

Potential Shifts in Foreign Policy

By Sato Kikuo

Relations between Japan and the United States reached their most cordial point with the affinity between Prime Minister Nakasone Yasuhiro and President Ronald Reagan (dubbed the Ron and Yasu relationship) in the mid-1980s. Now both Prime Minister Hosokawa Morihiro and President Bill Clinton are favorably disposed toward each other as standard bearers of reform and it appears a renewed peak of amity is in the offing. The Ron-Yasu relationship was a product of a shared confrontation against the former Soviet Union during the Cold War era, while the Hosokawa-Clinton partnership derives from mutual efforts to build a new world order and economic prosperity. The collaborative relationship is the same, but contrasts starkly in substance.

Lingering domestic issues

As of beginning of December, one could count three or four major hurdles that Prime Minister Hosokawa attempted. Although he succeeded in conquering the first, securing passage of the political reform measures through the House of Representatives, there was no certainty that the bills would pass the upper house due to the resistance of the more than 10 members from the Social Democratic Party (SDP), the largest member of this coalition and strongly opposed to the newly-introduced single-seat constituency and proportional representation system. It appeared that they were ready to vote against the measures, so it was possible that the bills would be defeated if put to a vote.

The second hurdle was no easier than the first. Since the end of November 1993 there has been a rapidly deepening crisis regarding the structural recession. If the Hosokawa coalition did not quickly receive approval for supplementary budget proposals, which included appropriate emergency countermeasures, there were fears the coalition would be con-

fronted by a complete loss of face in business and labor circles, not to mention the powerful opposition Liberal Democratic Party (LDP), putting the government's support in jeopardy and giving rise to a new political crisis. Moreover, a succession of petty disputes delayed Diet deliberations, resulting in a situation in which it became impossible to obtain approval for the political reform bills by the end of 1993 as Hosokawa had pledged.

The liberalization of the rice market was another thorny issue. Approaching the December 15 deadline of the Uruguay Round negotiations, the coalition government was sweating blood and resolved to attempt a compromise with the European Community (EC) and the U.S.

They offered a conciliatory proposal promising to postpone tariffication for six years but permitting minimum import access during that period; 4% of annual production in the first year and 8% in the final year. However, in this case also, the SDP protested, stating that opening the market contravenes coalition policy, abruptly widening the cracks that exist within the government.

Further, alterations in Japan's political and economic mechanisms have reached a critical stage. These include dealing with the inheritance of bureaucratic controls (deeply-rooted in government traditions), steadily removing more than 10,000 government regulations, and skillfully dodging pressure from the U.S. to open markets, in other words, approaching a time during which reso-

lute action must be taken in an effort to shake off Japan's image as a "different" country.

If the prime minister can clear up these outstanding problems and conquer three or four hurdles there will be no complaints. At a minimum, however, passage of the political reform measures, anti-



Both national and regional leaders participated in the November 1993 informal APEC summit meetings. Japan and the U.S. supported each other's "reform" image during their meetings, resulting in favorable outcome.

recessionary countermeasure prescriptions, and a decision on the rice issue are prerequisites for continued government support. If these minimum conditions can be met the government will scrape

by and should be able to hold a general election before summer 1994 under the new electoral system. If the Hosokawa government wins the election, it is possible that it could be a long-term administration.

Even so, strongly pessimistic views exist. Watanabe Michio, the former deputy prime minister and foreign minister who shares power with Liberal Democratic Party leader Kono Yohei, has been saying that the political reform bills would not pass the upper house and

en masse or that it would dissolve the lower house and hold one more general election under the current multiple-seat constituency system.

Closer Japan-U.S. partnership in Asia?

Perhaps because President Clinton sensed the tenuous situation of the Hosokawa administration, he refrained from pursuing pending bilateral issues during the Japan-U.S. summit conference at the Asia Pacific Economic Cooperation (APEC) meeting and offered a postponement on dealing with the opening of the Japanese market and other difficult questions until the next summit meeting on February 11, 1994. It appears that their honeymoon would continue a bit longer as they tread the thorny path together.

