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MILITARY

PATTERNS OF STRATEGIC THINKING ANALYZED

Tokyo BUNGEI SHUNJU in Japanese Apr 82 pp 362-374

[First of serialized articles by Hisahiko Okazaki, former JDA councilor and presently minister to the United States: "What Is Strategic Thinking?"]

[Text] Introduction

On the subject of Japan's national strategy, for the first time I feel that somehow the discussion should not end in polemics.

Despite the many postwar debates on defense, with allowances for gains and losses of strength for both the supporting and opposing arguments, there is hardly any meeting of the minds. This phenomenon has intrigued me for many years, even making me wonder if there is some flaw in the democracy of Japan, but in the course of listening to sociologists and cultural anthropologists, I have learned that the Japanese people have somewhat of a weak line of thinking with regard to logical subjects.

From the standpoint of designing and improving an established product, the Japanese people can be said to be the world's greatest in displaying their talents, but if they cannot feel with their skin, the Japanese cannot readily understand; thus, if they are asked to build a structure with logical conformance in a vacant place, they will show tendencies of being perplexed in the midst of others. Worse yet, if construction is undertaken after a consensus vote, then it is practically an impossible task.

Japan's defense setup and its supporting doctrines were totally abandoned with the surrender, and a fresh start was made. Because relations with the former military were totally severed, the concepts were considered anew. And regarding war, its time of occurrence, and the course of events, the thinking was that it may not occur for many years, so a considerable amount of logical abstract thought became necessary.

And for this, we must backtrack to discuss such points as "what are we defending?" and "defending against what?" These questions per se are not troublesome, but there were tendencies on the one hand to formulate theoretical consensus by dialog, like the Greek philosophers, but on the other hand to first define an individual political stance and, for its justification, to self-propagate the structure of "logic."

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Recently there have been two situations which have caused me to reanalyze what is meant to the Japanese by logic.

One situation involved a noted political scientist who shocked me with the statement: "If Japan cannot furnish the defense effort that is expected by the United States, it should not agree with the United States on the estimate of the military situation in the Far East, which is the prerequisite." I asked him, "In other words, your estimate is that Japan, in its present state, can muster a defense strength of a size that can counterbalance that of the potential Soviet threat?" And after parrying with him, I was doubly shocked to learn that this is what he meant. His explanation was that, if such action were not taken, "the logical adjustment would be gone."

This cannot be thought of as "logical adjustment." Rather, with this sort of thinking, in the present international situation, an objective Japanese defense strategy that can be considered to be adequate could never be formulated.

Acknowledging the severity of international relations and lamenting the inadequacy of military preparedness because of domestic limitations are phenomena that have plagued all countries in both ancient and modern times. At the U.S.-Japan high-level meetings held today, while recognizing the severity of the situation, Japan has explained that it cannot attain the level expected by the United States, but in the long run, honestly citing such reasons as the constitutional limitation, the need for national consensus, and the economic situation will be healthy for the relationship of trust between the two nations.

The other situation involved a noted economist who remarked: "In my estimation, Japan's defense budget will eventually reach 1.5 or 2 percent of the GNP, and as a result I think that Japan's defense system will be in good shape and that cooperation with the United States will be excellent. However, I shall continue to emphasize 1 percent of the GNP. Unless a balance is maintained in this manner, the grip on the defense budget will be lost, leading to unlimited and huge figures."

Even while reasoning that the appropriate point for achieving balance can be reached, this individual instead thinks of hanging onto the other party to achieve a balance for the entire country. While boldly tolerating the spiritual insult of the accusation that "your position is illogical," made by one who is for attaining propriety, this individual, would fulfill the role of assuming the balance for the entire country. This might even be considered to be a noble attitude; however, by holding on to this view, the concurrence of the people, which is dependent upon logical adjustment, will never be achieved.

After all, by stating only that which everyone believes to be the whole truth, national concurrence with objective adequacy will naturally spring forth within which the brakes can be made, based on true democracy. Such remarks as "truthfully, this is the way, but if presented, the public will riot," or "the public will be fearful of the Soviet Union, and the nation will become like Finland," lead to a "sense of balance" because "nothing further should be said," but this is a mistrust of the people's judgment and a contradiction of the basic rule of democracy. The late Etsusaburo Shiina had a favorite saying, "Of the people,

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the wise are foolish and the foolish wise," and the sincerity of the masses cannot be ignored. By self-righteously manipulating information with an elitist complex that "the situation is okay because I am an intellectual, but the others will turn rightist," there is the danger of missing the point.

Even by reviewing the above two situations, the feeling of hopelessness pervades on the difficulty of solving problems only through discussions that are based on objective facts and logical adjustments here in Japan.

As a trial, I'd like to begin with Japanese history and geography, which are the most basic realities in strategic theory. This means rendering a deliberate study of Japan's strategic environment by reviewing Japan's history.

Of course, my interpretation of history can lead to various counterarguments, which I welcome. There will be some common ground, but the discussion will be from the basic standpoints of history and geography, which no one can avoid when pondering Japan's security.

Even from the standpoint of the importance of intelligence ("The Nation and Intelligence," published in BUNGEI SHUNJU), which is my pet theory, this is the frontal attack. It is true that "if the points at issue are all understood, then it's the same as the issue's being half solved." Thus, if the objective situation is minutely analyzed and evaluated, its countermeasures will naturally be formulated.

In studying the big problem of Japan's national strategy, the conventional methodology is to gain a complete understanding of the most basic subjects, Japan's history and geography.

The strategic environment of Japan, up until the modern era, was one of stabilization, which is considered rare in the annals of world history.

But the situation of its Asian neighbors underwent all sorts of changes. As for the history of China, the 18th Chronicle accounts for the fall of the Sung Dynasty, and the subsequent Mongol, Ming, and Manchu dynasties are covered in the 21st Chronicle, which repeats the rise and fall of governments. During that period, aside from the conquest of the country by the gods' chosen people, said to be in the days of prehistory, Japan was not once subjugated by a foreign invader, and the imperial lineage was never changed. Before the war, this was historically viewed as being unparalleled in the history of all nations, and the matter of this being one of the bases of Japan's ultranationalism is still fresh in my memory.

The premodern era is defined as that period before the occurrence of two large strategic environmental events. One is China's loss of its dominant role in the Far East, and the other is, as a result of the incursion of the Western powers in the Far East, the Western countries' domination of the Pacific Ocean and Siberia, which until then had strategically been a vacuum.

As for the factors which allowed for peace in Japan as an exception in the environment of the premodern era, the geographical location of Japan is, with-

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out question, prominent; added to this were the peculiar nature of the Chinese Empire and the role performed by the peculiar ethnicity of the people of the Korean Peninsula during the same period. I hope to describe these events in sequence.

An Island Country

As for geographical peculiarities, I shall dispense with such stock descriptions as Japan's being surrounded by water or hit by many typhoons, which is common knowledge, but in discussing Japan's geographical peculiarities it would be instructive to compare the experiences of the Korean people, who closely resemble the Japanese ethnically, with that of the Japanese people at historically about the same time on the continent.

To do this, it would be most practical to recount the Mongol invasion, which in history was the single formidable invasion against Japan.

The Mongol invasion of Koryo was a totally unjust act, for at the time of the annihilation of Khitan [the Tartars], which lay between the two countries, the Mongols were allied with Koryo, but after the annihilation of Khitan, the Mongols ordered Koryo to submit and furnish tributes, and the attitude and actions of the messenger at the time were extremely insulting, for the Koryo king was not even treated as royalty. Even so, Koryo was tolerant and maintained peace by offering large tributes annually, but this was practised only during the period when the Mongols attacked India and to the west of China and for gold, after which, in defiance of the incident 6 years earlier, they began the invasion of Koryo and executed a great massacre. Tokimune Hojo's slaying of the Mongol envoy may be seen as an outrageous act that flaunted international etiquette, but if the actions of the Mongols toward Koryo 80 years earlier were accurately transmitted, it was either to submit and be treated like animals and be pillaged, or to resort to war. Cornered in a point of no return situation, it was a reasonable choice to unify public opinion for resistance.

