

New Global Role for Japan

By Akira Kojima

The Japan-U.S. relationship is no longer simply a bilateral relationship. It is a relationship directly linked to the world order as a whole. In a way, the Japan-U.S. relationship is being globalized.

This is the impression I gained as I attended the Eighth JEF-Aspen U.S.-Japan Council meeting held at the Aspen Institute headquarters at the Wye Plantation in Maryland in early November.

The annual meeting, jointly sponsored by the Japan Economic Foundation (JEF) and the Aspen Institute, brought together some 30 leading figures in various walks of life in the two countries for the exchange of views on bilateral relations as well as the fast-moving world situation.

Participants from the Japanese side included Shoichi Akazawa, president of JEF and former director general of the Japan External Trade Organization (JETRO); Naomichi Suzuki, former vice minister for international affairs at the Ministry of International Trade and Industry; Yukitsugu Nakagawa, executive director of the International Institute for Global Peace; House of Representatives members Hiroyuki Hosoda and Jin Murai; and Taizo Yakushiji, a professor at Keio University.

The U.S. side was represented by, among others, Helmut Sonnenfeldt of the Brookings Institution; John Yochelson of the Center for Strategic International Studies; David T. McLaughlin, president and CEO of the Aspen Institute; I.M. Destler, a professor at the University of Maryland; former U.S. Trade Representative William Eberle; and Bruce Stokes, staff writer with the *National Journal*.

They reviewed Japan-U.S. relations and discussed the current upheavals in the world, focusing on their assessment of these historic changes. While all participants agreed on the importance of having "historical perspectives" on the current global changes, it was less easy for them to find common ground when it came to specific subjects.



A session of the Eighth JEF-Aspen U.S.-Japan Council meeting.

One participant suggested that discussions on a new world order will get confused unless a clear definition is established on the matter. Another rebutted this argument, saying that such a definition is difficult at the present stage because the world will remain in the "reassessment phase," that is a historic transitional period, for a considerable time. Most participants were of the view that the current transitional period will last for 10 or more years.

World in transition

A strategy specialist among the U.S. delegates made the following report on the world in the transitional period.

1. Impact of the collapse of the Soviet Union: The collapse of the Soviet Union does not merely represent the end of the Cold War between the East and West. All countries of the world face a common challenge: how to deal with the instability resulting from the collapse of the Soviet empire.

2. Europe: Until very recently, the European Community was only talking about adding Austria and Turkey as its

members. Now it is weighing up the possibility of admitting even Eastern Europe and the Soviet Union. The EC finds its framework completely changed. It is in fact facing the challenge of dealing with the possible collapse of Eastern Europe.

3. Asia: The end of the Cold War has enabled Southeast Asian countries to head toward stable development. But Southern Asia finds disputes unresolved, particularly in India and its neighboring countries, which could lead to conflicts possibly involving nuclear weapons.

4. Japan's global role: Japan will begin to play a bigger role, including a security role. Some countries, concerned about its increased security role, wonder whether Tokyo will do this in combination with the U.S., within the framework of the Pacific rim, or within the framework of the United Nations. South Korea is increasingly uneasy about Japan taking the place of the collapsed Soviet Union as the major power in the region. Japan will naturally play a role commensurate with its economic might. It is important for Japan to strike a balance between what it wishes to do and what the international community wants it to do.

As discussions proceeded on the world order, participants' interest automatically turned to the question of the Japanese role, or more precisely, the possibility of cooperation between Japan and the United States as the two countries grope for a new order.

During the Gulf War, some sectors in the U.S. criticized or grumbled about what was perceived to be the Japanese attitude. In their view, Japan had no perception of the crisis and failed to make sufficient contributions to the U.S.-led coalition, even though it was practically a party to the dispute. Japan, which went so far as to introduce new taxes to raise funds for the coalition and countries affected by the crisis, was displeased by the U.S. criticism, and some people openly expressed anti-American feelings, leading to the coining of a new jargon term, *kenbei*, meaning dislike of America.

