

MP-IDSA *Commentary*

Japan and the Iran Crisis

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S*ummary*

In the wake of the West Asian crisis, the challenge for Japan, a US ally, is to maintain strategic autonomy given its energy dependencies on the region.

Japan’s foreign policy is often described as cautious and alliance-bound. Tokyo’s dilemma is about how to reconcile the three imperatives of alliance loyalty to the US, economic dependence on Middle Eastern oil, and a Japanese normative identity rooted in pacifism and nuclear restraint. Increasing tensions in the Strait of Hormuz amid the Iran–Israel–US war and the summit between Prime Minister Sanae Takaichi and President Donald Trump on 19 March 2026 revealed a strategic balancing act to address these three imperatives.¹

Japan imports more than 90 per cent of its crude oil from the Middle East, making it one of the most exposed economies to disruptions in the Strait of Hormuz.² In response to the crisis, Tokyo has tapped its vast strategic oil reserves. As of late 2025, Japan held roughly 470 million barrels of oil, equivalent to about 254 days of domestic consumption, one of the largest reserve cushions in the world.³

Tokyo has committed to releasing around 80 million barrels, roughly 45 days of supply, as part of a coordinated effort with the International Energy Agency.⁴ Japan established its national oil reserve in 1978 to prevent future economic disruptions following the global oil crisis of 1973. Major storage sites of Japan’s reserves are in the Shibushi base in Kagoshima, southern Japan.⁵ Japan is also looking to tap joint crude oil reserves held with Saudi Arabia, the UAE and Kuwait on Japanese territory. Japan’s existing LNG stockpile of about 4 million tons is roughly equivalent to the volume it would normally import via the Strait over about three weeks. Japan can, therefore, temporarily offset an LNG disruption, but only for a limited time.⁶

The conflict has prompted discussions about the extent to which Japan should engage militarily, especially after the security reforms Tokyo has implemented over the past decade, which allow for the limited exercise of collective self-defence. On 14 March, President Trump sought stronger Japanese support to secure maritime routes by helping to escort tankers through the Strait of Hormuz, but later reversed

¹ Julian Ryall, “[Japan's Prime Minister Emerges Buoyed from Trump Summit](#)”, *DW*, 20 March 2026.

² Robert Muggah, “[The Global Price Tag of War in the Middle East](#)”, World Economic Forum, 12 March 2026.

³ Francis Tang, “[Japan Begins Its Largest-ever Oil Release from Strategic Reserves](#)”, *Japan Times*, 16 March 2026.

⁴ Ibid.

⁵ Shoko Oda and Tsuyoshi Inajima, “[Japan Has Spent Decades Preparing for an Energy Crisis. Is It Enough?](#)”, *Bloomberg*, 12 March 2026.

⁶ Walter James and Michiyo Miyamoto, “[Japan’s Diversified LNG Procurement Strategy Cannot Fully Shield It from Global Price Hikes](#)”, Institute for Energy Economics and Financial Analysis, 27 March 2026.

his demand.⁷ US Defense Secretary Pete Hegseth asked Japan to endorse a US-led maritime task force to safeguard the waters around the Strait of Hormuz.⁸

The US–Japan summit reaffirmed the security cooperation between the two nations despite Japan’s constitutional legal limits on naval deployment in the Strait. Tokyo’s response has been nuanced, as Prime Minister Takaichi cited constitutional constraints and domestic opinion while simultaneously expanding economic and logistical cooperation with the US. Although the current situation in the Strait of Hormuz does not represent a “survival-threatening situation” that would permit Tokyo to exercise its right to collective self-defence, Chief Cabinet Secretary Minoru Kihara said the government was still gathering information “with grave concern”.⁹ Even though Article 9 of Japan’s constitution has undergone several reinterpretations, it continues to limit the use of force overseas in situations where Japan’s national interest or survival is not directly and egregiously threatened. Therefore, the deployment of Japan's Maritime Self-Defence forces in an active conflict zone is contentious.

Japan’s decision to release its oil reserves and consider stockpiling US crude reflects a broader effort to reduce dependence on Middle Eastern flows without severing ties to them. However, this is a short-term adjustment, and in the intermediate term, Japan remains dependent on the stability of a region now engulfed in conflict. This has created a conundrum, as the United States, Japan’s security guarantor, is a principal actor in escalating tensions that threaten Japan’s energy needs. Japan supporting Washington too strongly and explicitly may risk exacerbating the crisis, while distancing itself may risk weakening the alliance, which is still considered a cornerstone for Japan’s security and foreign policy.