The government of the Koryo regime entrenched itself on Jianghua Island, and the Mongol forces, which could not wage sea warfare, became disheartened at conducting a siege for 30 years. But outside of Jianghua Island, the Korean Peninsula was subjected to violence and pillage by the Mongol soldiers, and for 30 years the people of Koryo were subjected to cruelties that defied description. According to the record of the invasion of 1252, "The Mongols captured 206,800 men and women, and those to be shot should not be counted. Lands traveled over will be burned to the ground."

Citing the above as an example, a South Korean remarked: "Regardless of his quibblings, a Japanese person is indebted to his country, but this relationship is lacking for South Koreans. Even in the above situation, the people were forsaken. It follows that the people's outlook on nationalism will naturally change. People from different countries will have a history, traditions and, therefore, nationalism that differ. Dissimilarities vis-a-vis right and wrong are two separate values, but the Japanese have a bad habit of mixing the two."

The fact that Japan has not even once been subjugated by another race, compared to the cruelties suffered by the people of the Korean Peninsula, has been the

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basis for the optimistic and easygoing attitude of the Japanese, despite the severity of international politics.

I have received letters from various people on basic defense arguments, and these letters indicate that those who hold the deepest fear of the Soviet threat are the ones who experienced the occupation of Manchuria by the Soviet Army at the time of the surrender. But because the vast majority of the Japanese people experienced only the U.S. occupation, their image of surrender and occupation is a mild one.

"Learning from experience is only for the fool: others will learn from history," said Bismarck, but in reality what is difficult is not learning from history, but learning from one's countrymen during the contemporary period.

During the Mongol invasion, the people of Tsushima Island were captured, and it was related that the women had their palms pierced and were strung alongside the ships, leading to the conjecture that "mugoi," which means atrocious, was a homonymous derivation from "Mongoi," or related to the Mongols; however, as with the experiences in Manchuria, this was not a totally national experience. Even during the Korean War, when the American and Korean forces were driven to the beachhead of Pusan, the people in Tokyo hardly reacted, whereas the feeling of danger was reportedly heightened in northern Kyushu and Yamaguchi Prefecture; some people regarded this as a throwback to the Mongol invasion. It is probably true that the memories of a war will linger for many centuries.

The probability of an invading army's being totally annihilated by a typhoon is really not great, but when historically the only two formidable invasions of Japan both met such disasters, then it is understandable why the Japanese are so confident of being lucky. Nationalistic differences exist, just as some individuals are confident of being lucky while others are not.

South Korea's high-level development started at the beginning of the 1970 decade, and its actual performance up until October 1973 showed astounding statistics, such as a GNP which was 20 percent greater than that of the previous year and inflation of less than 3 percent, but in October the Middle East war and the oil shock occurred. I recall being deeply struck at that time when a South Korean bureaucrat remarked, while looking skyward: "The people of South Korea have never been favored by the gods. These events occurred just when South Korea had started its high-level development."

I have even heard the remark that South Korea is unlucky in that, had the Japanese surrender taken place 3 months earlier, South Korea would have been spared being partitioned.

There is a vast difference with a people who hope for the divine wind to blow someday. Even now, the Japanese understand the expression of the severity of the international environment, but they cannot grasp the true feeling. Their optimism is found in the deep-rooted feeling that "things will turn out right."

At a symposium on the 75th anniversary celebration of the Japan Society in New York, an American scholar remarked, "The United States is not that vulnerable, yet feels insecure, whereas Japan is vulnerable, yet shows no insecurity. What

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is the explanation?" I thought his statement truly hit the nail on the head. The statement made by the Japanese political scientist whom I mentioned earlier is, unreasonable from the standpoint of the objective assessment of the Soviet threat's being countered by Japan, but it is also accurate as a statement reflecting the feeling that "like the Americans, the Japanese people do not feel the threat of the Soviet Union." Whether or not a challenge can be made to this statement of feeling is a separate problem.

Compared with the rest of the world, the Japanese people have an extreme lack of experience. An individual and a state both become wiser with experience, and the fact that the Chinese and even the South Korean people look down upon "the Japanese as being immature" calls for self-discipline.

Yet it can't be helped if one lacks experience, and there's no other way but to learn from history.

There is no guarantee how long good fortune will continue, and there's no such restriction that Japan will experience in the future only what has already occurred in her past. Therefore it is essential to refer to the history of all ages and countries.

In the document containing a discussion between Hizennokami Tsutsui and Saemon Kawaji on the policy toward Russia during the late days of the Tokugawa Shogunate, with reference to the situation on the Russian entry into Sakhalin it was written, "There are no precedents on this matter in Japan. There is no other way but to follow the example of the Tang Dynasty." The example given was that the Han and Tang dynasties, when weak, adopted a policy of appeasement with the aliens and, upon becoming strong, conquered them, thereby inferring that Japan can be friendly only until she gains strength. Even with this sort of historical theory, Japan was above having a doctrine of expelling foreigners while operating under a geocentric theory of Japan's being the center because it had never received any contemptuous act by a foreign country since its founding.

As for thoughts on strategic theory, the assertion that strategic theory means the study and interpretation of military history is accepted popularly as the orthodox way of thinking. Napoleon stated, "One should repeatedly read the tactics of the great leaders from Alexander to Frederick." Sun Tzu and Clausewitz compiled their historical experiences in abstract form, but in the case of Clausewitz they were so full of German idealism that on several matters, doubts such as "some of the ideas are incomprehensible" were expressed by strategists in later generations.

Even to this day, I have held the belief that politics cannot be theorized or quantified. Since war certainly is "an extension of politics by another means," as Clausewitz stated, it is the same as politics. Although I talk here of discussing a strategic theory, I have no intention whatsoever of introducing a new theory, and I only want to mull over and ruminate on war and the environment surrounding Japan from the strategic viewpoint.

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Pax Sina

It is said that the long period of Japanese stability up until the modern era was attributable not only to the geographical environment but to the international order in East Asia, with the Chinese Empire as the focus.

The expression Pax Sina (the state of maintaining peace under Chinese supremacy) has never been used, but it can be said that the period in which peace was maintained in Japan and the Korean Peninsula, because it worked effectively, was far longer than the period of effectiveness of Pax Romana or Pax Britannica, and, moreover, was more stable.

The first qualification of Pax Sina was China's overwhelming supremacy. The magnitude of its land and population, cultural standard stemming from its long history, political strength, economic strength, and military power overshadowed any of its neighboring countries. Chinese supremacy gave no room for argument; unaware of this, some of the roguish countries that were absorbed by the Han Dynasty, until later years, threw their weight around without knowing their real ability, thereby remaining in history as examples of ignorance and self-conceit.

The second qualification was the suzerain-clan relationship peculiar to China; because of its complexity, requiring specialized research, I shall abstain from deep involvement. With the various races in the area, China generally stopped at requiring suzerainty, and as long as China was not threatened, conquest was not resorted to. Except for a short period, Japan was never subjected to suzerainty, but the blessing was that China did not favor mounting foreign expeditions.

When, at the beginning of the Meiji Era, Japan prohibited the ruler of the Ryukyu Islands from paying tribute to the Manchu Dynasty, in tears he sought help from the Manchus. Manchu Minister to Japan Ho Ju-Chang counseled, "If Japan is allowed to take the Ryukyus, it will seek Korea next. Right now, Japan is exhausted from waging the Southwest War, and so China will succeed if it intervenes," Li Hung-chang replied, "A country which is absorbed in expeditions to seek fame will win insignificant tributes from small countries." (Note: Wang Yun-sheng, "60 Year History of Sino-Japanese Foreign Diplomacy." Same reference work for Li Hung-chang hereafter.) Even at this time, war between Japan and China could have occurred if talks between the two countries had failed and China had used force, but China exercised self-restraint and the Ryukyu problem was settled on the basis of Japan's fait accompli. This was an example of the organization of Pax Sina.

