

# Entering a New Historical Period

By Kikuo Sato

Today Japan faces three serious political issues: political reform to eradicate scandals, a recession deeper than any heretofore experienced and how to overcome it, and the future of Japan-U.S. relations as the new Clinton administration takes office. One could well say that unprecedented, if not historic, changes will be required in order to tackle these issues. As in the United States, "reform" is becoming the phrase of the moment.

In this article I intend to examine the last issue mentioned above, the future of Japan-U.S. relations. Not only is this question closely linked to the reforms that both Japan and the United States are attempting, it also has a vital correlation to other nations, particularly the countries of East Asia and the European Community (EC). At this point I will take a bit of time and survey the current international situation, picturing how it will influence the future development of relations between Japan and the United States.

## Japan and the U.S. in the international arena

About four years ago, when the Berlin Wall was torn down and the order in the Soviet sphere started to come apart at the seams, a curious opinion that the close of the Cold War heralded the end of world history circulated around the globe. Mankind would face a long period of tedium. In parallel with this opinion, the world's newspapers and magazines took up phrases that had connotations of strategic jargon, such as "new world order" and "global partnership," making them the flavor of the day.

As it turns out, however, the real world has become more turbulent in the last three or four years and strife has continued to break out all over. There is acute economic disruption and ethnic and religious confrontation and strife in the former Soviet Union. Former East Europe has experienced violent upheavals, but the majority are now leaning toward the West. Yugoslavia, however, is tearing itself apart and threatens the overall security of Europe. The war in the Persian Gulf

occurred when Saddam Hussein rose up to vie for supremacy in the Middle East, making a grab for the world's oil resources and territory that was sacred to George Bush. The United Nations, the U.S., the U.K., and France are still getting their fingers burned in the aftermath of the war.

This confusion and strife is diametrically opposed to the genuine peace negotiations that began between Arab nations and Israel in the fall of 1991 after years of repeated, severe disputes. Although the Hamas rebellion has disrupted this rhythm and interrupted the peace talks, tenacious peace efforts are being sustained. U.S. Secretary of State Warren Christopher chose the Middle East as his first overseas destination after assuming his post.

In Asia, Vietnam is reconciling itself with surrounding nations. South Korea established diplomatic relations with China and the former Soviet Union. Although North Korea's existence is still a thorny issue, the end of the Cold War in Asia is nearly an accomplished fact. China sticks out like a sore thumb in the midst of all of this, cracking down hard on political aspirations while at the same time achieving success in economic growth.

There has been a notable transposition in the global situation. In contrast to the ethnic and religious disputes that were the precursors of the rising conflict in the monolithic regions and blocs of the Cold War era, the areas that were in conflict during that time are beginning to be visited by eased tensions and peace. It is incredible that in spite of all of this a particular American intellectual, no matter how prejudiced by a Cold War mind-set, could come up with the idea that "history had come to an end" and that so many intellectuals around the world could be so misguided in their appraisals of the global situation because they were influenced by this theory.

It strikes me that we are seeing the close of an acute ideological conflict brought on by the start of the Russian Revolution some 70 years ago rather than just the end of about a half century of continuous Cold War, but most have no per-

ception that this is the onset of a new historical period. Dumbstruck, as if suffering from a nervous breakdown, these people don't know what's going on around them.

Turning once again to the international arena, attention is now concentrated on the question of how to deal with the frequent disturbances around the globe and the role that the United States, long the world's "policeman," will play. The transition from the Bush to the Clinton administration concentrated on this point. In response to provocations by Iraq, the U.S. formed a multinational force under the banner of the U.N. Security Council with France and the U.K. and recommenced aerial bombardments. Although it may appear as though this was an inclination to continue developing strategies for global police force operations, it was apparent from widening international repercussions that the U.S. immediately ran into a wall with the return to air attacks on Iraq. The Arabs and the Islamic bloc formed the core of the opposition and very extreme Islamic fundamentalist activity appeared in the background.

Objecting to America's double standard with regard to Iraq and the Palestinians, Arab and Islamic groups say that the U.S. intends to revive the Crusades of nearly a 1,000 years ago. With this in mind, there is now a style of thought that paints a scenario of new East-West conflict with the former communist threat replaced by Islamic power. The substance of this concept shouldn't be rejected as being altogether divorced from reality.

Bearing these various global conflicts in mind, U.N. Secretary General Boutros Boutros-Ghali proposed the organization of United Nations peace enforcement units (PEU), showing a strong desire for the U.N. to possess heavily-equipped military strength and use this to take the lead in maintaining world peace. This is an important step towards a global security structure, but it still remains to be seen whether or not this concept can be put into concrete form.