At the JEF-Aspen conference, held six months after the war finished, there was no trace of emotional hostility between the two countries. It is now dawning on both sides that at a time when the world is passing through a long and uncertain transitional period, stable maintenance of the cooperative relationship between the two economic superpowers is essential to address the instability and new dangers which could occur in the transitional process.

Of course, the two countries have not a few problems to solve between them, such as trade friction. Even so, without the Japan-U.S. cooperative relationship in global issues, a new world order will not easily come about, and even if it did, it would remain unstable. Both sides have begun to entertain such a perception following a period of bitterness caused by the Gulf War. This new trend is particularly strong in the United States.

In this meeting, some U.S. delegates made the following remarks:

—Japan has become a power with global influence. Though its power is based on its economy, it should now assume the role of a major political power, as a member of the Group of Seven, given its economic background.

—The G-7 is not a group merely to address technical and economic problems.

It is becoming the sole organization with global impact.

—Japan, like Europe, should share cost-risk burdens in participating in the building of an international order. Without Japan's participation, a new international order will not be created. The United States, for its part, can no longer envisage a policy which disregards Japan.

It is particularly worth mentioning that 50 years after Japan's attack on Pearl Harbor, such an argument has begun to emerge in the United States.

Lack of perception

My impression was that problems between the two countries originate largely from Japan's lack of perception of its economic strength and the international clout such strength could bring about.

Some Japanese participants emphasized the difficulty of deregulating imports of rice, one of the main outstanding issues between the two countries. They submitted information, quite new to the U.S. side and even to other Japanese participants, about the income of Japanese farmers which showed how heavily they depend on rice sales.

While the political implications of the rice issue in Japan cannot be ignored, it must be realized that it is no longer an issue merely concerning rice trade. It directly concerns the trade policy of Japan, which has become an economic superpower and continues to post huge surpluses. It is directly linked to Japan's basic posture regarding the free trade mechanism based on the General Agreement on Tariffs and Trade.

Given such a background, Japan must take into account not only the political situation but also the world trade system when it discusses the rice issue. Should political considerations absolutely prevent the deregulation of rice imports, Japan can still consider alternate measures such as the complete abolition of tariffs on industrial goods.

Japan still continues efforts to point out the difficulty of deregulating rice from its own national viewpoint. It has no overall strategy or basic policy which would clarify its stance on the maintenance of the

free trade mechanism. If it had such a policy or strategy, they are hardly visible to other countries.

Despite talk of perception gaps between Japan and the U.S., forums for direct dialogue have been increasing in various forms, such as the JEF-Aspen conference. The "perception gap" in the sense it was originally talked about seems to be gradually disappearing. On the other hand, Japan is being increasingly urged to assume a greater role.

Citing specific examples, one Japanese participant argued in detail about what he called the low quality of American products and the low standard of American corporate executives. Some U.S. delegates endorsed the Japanese contention, saying that American corporate management is poor. Others disagreed, arguing that even if the U.S. performance leaves much to be desired, Japan should specifically make clear what it is prepared to do to maintain the free trade mechanism.

Japan cannot contribute to the stabilization of the world trade mechanism if it merely points out the defects of its trading partners and tells them what they ought to do. A country which has attained economic strength must open its market wider than any other country. Otherwise, its trading partners may lose patience with practices they are critical of. We certainly need discussions on which side is responsible for the trade imbalance. But we must go beyond that, as the two countries' economic presence in the world has become so formidable that their economic relationship is not just a bilateral relationship but a global one.

There are not a few problems, including measures to safeguard the environment, that the two countries can tackle through mutual cooperation. I returned from the JEF-Aspen conference seriously concerned about how Japan can cope with the globalization of its relationship with the United States and how it can meet growing global expectations concerning the role it needs to play. ■

Akira Kojima is an editorial writer with the Nihon Keizai Shimbun.