Nevertheless, the Manchu Dynasty gradually began to lose its neighboring territory and realized this loss during the final stage of Pax Sina. In 1885, after the clash between Great Britain and the Soviet Union on the Afghanistan issue, Great Britain asked for the lease of Keomunto, located south of the Korean Peninsula, with the intention of bottling up the Russian fleet in Vladivostok. Asked for guidance by the Korean Government, Li Hung-chang replied: "That island is referred to as Arejima. Your country may think nothing of it, but at one time even Hong Kong had only a few fishermen's huts, while today it is a

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prominent center commanding a key position in the South [China] Sea." He told Korea to decline the request, with the warning that if the lease were thoughtlessly given, Russia and Japan would make similar requests. This judgment was indeed correct, but then China itself should have been aware of it much sooner.

At any rate, a large country possessing overwhelming strength knows about self-restraint. If so, then it is a self-evident truth that stable peace can be maintained.

Prevailing among scholars of international politics is the thinking that an effective means of maintaining peace is to have a balance of power, but from way back and up to the present, I have doubts as to its applicability to the present world situation. It is true that there have been periods in which peace was maintained by a balance of power--such as in Europe during the 19th century, Italy during the Renaissance and, according to the Chronicles of Lu, with the Warring States of China, when several equally strong states formed a confederacy, whenever possible--but in each instance peace was maintained only for several decades.

A truly long peace lasts only when there is an overwhelming difference in strength, like the Pax Romana; I think the postwar Pax Americana was the same kind of thing. For this reason, I have been concerned recently about the narrowing of the gap in strength between the United States and the Soviet Union. But let us consider this topic later.

As for a large country's exercising self-restraint, this was not practised consistently in the case of the history of the Han race. Originally the Han race had its base in the middle reaches of the Yellow River, and from there it conquered the different races in all directions and assimilated them. It is a race that expanded by adding its conquests to its domain.

Ancient China saw its peak in expansionism with the era of the Han Dynasty. The Han feudal empire struck at Mo Pai, subjugated Ling Nan, and conquered the territories where most of the descendants of the Han race presently live. As for the Korean Peninsula, the northern half was conquered and, instead of being made a tributary state, was divided into districts and provinces under direct supervision.

Historical precedents are indeed frightening. The Korean intervention by the Tang founder was reportedly made in order to revive the district and province system of the Han Dynasty. In 1882, Chang Pei-lun advocated for an expedition to the east (conquest of Japan), but at the same time, in a letter to Li Hung-chang, he urged the abolition of Korea as a country and its subjection into districts and provinces, in the manner of the Han Dynasty.

In other words, China of the Han Dynasty was one of the conquering empires found throughout history, and the only reason the southern half of the Korean Peninsula and Japan were not conquered was because of the long geographical distance.

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Resistance of the Korean Race

China's thoughts on the unworthiness of foreign expeditions were established from around the Sui and Tang eras, when Japan appeared as a unified nation, but it is not an exaggeration to say that the main reason for the establishment of this thought was the resistance of the Korean race.

Events during that era can be understood by reading accounts of that period in the abbreviated 18th Chronicle.

According to Emperor Yang of the Sui Dynasty, "In the 7th Year of the Great Achievement, the emperor became a general, recruited soldiers, and attacked Koryo. Several hundred thousand laborers worked ceaselessly day and night to ship rice, and the dead piled up like pillows. The masses were destitute, and for the first time, gangs of robbers operated." The rest was devoted to a description of the rapid decline of the Sui empire, in the unique tempo of the abbreviated 18th Chronicle.

The military prowess of the Kokuryo at this time was indeed admirable. General Eulchimundeok attacked, then deceptively escaped; he then lured the Sui forces deep as far as Pyongyang Castle, and when the battle-weary Sui forces retreated from the secure Pyongyang Castle and were halfway across the Changjin River, the general attacked and won a great victory, reducing the expeditionary army of 305,000 soldiers (reported to be a million) to a mere 2,700.

The conquest of Koryo by the founder of the Tang Dynasty was described in the abbreviated 18th Chronicle as follows: "The expeditionary force captured 10 forts, brought 70,000 prisoners back to Tang, and beheaded more than 40,000 soldiers in three great battles; but 7,000 of their own troops were lost and 7 or 8 of every 10 horses died, and still the objectives were not fulfilled. The founder was deeply regretful and remarked that if Wei Cheng were alive, he would not have approved the expedition." Thus, honor was restored to the famous lord Wei Cheng, who had previously lost favor.

The founder of the Tang Dynasty was such a great leader that he is considered to be the greatest among all the emperors in the history of China. Even in the abbreviated 18th Chronicle, praises are lavished on him for his achievements, character, and stature, but added to the conclusion of the chapter on the founder is the statement: "At the time of the Eastern expedition, taken in his declining years, he did not heed the admonition of Chu Sui-liang."

Poems deploring foreign expeditions are found in Tu Fu. The thinking that foreign expeditions are unworthy was established in China just about the time of the beginning of genuine international relations between Japan and the mainland. This again, for Japan, was an extremely fortuitous event.

Excellent Defensive Capability

The Koreans, in many respects, are a strange race. First of all, they are an extremely introverted race, and historically they have never undertaken an expansionist policy. According to their records, Silla, during the five centuries after its founding, was attacked by the Japanese on 20 occasions. There was no

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record of any plan by Silla to attack Japan. After the failure of the Mongol invasion, on the contrary, the country was so heavily ravaged by Japanese pirates that this was considered to be one reason for the downfall of the Koryo empire. It was on the defensive throughout, and the only offensive was the Tsushima Island attack in 1419.

Feelings of grievance were deeply expressed when patriot Park Chung-hi remarked: "Our 5,000-year history, in a nutshell, is one of conservatism and stagnation. Was there ever a time in our history when we crossed the border to rule others? This sort of history is fit to be burned."

On the other hand, when it came to defensive war, they demonstrated an amazing capability.

Ranked alongside the previously described victory gained by Eulchimdeok of Koryo over the Sui army was the victory gained by General Kang Kam-chan when he confronted the invading Khitan force of 100,000 in the years 1018 and 1019 with the clever strategy of damming the river with cowhide, defeating them with one swift action and leaving them with only a few thousand survivors. Stated in terms of Japanese history, it was comparable to the Japan Sea naval battle, and this significantly decisive victory has remained deep in the hearts of the Korean people.

Also outstanding for its fighting valor was the Silla army, which confronted the Tang army for 7 years and survived without yielding victory to the Tang.

What is the explanation for all this? It is probably attributable to the mold assumed early as a nation from among the various Eastern barbarian countries and the ability to wage organized resistance against invading forces because of [the people's] high cultural level, but, as is often quoted in the treatises and other writings of the great scholar Choi Nam-sun, who drafted the 3-1 declaration on the peculiarities of the Korean people, there is something special about the belief in the purity of a race; in other words, in the exclusion of other races.

One is probably the difference in language. The languages of the people located south of China and down to Thailand are of the same strain in tonal consistency with the Chinese sound, and are therefore easily assimilable with that of China, whereas the Korean language, like Japanese, has a monotone pronunciation and cannot be mixed with Chinese. With this sort of people, the Han race would fare best by banishing them to the northern deserts, like the Huns and the Mongolians, or, as happened to the Kokuryo people, to deport them to various sections of China; otherwise, the best solution would be to maintain a suzerain-tributary state relationship.