The crisis in Russia is another difficult issue. The former Soviet Union, mainly Russia, is still a troublesome element of instability and it appears that there is little



chance that either leading nations of the West nor international organizations will become involved in putting together a thorough revitalization plan and take the initiatives required in order to restore stability.

## Clinton administration policies still unclear

Seen in this light, one reaches the inevitable conclusion that there are still scant indications or prospects that a new world order and structure is taking shape. While the world is painted in the hues of the doctrines of a "new world order" and "global partnership," portions of the world map have become ill-defined in view of these rapidly changing conditions. In step with the withdrawal and waning influence of the West's Cold War era standard bearers, the Western world has begun to compete for supremacy in the economic sphere. The tripartite cooperative structure between the U.S., Europe, and Japan is becoming unsteady and shows signs of splitting into tripolar blocs. With the advent of the Clinton administration new advances in free trade, that gained popularity during the Uruguay Round talks, are showing signs of imminent extinction. The world's intelligentsia was startled by the tone of the argument in a recent issue of the *Economist* (January 20). This was due to an audacious observation, under the headline "Bye-Bye Uruguay," that Mr. Clinton had abandoned these negotiations.

The United States has been the standard bearer for free trade, but in reality it is a tacit fact that there was a shift to managed trade from the middle of the Bush presidency. Voluntary restraints on cars and steel from Japan were examples of this. It would seem that Mr. Clinton has done nothing more than confirm this fact, but the argument that he had moved in the direction of laying the Uruguay Round to rest hit like a bombshell just the same. Opponents of liberalization of the rice trade in Japan are chuckling to themselves as if they had seen signs that the storm was going to blow over. In contrast, the proponents of rice tariffication were extremely disappointed because they had been apprehensive about the course of this round's negotiations. As a result, uneasiness increased throughout Japan.

Parenthetically, there have been not a few instances of the relationship between



Japanese PKO in Cambodia—how will Japan cope with the current post-Cold War disorder? Some arenas are calling for a larger Japanese contribution to global security.

our two nations being swayed by the good or bad personal relations between the leaders. Previously we had Carter and Ohira, then the famous "Ron and Yasu" relationship between Reagan and Nakasone (Yasuhiro), next Bush and Miyazawa, all of whom called each other by their first name. Mr. Carter was particularly well-received by the Japanese public when he attended former Prime Minister Ohira's funeral as an incumbent president.

At this writing, the beginning of February, I wonder what the relationship between Clinton and Miyazawa, who still have no plans for a meeting, will be. There has been some apprehensive murmurs that the 74 to 46 age difference is similar to that of parent and child. Further, Mr. Miyazawa was already an influential member of the Japan-America Student Conference prior to the onset of WW II so he had a good command of English before Mr. Clinton was even born. A graduate of the Ministry of Finance, he is now seen as a typical older, conservative and not very active politician. He likes playing golf, but otherwise there are nasty rumors that he only like to read books or relieves stress by guzzling strong drinks by himself until late at night.

President Clinton is a jogging fan and is surrounded by an entourage of young people who use personal computers and portable telephones. If he is in the mood he dances and plays the saxophone, also. He is a typically active baby-boomer. With such a great disparity between the

two leaders it is no wonder that there is such a difference in their lifestyles and perceptions. They also do not give the impression that there is any commonality in their political styles. Mr. Miyazawa's lack of passion and dynamism to execute sweeping reforms adds to his lack of popularity.

The differences between the two individuals and the influence that has upon the relationship between the two countries need not be overly exaggerated. When thinking of an approach that lends Japan equal status, however, the lack of similarities between the two is sufficient reason for concern.

## Equal partner or pupil?

One can pretty much visualize the types of requests that the U.S. will make of Japan. Undoubtedly they will include that the complex and multifaceted system of permission and authorization the bureaucrats stubbornly defend be broadly relaxed; that there be a sweeping reorganization of a system that ingeniously obstructs foreign market entry; that extreme closed-market doctrines, symbolized by opposition to "tariffication" of rice imports in any form, be done away with; and that the huge and ever-expanding trade surplus, including the striking surplus with the United States, be reduced. There are already moves to institute anti-dumping measures against steel products or to revive the Super 301 trade provision.



In this regard, Mr. Miyazawa shows no signs of preparing any specific proposals that might satisfy Mr. Clinton. For the time being all that the Miyazawa administration has to show is the formation of a supplementary budget of more than ¥8 trillion as a measure to increase domestic demand and a 0.75% reduction in the prime rate. As far as boosting domestic demand is concerned, the Ministry of Finance (MOF) had insisted that government expenditures go mainly to public corporations and that tax reductions should be shifted to savings rather than consumption, but this has had so little effect in stimulating the economy that the measure was discontinued.