Forming a backdrop to the amiable relations between the leaders of Japan and the U.S., the APEC ministerial conference, an event on a global scale, was held last November. The fact that Clinton succeeded in his first efforts as a world leader must be noted. The summit-level conference staged by the Clinton administration on Blake Island in Seattle's Puget Sound was a spectacle rarely seen of late. With Clinton

as host, heads of state Hosokawa Morihiro, Jiang Zemin, Kim Young Sam, Suharto, Goh Chok Tong, James Bolger and Paul Keating dressed casually and assembled at the long house conference

site. It was a scene that left a strong impression of the breadth, diversity, and interdependence of the Asia-Pacific region and this image was broadcast around the world.

The "economic vision communiqué" that summed up the conference took note of the Southeast Asian nations' cautious opinions and proclaimed the solidarity of "a community of Asia-Pacific economies." The United States' original plan was for "The Asia-Pacific Economic Community," but was rewritten a bit in the face of opposition from the Southeast Asian group. This U.S. concession can be considered to have been in line with the planned scenario. It is conceivable that Clinton calculated that for the time being the expedient policy would be just to indicate the United States' desire to systematize APEC.

Some experts and influential newspapers in Japan injected their forecasts and commentaries with wishful thinking, tending to expect that Japan would serve as a mediator between the U.S. and Southeast Asia. However, Japan's talented foreign affairs bureaucrats only played an intermediary role during the revisions to the wording of the final communiqué. Throughout the many Cabinet and summit-level conferences there was no indication whatsoever that Japan had been called upon to act as a go-between.

The meeting between Clinton and Chinese President and Communist Party General-Secretary Jiang Zemin and the multilateral consultations regarding suspicions over North Korea's nuclear weapons and missile programs were the highlights of the conference. At the China-U.S. summit meeting Clinton requested that China observe respect for human rights in exchange for most-favored nation status, in line with the usual U.S. way of thinking, and even cited the names of individual political crimes in pressing for more appropriate treatment. President Jiang responded with a 15-minute lecture on the different approaches to human rights in the West and in Asia. Not budging, he stressed the totalitarian doctrine that the maintenance of the living conditions of China's 1.2 billion citizens was the top human right



Photo: Kyodo News Service

in the end there is a strong possibility that they will be carried over to the next Diet session. They were making predictions that there is a high probability that the Hosokawa government would resign

priority at present and that individual human rights were secondary.

Even so, he provoked interest from the standpoint that he had argued with Clinton as an equal, leaving the impression that China was one of Asia's leading nations and had the ability to develop a global presence. From the outset both China and the U.S. were well aware of the attractions of each other's markets and both sides were in complete agreement as far as expansion of economic cooperation was concerned. There were even some analysts who aptly believed that this graphically illustrated the shift of the focus of America's Asian strategy from Japan to China.

Whatever the case, there was the impression that in order to secure a successful conference Prime Minister Hosokawa faithfully played the part of Clinton's junior partner throughout the Seattle meetings. Just prior to the APEC conference Clinton had had unforeseen success in gaining passage of the North American Free Trade Agreement (NAFTA) through Congress and arrived in Seattle in high spirits. If, as was generally forecast beforehand, he had failed to obtain congressional approval for NAFTA, he intended to show the entire world that there were even bigger hopes for APEC and that, heading toward final agreements at the Uruguay Round, there was still a chance to expand free trade and investments. This was clearly an attempt to put heavy pressure on the EC, especially France which had been stubbornly opposing reductions in agricultural subsidies.

The U.S. did not believe that institutionalization of APEC would be achieved instantly. It was enough if the photo opportunity benefits from APEC could be exploited to the fullest, using the summit to create conditions for a worldwide free trade system that would operate in accordance with U.S. leadership, and as a critical opportunity to establish a new position of dominance in the post-Cold War era. Prime Minister Hosokawa was the most suitable partner for this purpose.