On the other hand, this was a country with a geographical environment indispensable to a part of Pax Sina, and so it was under terms from the standpoint of international politics in which foreign conquests were unthinkable. The reparations the Kokuryo gained after defeating the Sui army were returned as tribute to the Sui, as was the case with the reparations Silla obtained on achieving victory in the Tang-Silla War. The same thing happened with the reparations

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Vietnam gained when it repulsed the great army of the Mongols. Since an attack on China meant the conquest of more than 400 provinces and of eventual defeat and death, the import thing was to reach peace at the earliest moment and to establish a stable national relationship.

Because of such dangerous conditions, whereby defeat would mean destruction of the race and a victory for the suzerain-vassal relationship, venturing outward was almost unthinkable.

What Marshal Mannerheim, hero of Finland, stated during the latter part of the Russo-Finnish War is the same thing: "Cease-fire is the supreme order. If the Finnish Army collapses, there won't be any cease-fire." A defeat would spell the destruction of free Finland, whereas the victory gained from heroic resistance led to the so-called Finlandization. Such a vast difference in the strength and size of countries can mean a suzerain relationship or the birth of a form like Finlandization.

Such being the facts, a country having no plan or capacity to wage a foreign invasion, but on the other hand having the will to fearlessly resist any threat from the north, lies between Japan and the mainland. What better conditions can be found for the security of Japan!

I firmly believe that, even if the events have not surfaced in the pages of history, there have been cases of the Korean race's having saved Japan from potential danger. If Kokuryo had collapsed and the Sui forces had overrun the entire Korean Peninsula, imagine what could have happened. Prince Shotoku said: "To the emperor from where the sun rises, to the emperor to where the sun sets, I send calligraphy. In good health." (Wang Yun-sheng wrote that in defiance to China, Japan said: "beginning with what appeared in the enterprise for equal customs.") One could readily imagine the attitude toward Japan taken by the angry Emperor Yang of Sui when he replied, "The writing of the barbarian is impudent." Even after victory over the Sui forces, the strong Kokuryo extended vassal courtesies with tributes in order to maintain peace in the strategic environment of East Asia, whereas Japan's naivete was fraught with danger.

The same thing can be said about the resistance of the Koryo toward Khitan. Because Khitan was not inferior to the Mongolians as an expansionist country, the possibility existed that the same thing that happened to the Mongol invasion would occur if the Korean Peninsula had been totally conquered. At that time, the Toi bandits were connected with the Jurchen tribe along the maritime province, which had been subjugated by Khitan. The extent of the connection between the southern drive of Khitan and the Toi invasion was not known, but Kyushu had been attacked, in the same year and with the flourishing of racial activities in Northeast Asia the situation was filled with danger, and so it is said that the Koryo resistance saved Japan.

The collapse of the strategic balance that Japan enjoyed under these conditions occurred after the Paik Chon River event, and during the 1,200 years up until the modern era, there were only the 10-year period before and after the Mongol invasion and the 10-year period of Hideyoshi's expedition to Korea.

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As for the Mongol invasion, at least two of the conditions for maintaining the balance with Japan were broken. One was the irrefutable fact that in the 1,200-year history, this was the only time that a major power did not exercise self-restraint.

The other reason was that the Korean Peninsula did not fulfill its role as a buffer state.

Actually, in the history of the Far East, this was the only time that the mainland China force ever reached the southern section of the Korean Peninsula.

After the defeat at Paik Chon River, Japan prepared for the Tang invasion by manning Tsushima, Ichigi, and Chikuji with military guards and signal flares, and building forts in various areas. But after defeating the Paekje forces in southern Korea, the Tang army went northward to meet and defeat the Kokuryo forces, after which it was engaged in disposing of Paekje territory. Then the war between Tang and Silla began; just north of what is today's demarcation (cease-fire) line, the Silla forces pinned down the Tang forces and thereby did not permit them to enter the southern part of Korea. As related previously, in the beginning the Tang empire was an ordinary expansionist empire, and therefore if Tang had conquered Silla, it is reasonable to imagine that Japan would have been next. Even today, it is said that there are records on the repairs of military ships for use by the Tang forces in striking Japan after Paik Chon. It is said that the battle between Tang and Silla was a propitious event for Japan that surpassed even the divine winds.

After that, none of the continental forces during the Sung, Khitan, Ming, and Manchu periods ever reached the southern part of the peninsula. The forces during the Korean War went almost as far south as the Mongol invasion, and, like the Koryo during the Mongol invasion, Syngman Rhee's government could not put up a speedy resistance in the face of overwhelming odds and was driven by the North Korean Army to the western half of the beach in the south, but after that, the UN Forces held the beachhead at Pusan and counterattacked.

From this, therefore, [we can see that] if a major power on the continent with expansionist thoughts or an ordinary major power with no scruples about sending a foreign expedition should appear and, after the collapse of resistance in the southern part of the Korean Peninsula, if the forces of that major power should reach the southern part, the balance in the Far East would collapse and Japan would be threatened with danger. What would then be considered as a matter of course would remain as a truth in Japan's strategic environment.

Ultimately we return to the strategic importance of the southern half of the Korean Peninsula. I shall delve into the subject later, but prior to the Russo-Japanese War, estimates as to whether Japan would truly engage in war with Russia hinged on one factor, and that was whether Russia would advance to the southern part of the peninsula. This geographical condition was tied in with the thinking during the return of Okinawa when the Sato-Nixon joint statement mentioned; "The security of South Korea is essential to the security of Japan;" and this is still valid today.

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Of course, seizure of the southern part of the peninsula does not mean the destruction of Japan, but the crucial situation for Japan would then begin. Actually, when the continental power is overwhelmingly strong and defiance is difficult, the loss of the southern part of the peninsula as a buffer becomes a realistic situation, but in such a case, as with the Mongol invasion or after the Paik Chon event, western Japan should be fortified and the need would arise for mobilization preparedness throughout the nation. The inauguration of the police reserve force, predecessor of the Self-Defense Forces, was ordered by General MacArthur 2 weeks after the outbreak of the Korean War.

Past or present, it is the same, for in the event the naval and air bases on the southern part of the peninsula should fall into the hands of a nonfriendly force, then the capacity for air defense for supremacy of the sea, and for prevention of a landing, and in turn the entire defense setup, which Japan would have to supplement, would have to undergo a drastic change in both quality and quantity from that of the present.

Lack of Strategic Thinking

Hideyoshi's dispatch of an expeditionary force to Korea was an example of an offensive abroad emanating from Japan, and it has no direct bearing on Japan's defense strategy, which is strictly defensive, so coverage of that will be omitted until later, but one thing that must be pointed out is that, in the case of both the expeditionary force to Korea and the Paik Chon event, Japan was overconfident of its combat capability, while its strategy was astonishingly crude; in other words, there was a total lack of intelligence and strategy.

As for the use of Korea, Yukinaga Konishi had wanted to deceive Hideyoshi by talking at an appropriate place, and Ming supporters had succeeded with their plot; therefore, from the beginning Hideyoshi was blind, as far as strategic intelligence is concerned, which was regrettable. But be that as it may, with only a force of 150,000 troops, his strategy was just to keep advancing in order to destroy the great Ming empire. Pitifully, this [strategy] lacked policy and substance. At home, a Japanese force would display its abilities with a superior field battle or siege, depending on the situation, but in waging a full-scale war, it placed importance on its fighting capabilities and neglected intelligence and strategy. At that time, a Ming spy wrote a report to the Imperial Court that the Japanese possess dauntless courage, but in all matters they lack planning ability--an unavoidable situation.

According to historical records, the reason for dispatching a force to the Paik Chon River was merely, "Since ancient days, when help is sought, it is only natural to render help." As [this force] was engaging the allied forces of the great Tang Dynasty and Silla, however, this explanation was obviously naive. Even on the battle front, without considering the situation, the Japanese met the Tang army head-on, using the tactic; "If we take the initiative and attack, the enemy will naturally run away." If it should end in defeat, then it couldn't be helped; but even afterward, nothing was done to cope with the international situation. Strengthening the defenses of the western provinces after the defeat was to be expected, but Japan made no effort to take advantage of the fact that after the invasion, it took Silla and Tang 5 years to defeat Kokuryo, after which

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the Tang-Silla War raged for 7 years. Japan was in no mood to take advantage of it. From the standpoint of power politics, the opportunity was there to mount a pincer attack with Tang against the archenemy Silla, but no sooner had the Kokuryo been defeated than Dae Kak Woo Kim Kyung Shin of Silla made the diplomatic move of offering huge gifts as tribute to Japan, which was so flattered that it abandoned its peninsula policy.

