and domestic political challenges in the future.

III. Japan and the U.S. Enter the Deep Waters of Negotiation Challenges and Exploration

Trump has not only demanded that Japan increase its defense budget but also criticized the Japanese government for controlling exchange rates. However, Japan's economy is highly dependent on exports, particularly to the U.S. market and its trade surplus. According to the "2024 Trade Statistics" released by Japan's Ministry of

9 〈トランプ関税への対処法：日本はEUや豪州、韓国と「自立連合」の形成を〉, April 11, 2025, *Nippon*, <<https://www.nippon.com/ja/in-depth/d01123/>>.

Finance on April 17, 2025, Japan's exports to the U.S. in 2024 amounted to 21.6482 trillion yen, an increase of 3.8% compared to 2023. Imports from the U.S. were 12.6429 trillion yen, up 7.7% year-on-year. Both export and import figures for 2024 reached new highs. Additionally, the trade balance for March 2025 showed a global surplus of 544.1 billion yen, maintaining a surplus for two consecutive months, with a trade surplus with the U.S. of 847.0 billion yen, a 14.3% increase compared to March 2024.¹⁰



Figure 5. President Trump Meets with the Japanese Minister of State for Economic and Fiscal Policy Ryosei Akazawa

Source: The White House, "President Trump meets with the Japanese Minister of State for Economic and Fiscal Policy Ryosei Akazawa and delegation in the Oval Office," April 16, 2025, *Flickr*, <<https://www.flickr.com/photos/whitehouse/54458836179/>>.

10. 〈貿易赤字4年連続・24年度15%減の5兆2216億円〉, April 17, 2025, 《日本経済新聞》, <<https://www.nikkei.com/article/DGXZQOUA16BX10W5A410C2000000/>>.

Before the negotiations, major media outlets had already leaked each side's positions and possible negotiation directions, creating a tense atmosphere. Since President Trump announced the reciprocal tariff measures, four rounds of negotiations on tariff adjustments were held between Japan and the U.S. through the end of May. All four rounds were led by Japan's chief negotiator, Ryosei Akazawa, who headed the delegation to Washington, D.C. The main topics and features of these negotiations are summarized as follows:

The first round of negotiations took place on April 17 at the White House. The main topics of discussion were Japan's automobile safety standards and agricultural imports. U.S. officials attending the meeting included Treasury Secretary Scott Bessent, Commerce Secretary Howard William Lutnick, and USTR Representative Jamieson Greer. Trump also participated personally, discussing "trade fairness" regarding defense burdens and non-tariff barriers. He expressed the view that Japan's automobile safety standards and rice distribution mechanisms are non-tariff barriers. Japanese negotiator Ryosei Akazawa emphasized the impact of the tariff policies on Japanese industries, U.S.-Japan investment, and job expansion. Japan was the first among major countries to initiate consultations, with mutual exploration to find an appropriate compromise becoming the focus of the first round of negotiations.

The second round of ministerial-level negotiations took place on May 2 at the U.S. Department of the Treasury. The main topics of discussion were tariff exemptions and reciprocal tariffs. During the negotiations, the U.S. did not include the 10% baseline tariff on imports from almost all countries and additional tariffs on automobiles and steel in the negotiation scope, focusing only on the reciprocal tariff increases. Akazawa sought tariff exemptions, but Bessent stated that what could be negotiated were the reciprocal tariff increases temporarily suspended until July 9. In other words, the 14% additional tariff on Japan would not be reduced to zero and would depend on the negotiations, with considerations only for reducing or extending the suspension period. The outcome of the second round of negotiations highlighted the U.S.' clear stance of not treating Japan with special consideration, and the positions of both sides in the tariff negotiations seemed to be at an impasse.

Although the second round represented challenges, the Akazawa delegation told a press conference upon its return to Japan that concrete discussions had been held and consensus had been reached on “expanding trade, non-tariff barrier measures, and cooperation in economic security.” In other words, the second round of negotiations already addressed the increasing importance of the semiconductor sector in economic security and included topics on strengthening cooperation. This also indicates that both Japan and the U.S. are aware of China's technological advancements in the semiconductor field.¹¹

Facing unfavorable negotiation circumstances, Prime Minister Ishiba emphasized that expanding imports of American agricultural products was a possible option, but Japan would never sacrifice its agriculture. Japan already does not impose tariffs on imported soybeans and corn, so there is limited room for negotiation in this area. In terms of trade cooperation, there is potential for expanding investment in the automotive and shipbuilding sectors. Regarding imports, increasing the import of American rice could also address the issue of rising rice prices in Japan. Additionally, since the primary export destination for American soybeans is China, Japan might be able to take up some of that export volume amid tense U.S.-China relations. Moreover, most of the major corn-producing areas in the U.S. are strongholds for Trump supporters, which could give Japan leverage during negotiations.¹² Therefore, how should Japan negotiate in the face of Trump's tariff war?

Japan has two options. The first is to expand trade cooperation with the United States, including increasing investment in the automotive and shipbuilding sectors or increasing imports of American agricultural products such as rice, soybeans, or corn. The second option is to negotiate on the non-tariff trade barriers highlighted by Trump.¹³

11. 〈日米協議、車関税見直しなければ「合意できない」赤沢経財相〉, May 3, 2025, 《日本経済新聞》, <<https://www.nikkei.com/article/DGXZQOUA28ADZ0Y5A420C2000000/>>.

12. 〈石破首相、自動車関税抜きでの日米合意「のめません」 トランプ関税巡り日本の方針を確認 衆議予算委〉, May 12, 2025, *Youtube*, <<https://www.youtube.com/watch?v=M14tGAlnrMQ>>.