In contrast, Japan came to the conference without any strategies that looked like strategies. In Japan, a stance lacking

in assertiveness is referred to as "faceless Japan," and Japan's posture in Seattle was a new example of this. However, since it has been Japan's historical destiny to act as the country that blends Western rationalist values with the irrational doctrines of Asian tribalism and clannishness, this was generally seen to be unavoidable. In this case, if we simply consider Japan a hybrid child of East and West and, as Harvard University Professor Samuel Huntington has said, if Japan has faith in a self-assured stance that a unique Japanese culture was created at a distance from both Buddhist and Confucian civilization, it can look forward to maturation and completion in the future.

However, there are growing opportunities for Japan, whose position as a member of the West at the end of the Cold War had been obscured, to advocate a return to Asia. This is contradictory because it is also a manifestation of neo-nationalism, containing dangerous elements of yearning for the pre-war military empire.

Allergic reaction to military contributions

Since I have brought up "faceless Japan" let me also mention *Blueprints for Building a New Japan*, currently a bestselling book. The author, former LDP Secretary-General and now Shinseito Secretary-General Ozawa Ichiro, is now considered Prime Minister Hosokawa's political mentor. Ozawa maintains that the Japanese Constitution, enacted according to the script written by MacArthur's General Headquarters with the goal of making Japan a demilitarized nation, is inappropriate under current conditions. As such, he advocates constitutional revisions applicable to present conditions in order to turn Japan into a "normal" country. If this does not happen Japan will be unable to abide by the rules (limitations as to whether or not carry arms, the type of small arms, and the use of military force in self-defense) when dispatching Self-Defense troops for U.N. peacekeeping operations as part of its international contributions in the future.

For example, the repeated and endless arguments and opaque compromises in the Diet and in the national consensus, end up incurring even deeper mistrust from other nations for its inscrutability. Mr. Ozawa asserts that it is only natural that the basis for this confusion should be corrected and a national consensus created.

Mr. Ozawa's arguments provoked a strong reaction. Naturally there were objections from the standpoint of safeguarding the constitution. Strong opposition is expected from the left because, they say, it would open the way for militarism. In the ever moderate and pragmatic Foreign Ministry, as well, former Vice Foreign Minister Owada Hisashi (the next U.N. ambassador) has been privately quoted as saying that he believes that people are aware of the current constitution's limitations, but that Japan should be a "handicapped nation" and should seek ways of making international contributions within those limits. The current Vice Foreign Minister, Saito Kunihiko, also expressed approval for Mr. Owada's opinion while addressing the Japan National Press Club.

The sudden resignation of Defense Agency Director-General Nakanishi Keisuke, known as a hawk and an influential associate of Mr. Ozawa, came just when these arguments were beginning to spark the interest of the population. Mr. Nakanishi advocated the revision of the current constitution à la Mr. Ozawa during a presentation at a meeting with representatives connected with the Defense Agency. This was widely reported in the media and strongly provoked the LDP and SDP.

During Diet deliberations one LDP representative showed signs of making this statement an issue and disrupting budget deliberations. However, the decisive factor was when SDP Chairman Murayama Tomiichi called a press conference to declare that it was a disgraceful statement for a Cabinet member and could not be tolerated. This provided a close-up of the disarray within the government.

As a result, saying that Diet deliberations would be delayed and that he did not want to be an obstacle to passage of the supplementary budget and political

reform bills, Director-General Nakanishi submitted his resignation and Prime Minister Hosokawa was compelled to accept it. This resignation drama was an unforeseen event that arose, of course, out of maneuvering among the political parties and at bottom once again indicated a deeply-rooted allergy to constitutional revisions.

For the moment it does not appear that the theory, promoted by Dr. Henry Kissinger and his ilk, of historical empiricism—where major economic powers always become military powers—can be applied to Japan. In fact, regardless of North Korea's ability to attain possession of nuclear weapons and even if tensions rose in Northeast Asia, neighboring countries have definitely not lost their wariness of Japan.

New world order requires new solutions

Perceptions toward defense issues have not fundamentally changed in Japan since the Cold War period. During the Vietnam and the Gulf wars, the U.S. military bases in Japan functioned effectively as strong bases of support. Although it is said that the threat toward Japan from the ex-Soviet Union has almost disappeared, most Japanese count on the U.S. for military protection. There is also the aspect that they cannot forget the pleasant feeling during the Cold War when there was no need to worry about security guarantees and they were the recipients of economic prosperity.