The Strategy of Fulfilling One's Duty

The end result was that Japan got a respite when Silla and Tang fought each other, and since it had maintained friendly relations with both Silla and Tang, diplomatically the moves were said to be excellent, but it is hard to believe that decisions were based on deep thought. In other words, after that, Silla won in the Tang-Silla War, received an imperial decree from Emperor Hsuan, had its national boundary established south of the Ta Tung River, and no longer had to kowtow to Japan, Silla neglected maintaining relations with Japan, whereupon Japan became infuriated and prepared to send an expedition. The expedition was abandoned after mobilization, but if the expedition had been sent, it would have encountered trouble, because the Tang-Silla relationship was one of a honeymoon, and the disturbance at An Lu Shan had been quelled, on top of which the relationship with the Tang could have been ruined.

When the power relationship is to Japan's advantage and the other country blunders, Japan is gleeful and does not send an expedition. But if there is a turnabout in the power relationship and the other country assumes an overbearing attitude, then Japan gets irked and wants to attack. There's no estimate of the situation and no strategy, but only frightfully naive thinking.

It's a wonder that Japan has lasted for 1,200 years. Such a history would be unthinkable with a country having a tough international environment. Even today, this sort of historical tradition must be in the background of concepts that crop up periodically vis-a-vis the building of Japan's strategy, which is centered on domestic affairs and is unrelated to the objective military balance in the environs of Japan.

It is pointed out that, in general, the fault with the former military of Japan was in not having the Anglo-Saxon type of strategy of emphasizing intelligence, but in adopting the Ploesen-type strategy of the execution of duty. In other words, instead of fighting after determining whether victory was attainable, the strategy involved how best to execute one's duty with the given military strength. The details will be omitted here, but during the Pacific War, because of the utter disregard for the differences in the combat strength of the opposing forces and in the supply capabilities, several tens of thousands of competent soldiers participated in thoughtless battles in the execution of their duties and were killed.

In retrospect, the lack of regard for objective analysis may already have been present as part of the thinking even at the beginning of the Pacific War--"that of crossing the Rubicon"; this is attributable not only to the Ploesen influence after the Meiji era, but possibly also to the Japanese race's being nurtured in the favorable environment of an island country, to its being uncommonly inex-

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perienced compared with the [rest of the] world, and to the naivete stemming therefrom, which led to disinterest in foreign intelligence, and which in a bigger sense resulted in a lack of strategic thinking.

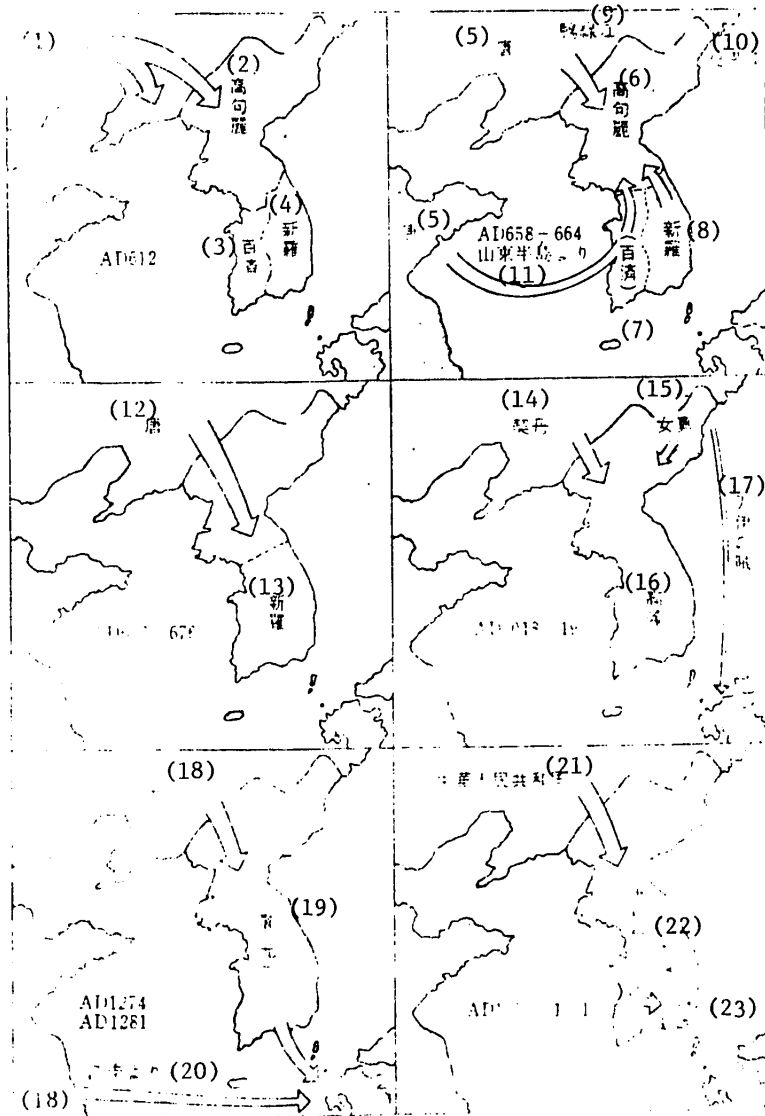
It is said: "The world's strongest military force is one which consists of American generals, German officers, and Japanese noncommissioned officers." Along with complimenting the average height of the Japanese people, this statement is critical of the lack of strategic thinking based on intelligence--even worse than the Germans in this respect--and therefore warrants self-disciplining.

(This series represents the writer's personal views and in no way reflects the views of the government.)

Strategic Significance of the Korean Peninsula

朝鮮半島の戦略的意味

Key:



1. Sui
2. Kokuryo
3. Paekje
4. Silla
5. Tang
6. Kokuryo
7. Paekje
8. Silla
9. Yalu River
10. Tuman River
11. From Shanung Peninsula
12. Tang
13. Silla
14. Khitan
15. Jurchen
16. Koryo
17. Toi Bandits
18. Yuan (Mongols)
19. Koryo (Yuan)
20. From Jiangnan
21. PRC
22. North Korea
23. ROK

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JAPAN

CHANGED NATURE OF U.S.-JAPAN SECURITY TREATY DISCUSSED

Tokyo EKONOMISTO in Japanese 1 Jun 82 pp 26-29

[Interview with Nobuo Kurokawa, Representative of the Foreign and Domestic Policy Research Institute: "The Nature of the U.S.-Japan Security System Has Changed"; date and place not given]

[Text] The Reagan military expansion line is developing and the USSR will not yield an inch--it seems the danger of war continues to increase. In this situation, Nobuo Kurokawa points out that the road Japan should take in the face of the qualitative changes in the U.S.-Japan security system is to establish an independent defense concept based on disarmament. Kurokawa was born in Kyoto in 1916. In 1943, he graduated from the Army Academy. At the end of the war, he was army staff officer with the Sumatra Airborne Division. Since 1953, he has conducted research in international politics and Japan's foreign relations and security policies.

What Japan Should Take Note Of

Interviewer: The theory which permeates the Reagan military expansion line--that of Japan and the United States sharing a military role--is popular. The pressure from the United States has become fairly strong; how do you understand the present situation?

Kurokawa: U.S. Secretary of Defense Weinberger visited Japan in April and left behind rather strong statements insisting on fulfillment of the promise that Prime Minister Suzuki made regarding the sealanes. We cannot be silent any longer. It is necessary to reconsider thoroughly at this time Japan's previous posture of "yes sir, yes sir." That feeling is extremely strong at this time. From the perspective of military strategy, a second look at the Security Treaty is necessary.