Moreover, during the summit between the two leaders, PM Takaichi proposed a joint project for stockpiling US crude oil in Japan.¹⁰ The Trump administration has aimed to deepen its energy-related economic ties with Japan by encouraging investments in US energy projects. The ongoing turmoil may also strengthen US–Japan cooperation on energy security and further boost momentum for Japanese

⁷ [“Trump Says Japan Support to Secure Strait of Hormuz No Longer Needed”](#), *Bernama*, 18 March 2026.

⁸ Kristi Govella and Jane Nakano, [“What Are the Implications of the Iran Conflict for Japan?”](#), CSIS, 20 March 2026.

⁹ [“Japan Does Not Currently See Existential Crisis in Hormuz”](#), *Jiji Press*, 11 March 2026.

¹⁰ Kristi Govella and Jane Nakano, [“What Are the Implications of the Iran Conflict for Japan?”](#), no. 8.

investment in the often-discussed Alaskan LNG project, which the US views as geopolitically significant given its proximity to China and Russia.¹¹

While Japan’s extensive oil reserves might suggest a degree of strategic autonomy, they also highlight its limits. Even with over 250 days of reserves, Japan cannot indefinitely insulate itself from global market disruptions. The recent release of 80 million barrels of oil on 16 March 2026 showcases how quickly reserves can become a political tool rather than an economic buffer.¹² Once deployed, they must eventually be replenished, often at higher prices and under less favourable conditions. Moreover, reserves do not solve the problem of supply routes. The closure or disruption of the Strait of Hormuz affects not only oil availability but also shipping logistics, insurance costs, and broader trade flows. As recent reports indicate, Japanese-linked vessels have already been stranded, underscoring the crisis's operational dimension.

In this sense, Japan’s energy security is inseparable from global geopolitical stability. This is where Tokyo’s reluctance to align with US military strategy becomes fully clear. Japan has historically maintained channels with Iran and has, at times, positioned itself as a potential mediator. Japan found itself in a dilemma even in 2018, when President Trump withdrew from the Iran Nuclear Deal of 2015, reimposed sanctions on Iran and further demanded that countries cut off their oil imports from Iran.¹³ Therefore, Japan’s strategic identity prioritises de-escalation over confrontation.

The intersection of the Iran crisis and the Takaichi–Trump summit represents more than a moment of diplomatic tension. Japan is trying to practice ‘constrained alignment’, supporting the US where necessary and compensating through economic and diplomatic means. Japan’s oil reserves are central to this strategy, providing the temporary space to navigate the uncertainty. Over time, Japan could pursue a more autonomous energy strategy and diversify its energy imports by expanding procurement from suppliers such as Australia, thereby mitigating risks posed by external policy pressures and geopolitical tensions. Australia is Japan’s largest and most reliable energy partner, particularly in LNG. Australia provides

¹¹ Nong Hong, “[Conflict in the Middle East is Boosting the Value of the Arctic Windfall](#)”, *South China Morning Post*, 25 March 2026.

¹² Francis Tang, “[Japan Begins Its Largest-ever Oil Release from Strategic Reserves](#)”, no. 3.

¹³ Simran Walia, “[Trump Pushes Japan Into Predicament Over Iran](#)”, Observer Research Foundation, 19 July 2018.

around 40–42 per cent of Japan’s LNG imports, making it Tokyo’s single largest supplier with stable supply chains.¹⁴

Japan’s economic and political involvement in the Middle East has always aimed to achieve peace and stability in the region. Japan has also refrained from commenting explicitly on the legality of the US and Iran attacks. However, Japan still views the attacks as violations of international law and as weakening the rules-based international order, which is vital to Japan’s national security and prosperity, as well as to its foreign policy framework.

If the conflict in the Middle East continues, Japan will face tougher decisions. Its oil reserves will gradually decline, efforts to diversify energy sources will take time to show results, and pressure from allies may grow. Balancing its role as a committed ally with the need to maintain strategic autonomy in an increasingly complex geopolitical environment will be a delicate and closely watched challenge.

¹⁴ Yuka Obayashi, “[Japan Industry Ministry Asks Australia to Boost LNG Output Amid Iran Crisis](#)”, *Japan Times*, 14 March 2026.

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