However, North Korea's test of a medium-range missile toward the Japan Sea at the end of May last year frightened many Japanese with a new and serious threat. Japan has no way to protect itself against a possible future missile attack on its own. The vast majority of Japanese believe that the only solution is to rely on the U.S. For this reason Japanese people welcomed the discussions during the APEC conference of the commonly held apprehensions, shared primarily by Japan, the U.S., China, and South Korea, toward suspicions regarding nuclear weapons and missiles in North Korea. When North Korea continued to reject International Atomic Energy Agency (IAEA) nuclear inspections and would not reconfirm its commitment to the

Nuclear Non-Proliferation Treaty, the U.S. at first took the strong stance that this question would come before the U.N. Security Council and economic sanctions would be imposed. In the end, they accepted the cautionary advice of President Kim Young Sam, Japan, and China resulting in an agreement that the U.S. would first negotiate with North Korea, moving in the direction of a negotiated solution regarding the issue of accepting nuclear inspections, along with the possibility of the establishment of diplomatic relations between the two countries. Further, during the discussion between foreign ministers Hata Tsutomu and Qian Qichen, the Chinese promised to persuade the North Koreans from their side.

Summarizing the precedings, the Japanese lack of influence stands out like a sore thumb. More than two years ago, former LDP Deputy Prime Minister Kanemaru Shin used his curious visit with Chairman Kim Il Sung as an opportunity to open negotiations between North Korea and Japan. But he was subsequently arrested for taking large bribes. Following this indictment, Japan, during diplomatic negotiations, took a strictly legalistic stance on the foreign service level in pushing for the drafting of an agreement for normalizing relations and severely provoked the North Koreans. As a result, the talks broke down and there is still no prospect whatsoever that they will recommence. This is why Japan has descended to the dismal point that it just leaves the job to others.

One remedy might be Japanese participation in the Theater Missile Defense (TMD) system which the U.S. Defense Department is now considering developing. In addition to the enormous costs that would be incurred, its interception capabilities cannot be reliably predicted, so the Defense Agency has taken a cautious stance. To top it off the concerned parties in Japan were shocked to hear Israel's defense minister divulge that at the time of the Gulf War the Patriot missiles delivered from the U.S. and stationed there were ineffective for the most part against Iraq's Scud missiles.

In the midst of this Northeast Asian vortex of tensions regarding security guarantees and fears for the future,

Columbia University Professor Gerald Curtis proposed in a *Tokyo Shimbun* December 5, 1993 column that it would be desirable for Japan, the U.S., China, South and North Korea, and Russia to get together and discuss the establishment of a collective security organization for Northeast Asia. North Korea is not the only one with doubts—with the possibilities for militaristic nationalism in China, the introduction of nuclear weapons in Japan, and a revival of the military in Russia, mutual suspicions are increasing. This is where Professor Curtis asserts that Japan has an urgent duty to bring about a multilateral forum, including the U.S. After North Korea has taken initial steps to open up we might say that this serendipitous idea for Japan to take the initiative in calling for the creation of a forum could turn out to be the most appropriate of all.

It is not merely the Hosokawa coalition, but all of Japan that now faces a predicament. The present risks, however, are also opportunities that can lead to reforms. Sensible politicians and opinion leaders uniformly assert that this is a first-rate chance for Japan to clear away the past and make a new start. Depending upon how various situations stand at the time of the February summit conference we should be able to make clearer forecasts regarding Japan-U.S. relations.

That is to say, it will be problematic if the Americans fail to understand that two or three years will be needed before broad regulatory relaxation to revitalize the domestic economy leads to movements in property transactions, an upswing in stock prices, and expanded personal consumption. If the Japanese economy revives to that extent there is no doubt that market liberalization measures can proceed, profiting the entire world. If that happens we can look forward to the expansion of pan-Asia Pacific economic exchanges and the interdependence that APEC seeks. This is truly the painful stage of childbirth.

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