In the long run, I want the people to know that Japan has not been carried one-sidedly by the United States. My basic understanding is that we should take a hard independent look at the international situation, especially the international military situation, and not make our judgment from the position of having relied on the United States for everything.

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Interviewer: When the international military situation is looked at, U.S.-Soviet competition in nuclear arms development is still the greatest point.

Kurokawa: Frankly speaking, I have a feeling of crisis that the danger of war, whether limited or total, is little by little becoming a reality. I think the Reagan administration is an administration we should be wary of. His policies have changed very little from the time of his presidential election campaign until his announcement of plans for a military buildup in October; he had intently emphasized the nuclear gap with the USSR, but since then it can be seen that he has toned down the emphasis on the nuclear gap.

For example, we can look at the Laroque report carried in the newspapers in January of this year. In short, my analysis is that the Reagan administration does not truly think there is a nuclear gap, but rather that the Reagan administration's aim is nuclear superiority and that it takes the position that it can deal with either a limited or a total nuclear war. I think that the United States, of course, and the whole world can see that the United States has nuclear superiority.

I visited expert research agencies in East and West Europe both last year and the year before in order to examine the "nuclear awareness" in both the Eastern and Western blocs. I also met the director of the NATO information agency and the former NATO military commander, and toured various U.S. strategic research institutes. The result I obtained there was that in the 80's there is a definite nuclear balance between the United States and the USSR, and that the deterrent capability will not collapse.

Despite such recognition, if the Reagan administration does develop some 17,000 new nuclear weapons over the next 10 years, it seems that the danger of a partial or full-scale nuclear war draws nearer moment by moment.

In terms of Reagan's understanding, the active deployment of Soviet intermediate-range missiles and submarines around 1985 will be the most critical point, and at that time the U.S. Pershing II and missile deployment will not be completed. Consequently, I think Reagan understands with a sense of crisis that this is the best opportunity for the USSR to start a war.

At that point, with a strongly unified West, he will gradually try to press hard for completion of the encirclement of the USSR by the West. It can be said that his aim is to diminish the USSR's desire for military expansion and to make the USSR abandon its desire for military expansion.

Interviewer: A movement calling for the unilateral character of the U.S.-Japan security [system] to be rectified and made bilateral has appeared in both the United States and Japan. The danger that Japan will be pulled into part of the U.S. anti-Soviet nuclear defense strategy is increasing. Hasn't Japan's role in the U.S.-Japan security [system] changed qualitatively?

Kurokawa: Considered from the Reagan administration's position, in a situation like the present, in which there is excessive nuclear stockpiling and the U.S.-Soviet mood for confrontation is increasing, the United States, after all, will think about the security of its own territory first. Then, the result of the

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U.S. attempt to avoid becoming a nuclear target of the USSR will be for the United States to plan the dispersion of nuclear strikes and to form a plan to bring about the isolation of the USSR. I think this is the most common strategy.

In the past, the military target of primary interest to the USSR was NATO. Because of that, since the time of the Berlin blockade, the United States strengthened its posture of lavishing military aid if war should break out in Western European countries. It could be called excessive. Now, however, the greatest interest for the USSR is an attack on the U.S. mainland.

When one thinks about that, from the viewpoint of the U.S. defense against the USSR, the Pacific Coast is open and there is no defense line. No one has yet clearly said so, but perhaps for the Pentagon it would be a grave threat if five Soviet nuclear submarines were quietly submerged off the U.S. western Pacific Coast--it seems they are doing so now. Moreover, because of such short range, SLBM's, launched only 200-300 kilometers away, would reach the U.S. mainland. Within 7-8 minutes, they could be dropped on the West Coast or the East Coast; there is no defense for this. If five or six submarines each launched an MIRV, the entire United States would be destroyed in an instant.

Assuming I were a responsible person in the Pentagon, this would in fact be the greatest threat and would cause apprehension. Japan's politicians and Defense Agency personnel have to look adequately at U.S. defense strategy. The United States has such a major weak point. Therefore, I want it quickly inferred that since the U.S.-Japan security [system] has qualitatively changed, the sense of value of U.S.-Japan security has changed very much both for Japan and the United States.

Blockade of Straits Possible

Interviewer: How do the Japanese defense authorities see this?

Kurokawa: I think that recognition of this is practically nil. Such a concept will not come into existence. That is because Japan's thinking is that, as in the past, Japan will be supported militarily by the United States. Consequently, the Defense Agency and Self-Defense Forces say, "Who do you think is responsible for Japan's 37 years of peace?" In short, they impudently say this because we have clung to the U.S.-Japan security [system] and, at the same time, because of the Self-Defense Forces.

It is taboo to admit the qualitative changes in the U.S.-Japan security [system], because the reasons for the existence of basic self-defense existing in U.S.-Japanese ties would be lost under the cloak of such an immovable concept.

Generally speaking, the present-day Self-Defense Forces cannot be trusted. Both senior officers and younger men in the Self-Defense Forces come to my place, and I tell them, "Keeping in mind Japan's geographical features, for example, keeping in mind the Japan Sea, have you ever independently [considered] any developments even once, hypothesizing the use of weapons suited to these features? It is no good ignoring this and trying to barely defend Japan with

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U.S. weapons. Likewise, I will not believe you until you want to make such requests, because they are necessary for our own defense of our country."

Interviewer: It is said that the U.S.-Japan security [system] is more harmful than beneficial. Concretely speaking, is there any danger that Japan will be taken into the U.S. anti-Soviet nuclear encirclement net?

Kurokawa: This is what Weinberger said during his visit to Japan. We have started to blockade three straits (Soya, Tsugaru, and Tsushima) besides the sealanes. I think that if a tense situation occurred in the Mideast or Europe between now and 1985, perhaps the United States would make strong demands, in all seriousness, for a blockade of the three straits.

The strait with the strongest possibility of being blockaded is Soya. This is the shortest course to the United States for Soviet warships and submarines. Likewise, conversely, Shishirita, Reibun to and the northern edge of Hokkaido are topographically easy for the USSR to cover. If these were blockaded, the Soviet Pacific Fleet would be completely useless strategically. Such a hypothesis reflects a grave threat to the Soviet Union on the eastern front.

Therefore, for Japan to carelessly participate with the United States in shutting down the Soya Straits is nothing else than expressing hostility to the USSR. This must be avoided. The United States will not hesitate to do it on the strength of U.S.-Japan security.

Interviewer: But how do you think Japan should respond?

Kurokawa: I think the U.S.-Japan security [system] has to be done away with shortly. Moreover, I feel strongly that if U.S.-Soviet nuclear military expansion competition progresses feverishly, the harm from the U.S.-Japan security [system] will increase much more than the benefits. I think that as soon as possible in the near future, we should do away with the provisions of the U.S.-Japan security [system] to the extent that they relate to military aspects, and that we should change to our own individual defense as an independent nation.

In order to do that, we will faithfully defend the pacifism of Japan's constitution by developing a "hedgehog" defense with Japan's independent self-defense structure on the firm basis of Japan's position in relation to geopolitics. Likewise, in order to prevent the nuclear destruction of the Japanese race, Japan itself has to politically create and substantially possess a "sense of self-defense" that is not dependent on the power of a foreign country. Since even the format of a special defense would be fine, I think Japan ought to have a defense structure of its own.

I made frequent speeches, especially about policies relating to security questions, for about 8 1/2 years as a policy adviser to the late Prime Minister Masayoshi Ohira. When I met Ohira for the very first time in 1973, Ohira said, "I don't have much confidence in myself concerning Japan's defense policies. Won't you write something about that without any scruples?" And so I wrote "Theory of New Japan's Self-Defense."