13. 〈石破政権は最後に「コメ」を差し出すか、腹の探り合いが続く日米関税交渉の行方〉, May 3, 2025, *JBpress*, <<https://jbpress.ismedia.jp/articles/-/88113>>.

A third round of negotiations was held on May 24, which Treasury Secretary Bessent did not attend. The main topics were expanding trade, non-tariff barrier measures, and cooperation in the field of economic security. Discussions were also held on facilitating a meeting between Japanese and U.S. leaders during the G7 summit. Prime Minister Ishiba also had a phone call with President Trump on May 23 as the Akazawa delegation departed, during which both sides confirmed plans to hold a sideline meeting during the G7 summit in Canada in June.

The fourth round of negotiations took place on May 31 at the U.S. Department of the Treasury in Washington. The U.S. representatives attending the negotiations were Treasury Secretary Bessent and Commerce Secretary Lutnick. The focus of the talks shifted to economic security cooperation related to China. The Japanese side proposed new initiatives, including assurances of rare earth to the U.S. and strengthening



Figure 6. Ryosei Akazawa Visits the United States Department of the Treasury

Source: 赤沢 りょうせい, “Ryosei Akazawa Visited United States Department of the Treasury,” May 2, 2025, X, <https://x.com/ryosei_akazawa/status/1918163911439765823/photo/1>.

U.S.-Japan cooperation in the semiconductor supply chain. Besides important issues like the automotive industry and non-tariff barriers, Akazawa has stated that the semiconductor supply chain and rare earths are also economic security issues. China accounts for a large portion of global rare earth production and imposed retaliatory tariffs on the U.S. in April, restricting the export of seven types of rare earths to the U.S. Regarding semiconductors, since Trump advocates for bringing semiconductor manufacturing back to the U.S., the Japanese government is considering providing assistance in manufacturing equipment. If the U.S. enhances its semiconductor production capacity, it could increase exports to Japan, helping to reduce the U.S. trade deficit with Japan. During phone conversations on May 23 and 29, Prime Minister Ishiba and President Trump also discussed the issue of rare earths, which are essential for high-tech products like electric vehicles and smartphones, as well as cooperation on alternative technologies. After the fourth round of U.S.-Japan tariff negotiations, both sides made progress in discussions, fully understood each other's positions, and agreed to hold the next round of negotiations before the G7 summit to seek consensus on stabilizing the global trade order.¹⁴

IV. Conclusion

Since Trump resumed his presidency, his strategic intent to reshape the global political and economic order and the international trade system through tariffs has become evident, as seen in the process of U.S.-Japan tariff negotiations. Faced with the uncertainty of President Trump's reciprocal tariff policy, the Japanese government has held four rounds of negotiations with its American counterparts, maintaining an unusually firm stance in demanding that the U.S. reconsider its tariff measures.

While U.S.-Japan tariff negotiations were underway, the U.S. and the UK signed a bilateral trade agreement on May 8, and on May 12, the U.S. and China reached a preliminary agreement to suspend "reciprocal tariffs" for 90 days during negotiations in Geneva. Regardless of Trump's negotiation actions, three main themes stand out: first, the lack of smooth progress in U.S.-Japan tariff negotiations has

14. 〈日米関税交渉、「合意に向けた議論が進展」と日本 4 回目の交渉後〉, May 31, 2025, 《朝日新聞》, <<https://www.asahi.com/articles/AST5Z61YWT5ZUHB104NM.html>>.



Figure 7. President Trump Announces a Trade Agreement with the U.K.

Source: The White House, “President Donald Trump is joined by Secretary of Commerce Howard Lutnick, Vice President JD Vance, British Ambassador Peter Mandelson, U.S. Trade Representative Jamieson Greer, and Secretary of Agriculture Brooke Rollins, while announcing a trade agreement with the U.K.,” May 8, 2025, *Flickr*, <<https://www.flickr.com/photos/whitehouse/54508107324/>>.

been made evident from the results of the first two rounds; second, the attempt to use the U.S.-UK bilateral trade agreement to establish a tariff negotiation model that could facilitate future U.S.-Japan trade negotiations; third, reaching a preliminary agreement with China could stimulate competitive tensions between Japan and China internationally, prompting Japan to shorten the negotiation timeline and quickly conclude tariff negotiations.

The main topics of the U.S.-Japan negotiations ranged from Japan’s automobile safety standards and agricultural imports in the first round to discussions on tariff exemptions and reciprocal tariffs in the second round, with both sides maintaining a probing phase to see if mutual compromise was possible. The third round of

negotiations focused on expanding trade, non-tariff barrier measures, and cooperation in the field of economic security, entering a stage of substantive competitive cooperation. The fourth round shifted focus to economic security cooperation related to China, with semiconductor supply chains and rare earths as key economic security issues, alongside important topics like the automotive industry and non-tariff barriers.

Furthermore, as U.S.-China tensions escalate, the Japanese government hopes to use the rare earth issue as leverage in tariff negotiations with the U.S., leaning towards proposing more cooperation centered on rare earths, semiconductors, and shipbuilding. Future ministerial meetings will aim to further concretize bilateral cooperation.

According to a statement released by the Japanese government after the fourth round of negotiations, Akazawa expressed the desire to reassess tariff policies to avoid adverse effects on both bilateral economies and the global supply chain. The fourth round of negotiations is also seen as a crucial prelude to the G7 summit in Canada in mid-June.

With G7 discussions on the horizon, Japan must solidify its negotiation objectives while actively seeking avenues for long-term trade stability with the United States. Whether through economic security collaboration or gradual compromise on tariffs, Japan's response will set the tone for its global economic posture in the Trump era. Ultimately, how Tokyo navigates this turbulent phase may determine not only the future of the U.S.-Japan alliance but also its broader role in shaping the evolving architecture of global trade.