Japan is most concerned about the revival of the U.S. Trade Act's Super 301 provision. Since the president and the congressional majority are both from the Democratic Party and because labor unions, with strong anti-Japanese tendencies, have been cooperating with the president ever since the election campaign, informed sources think that, compared to Mr. Bush, Mr. Clinton will think twice about exercising his veto privilege against hard-line legislative measures targeted at Japan. There is a gloomy feeling that Japan and the U.S. are on a collision course. This ties in with life and death issues for Japan's economy.

Currently many people in the financial world, who take a broader view, and media pundits in Japan are hoping for active measures such as the acceptance of go-slow proposals like the tariffication of rice imports and a streamlining of the system of permission and authorization pertaining to distribution, finance and legal work. Further, it is also hoped that traditional trade practices that inevitably lead to suspicions that companies are dumping their exports can be reformed and that Japan and the United States make positive efforts toward reciprocity in their relationship. There is little probability, however, that any of this will be promptly put in motion.

When looking at the relationship between Japan and the U.S. it is necessary to carefully consider the love-hate relationship the Japanese have toward America. Japanese are still overwhelmingly in favor of the U.S., but instances such as President Bush accompanying the heads of the Big Three car manufacturers to Japan cause feelings of dislike for the

United States to bubble to the surface. Friendly feelings toward America sprouted during the American Occupation and a posture of passive imitation of America came on the scene. Some people even offer the extreme criticism that the relationship between Japan and America is still that of mentor and pupil.

In fact, Japan has not grown out of the bad habit of continually waiting to see what America's intentions are before taking action. Japan has become a major economic power and during the recent economic boom Japanese corporations purchased a number of prominent American assets which prompted feelings of fear and distrust. Even so, Japan's childish psychological dependence on the U.S. refuses to disappear. If this psychological passivity is not eliminated, Japan-U.S. countermeasures will end up being nothing more than a facade.

## U.S.-China axis

Japan is also dissatisfied that the Clinton administration's Asian diplomatic corps is heavily weighted toward China at the expense of Japan. Winston Lord, former ambassador to China, was appointed assistant secretary for East Asian and Pacific Affairs. He named Peter Tomsen, formerly Lord's deputy ambassador in Beijing, his deputy. Moreover, Kent W. Wiedelmann, who served as country director for China and economic counselor of the U.S. Embassy in Beijing during Lord's tenure, was appointed the National Security Council staff's Asia director. The only Japan expert to be chosen among the upper echelons of the Asian diplomatic line-up for East Asia and the Pacific is the former deputy chief of mission in the Philippines, Thomas Hubbard. Mike Mansfield, the former ambassador to Japan, was quoted in the *Washington Post* criticizing these choices, "The biggest mistake we could make would be ignoring Japan." In addition, Professor Gerald L. Curtis of Columbia University referred to them as "incomprehensible."

These choices can also be viewed as a result of the Clinton administration's attempts to deal with Asian diplomacy in an extremely pragmatic way. In this view, diplomatic considerations emphasize security guarantees and strategic considerations where China is concerned and trade

issues in Japan's case. Political relations with the United States have been chilly since the Tiananmen incident. America's traditional doctrine of respect for human rights, tensions between Taiwan and China due to Taiwan's rising independence movement, the repercussions resulting from America's sale of F-16 fighters to Taiwan, questions about most favored nation treatment for China, and, moreover, the friction between the U.K. and China originating in Hong Kong Governor Patten's statements about democratization—issues that call for strategic considerations on the part of the U.S.—have cropped up one after another. China is taking a tougher stance with a broad buildup of naval power, the acceleration of exports of missiles and nuclear energy facilities to Third World nations. These are moves that rub the U.S. and other Western nations the wrong way. I assume that this is why China experts have been appointed to these important East Asian diplomatic posts.

On the other hand it is perceived that Japan poses no strategic concerns for the time being. For this reason we can take the positive view that the intention is to place the weight on economics in the diplomatic corps and work with the U.S. trade representative, the Treasury and Commerce departments, and congressional trade specialists.

Finally, I would hope that the person chosen as the next ambassador to Japan be a specialist in at least one arena. The distinguished pre-war ambassador, Joseph Grew, toward the end of World War II as under secretary of state, advised that Japan should retain the emperor system and contributed greatly to the success of the American Occupation. Edwin O. Reischauer was such a popular Japan expert that many Japanese learned about modern Japanese history by reading his works. His books line the shelves of my library. Finally, there was no ambassador who stood more firmly for Japan and was so loved by the Japanese people than the great Mike Mansfield. It is safe to assert that America's policies toward Japan will be at least partially successful if an ambassador who possesses qualifications equal to these three is selected.

*Kikuo Sato is a commentator on diplomatic and foreign affairs. He has held various posts at Jiji Press news agency.*