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From that time on, I have consistently thought that a self-defense which does not know whether it is under U.S. direction or is a mercenary soldier is isolated from the people. If the Self-Defense Forces hypothesize a self-defense war within Japanese territory, they cannot consider it cut off from the people.

During the Vietnam war, I spent some time in Indochina and investigated the war in detail. The Japanese people should have the strength of those Vietnamese to resist through self-defense. Since I have habitually felt that we could not fight off the mighty power of the USSR unless we were to bind Japan's self-defense to such resistance, I wrote that. This was in no way a foreign policy position like that of Masatsugu Ishibashi of the Japan Socialist Party, nor was it a comprehensive policy.

We have to be wary of the world policies of a strong, intimidating country like the Soviet Union. On account of that, we must somehow make Japan a "hedgohog." That is my fundamental thinking.

Emphasis on Three Principles of Denuclearization

Interviewer: You say that we must abandon the U.S.-Japan security [system] in terms of its military aspects, but looking at the present political movements in both Japan and the United States isn't early realization of that difficult?

Kurokawa: Yes, and precisely because it is a period in which Japan-U.S. economic friction has heated up. If there were a time when both could make clear judgments, even though Japan would bring up the issue of doing away with U.S.-Japan security, the United States would say, "Alright, let's do away with it." But there is a tense atmosphere over various problems, starting with economic problems; moreover, to start talking about doing away with it at a time when Reagan has clearly included Japan in U.S. world strategy would rub U.S. sentiment the wrong way.

Therefore, through what kind of process and procedures would Japan do away with the Security Treaty and get approval for its position? That would be extremely hard work for Japan. Since the reaction from the United States would be terrible if Japan negotiated from a posture similar to that of the Socialist Party, making demilitarized neutrality its objective, perhaps no one will take such a bold course.

In such a situation, the best way to avoid a reaction from the United States would be for the Japanese Government to fortify itself and negotiate with the United States on the grounds of the three principles of denuclearization. Doing so would let the Soviet Union know that no nuclear weapons are placed in Japan and, in turn, would soften the Soviets' viewing Japan with hostility.

Interviewer: As the dangers of nuclear war increase, the grassroots anti-nuclear movement has become popular both in Europe and the United States as well as in Japan. There is the viewpoint that these movements "benefit the Kremlin."

Kurokawa: I would never underestimate them. There is evidence that not only the intellectuals but, through a natural development, ordinary citizens, especially in Europe, feel strongly about the danger of nuclear war. On the

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other hand, the government frowns because it is a movement which interferes with U.S. world policy, especially the 1 1/2 policy (commit military power on the basis of 1 for a full-scale war, 1/2 for a local war). Nevertheless, the voice of this grassroots movement has grown louder, even in the United States. It is a movement in which Japan should originally have taken the lead, but the LDP government went around with its hands tied behind its back regarding the movement because it was wary of offending the United States, since Japan's reliance on the United States is so great. I think it is a movement which should be evaluated.

That is to say, I don't think the actual effect of this series of movements on disarmament will have that great an influence on international politics, and in particular on U.S.-Soviet politics.

The more I study the UN Disarmament Conference and the Geneva Disarmament Conference, the more I cannot help but have a feeling of powerlessness in the proposition Japan will put to the United Nations (a proposal developed by Japan's committee for drawing up a proposal--headed by Chairman Zentarō Kosaka--of the United Nations Association of Japan, Inc). However, we are still compelled to do something. Moreover, I think we will make an appeal on the authority of the UN conference, but we are repeatedly discussing how to give a place in the proposal to the antinuclear voices and grassroots citizens' voices and how to let these voices take root at the disarmament conference.

Interviewer: On the one hand, the U.S.-Soviet arms expansion race causes the economic burden to increase, but from the economic viewpoint, isn't calling for a halt completely out of the question?

Kurokawa: That is right. First of all, the USSR has not such inclination. I think that in this century there is the possibility that the USSR's internal contradictions will explode. However, it is not possible to apply pressure from outside and force Soviet policy to change. There can be no hope except for a collapse because of internal contradictions. If outside pressure is to be applied, there is no other way than to let the people feel hungry one by one.

Consequently, as China pointed out, no one could understand what Reagan was doing when he easily lifted the food and grain embargo against the USSR. Actually, what he has done has been irrelevant and inconsistent from start to finish.

If he feels the USSR is a threat, why doesn't he move in a direction that will allow the Soviets to invest large amounts of money in "Gosplan" (USSR Planning Committee) and not make them invest in military expenditures? This is not something that had been unsaid until China pointed it out. It hardly needs to be said by China; we have been saying that for a long time.

Start With Possible Disarmament

Interviewer: In the 20 April issue of EKONOMISUTO, Hiroyuki Maruyama, a researcher on military questions, analyzed U.S. military thinking (Transformed

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U.S. Military Thinking") and pointed out that Reagan's aim is to gain victories in battles with the USSR one at a time in a long-term limited war not leading to an all-out war, and to try to destroy the strategic balance. In that case, various options, ranging from a nonnuclear conventional war to a limited-threater nuclear war, are being hypothesized.

Kurokawa: That is the logic behind both countries' constantly escalating both qualitatively and quantitatively. It is natural to think that war would change from a conventional war to a nuclear war. In considering disarmament, that possibility is greatest in Europe.

If a conventional war occurred in Europe, there are tactical nuclear weapons in the regions where the Soviets would make their advance. If those tactical nuclear weapons were about to be captured, those weapons most certainly would be fired before that happened. If there are tactical nuclear weapons and cruise missile bases when the Soviets advance, they will most certainly be fired, because they cannot be pulled back. The strategy considered by France's Mitterrand was a problem. After all, the Maginot Line was broken through in such a manner. At that time, retreat was possible because there were no nuclear weapons.

Now, however, nearly 5,000 nuclear weapons have been placed in West Germany. When that many are placed in the small area of West Germany, they cannot help but fire the nuclear weapons, since they would be there should the Soviets charge in. Therefore, a war would occur most easily in Europe.

What I think is most interesting about Europe's disarmament is that the reason for it is the excessive military concentration there. To lessen the possibility of war in Europe, the advance capability of conventional forces would be pulled back to European Russia. And in exchange for that, NATO troops would return to their own countries.

In short, when one tries to control a certain region, one cannot control it simply with nuclear military might. In the final analysis, one occupies a region with conventional military forces first and then takes control. This has not changed even today. The specific characteristic of nuclear power and the specific characteristic of nuclear military power are that they can control by the use of a threat. A threat as a threat is one kind of power, but although that threat is advanced, this doesn't mean that definite control would begin. A large advance capability accompanied by tanks and a conventional-war capability are still the basis.

Consequently, the start of a war in Europe would surely be a conventional strategy. The sudden firing of nuclear weapons would be impossible. That is because firing nuclear weapons first would invite isolation by world governments. Therefore, the Warsaw Pact Organization and NATO would be dissolved simultaneously. At the same time, the 15,000-man Soviet divisions stationed in East Germany and Czechoslovakia should be pulled back once and for all.

If this were done, since the threat of ground troops alone would not be that great for the West, the United States would also say let's withdraw. I am proposing that this should be done first; and then shall we start real disarmament?

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ECONOMIC

JAPAN

AREAS OF FRICTION WITH UNITED STATES STUDIED

Tokyo NIHON KEIZAI SHIMBUN in Japanese 30 Apr, 1, 2, 4, 5, 7 May 82,

[30 Apr 83 p 1]

[Excerpts] Five "Explosive" Crises: Unemployment Rate, Market Share, Influential Enterprises Pinched, etc...

Textiles, steel, color televisions, automobiles, semiconductors--although the list of items has changed one after the other since the early seventies, the source of Japan-U.S. friction is never-ending. When attempts are made to track when and under what conditions these frictions over export industries' goods occurred, five crises come to the surface.

First Crisis: 7 Percent U.S. Unemployment Rate

Unemployment is high in the United States and the trade deficit with Japan is large. Moreover, when the Japanese economy grows relying on exports, U.S. dissatisfaction increases. Concerning the 7-year period from 1975 to 1981, in examining U.S. irritation by means of three indexes, there were two peaks; and in that period, there appeared strong U.S. demands of Japan concerning individual products (See Figure 1)

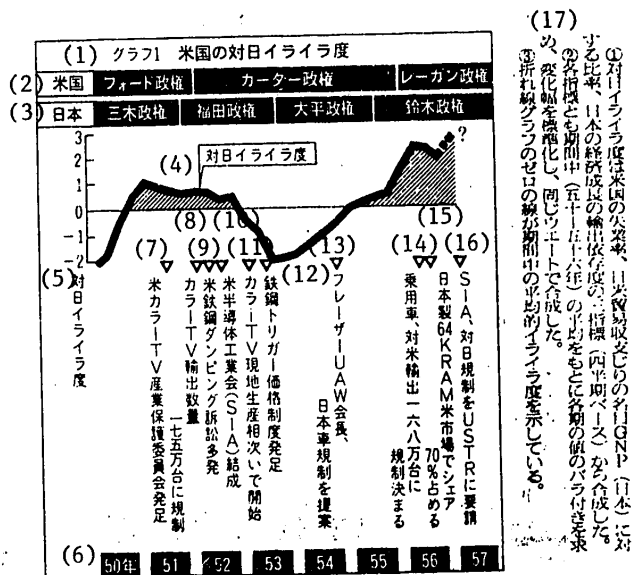
The problem of dumping of color televisions and steel appeared in the period of the first irritation in 1976 and 1977. Then, in the present period of irritation, beginning in 1980, friction over automobiles, semiconductors and communications equipment revived and came to the fore.

The fact that the U.S. unemployment rate reached 7 percent and the slump reached serious proportions is the common ground in the periods of increased U.S. irritation with Japan. Although the trade deficit with Japan is large and Japan's economy has grown by relying on exports, that alone is not the reason for U.S. demands of Japan to become harsh. It is the U.S. unemployment rate which holds the key. When unemployment jumps up, dissatisfaction with Japan explodes.

The Japanese government and business world hope that "if U.S. business improves and the unemployment rate drops, the harsh treatment of Japan will weaken considerably," and there is a basis for that hope.

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Key:

1. Figure 1: Degree of American Irritation with Japan
2. U.S.: Ford Administration, Carter Administration, Reagan Administration.
3. Japan: Miki Administration, Fukuda Administration, Ohira Administration.
4. Degree of irritation with Japan
5. Degree of irritation with Japan
6. 1975, 1976, 1977, 1978, 1979, 1980, 1981, 1982
7. Start of U.S. Color TV Industry Protection Committee
8. Frequent occurrences of U.S. steep dumping lawsuits
10. Formation of U.S. Semiconductor Industry Association
11. Consecutive beginnings of color television production in U.S.
12. Start of steel-triggered pricing system
13. Regulation of Japanese automobiles proposed by UAW President Fraser.
14. Decision to regulate passenger car exports to United States to 1.68 million.
15. Japanese made 64 K RAM holds 70 percent share of U.S. market
16. SIA demands USTR regulations for Japan
17. 1) degree of irritation with Japan is comprised of three indexes-- U.S. unemployment rate, ratio of Japan-U.S. trade income/expenditure balancesheet to (Japan's) nominal GNP, and the degree of Japanese economic growth's export reliance; 2) the dispersion of costs of the various periods is sought based on the average of the period (1975-81) for the various indexes, the range of change is standardized and the figures are given the same weight; 3) the graph's zero line curve indicates the average degree of irritation for the period.

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Second Crisis: 15 Percent Share in United States

At the time the U.S. home appliance industry's labor and management formed the "U.S. Color TV Industry Protection Committee" and launched a counterattack against Japan (September 1976), the share (market share) held by Japanese-made color televisions in the United States jumped from 15.7 percent in 1975 to 30.1 percent in 1976. Since the time when automobiles reached a 16.6 percent share (1979), labor and management in the U.S. automobile industry joined hands in regulating imports of Japanese automobiles; and when Japan and Europe's combined steel share grew to 17.8 percent (1977), a case against dumping was made.

Agreement has been reached to allow passenger car exports to the United States--which had been regulated not to exceed 1.68 million cars since 1980--"to be raised 16.5 percent, the amount of increase in U.S. demand above the 1.68 million, in 1981 and after." "This may be the upper limit of Japanese goods' share permitted by the United States." This is the impression of Katsuji Kawamata, chairman of Nissan Motor Co Ltd, who has been familiar consistently with the United States ever since he began handling passenger car exports to the United States for the first time after the war in 1958.

The history of the export of color televisions, steel and automobiles to the United States has taught us that when the U.S. share exceeds 15 percent, be ready for friction.

Third Crisis: Export Rate of 40 Percent

Besides the increase in the share of the U.S. market, the list of items resulting in friction up to this time, without exception, has accompanied an abnormal increase in the degree of export reliance. The degree of export reliance for various products at the time when friction originated (the ratio exports occupy in total production) was at its highest level for all products--steel was at 38.3 percent (1977); color televisions, 47.1 percent (1976); automobiles, 49.1 percent (1979).

In 1977, Hirokichi Yoshiyama, chairman of Hitachi, Ltd, (at the time, he was president) who fought desperately as the chairman of the Electronic Industries Association of Japan with the color television dumping problem, explained as follows: "Since Japan alone had the capability in reserves to supply the table-model portable color televisions which had begun to be sold in the United States, the export ratio increased." The result of the two oil crises was that small to medium-size vehicles which do not consume much gasoline became popular; the same was true of passenger cars.

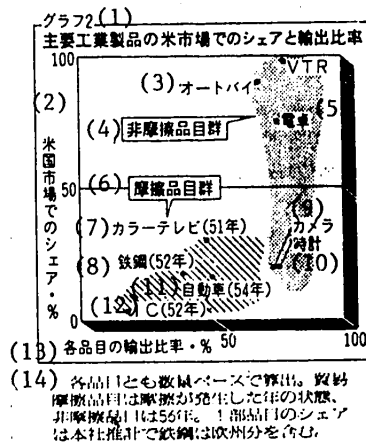
However, such "special circumstances" do not have much persuasive power in United States. It was interpreted that "because Japan directs the majority of its production to exports, it is, in effect, exporting unemployment." (UAW President Fraser)

Four Crisis: Business Slum for U.S. Enterprises

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With products over which trade friction has come into the open, there are many instances of powerful U.S. enterprises reaching a management crisis, such as Chrysler. At the time of the case against steel dumping in 1977, the number two U.S. steel manufacturer, Bethlehem Steel, had a severe deficit and at the time of the color television lawsuit, Zenith, a top U.S. manufacturer, was in such an emergency situation that it laid off one-fourth of its employees.

On the other hand, no friction has been experienced in VTR's, motor bikes or calculators, although a rather high share of the U.S. market is held, and the export ratio is high. (See Figure 2) The common bond is that no powerful enterprises in the United States which would be affected can be found. On account of this, these nonfriction products have a rather high export share and ratio compared to the friction products.



Key:

1. Figure 2: Important Industry Products' Share of U.S. Market and Export Ratio
2. Share of U.S. market as a percentage
3. Motor bikes
4. Group of nonfriction items
5. Calculators
6. Group of friction items
7. Color televisions (1976)
8. Steel (1977)
9. Cameras
10. Watches
11. Automobiles (1979)
12. IC's (1977)
13. Export ratio of Each product as a percentage
14. Calculated on quantitative base for various products. Trade friction items are listed as they were in the year the friction occurred;

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nonfriction items are as they were in 1981. The share for some of the items was estimated by NIHON KEIZAI SHIMBUN; steel includes the European portion.

The opinion of Eishiro Saito, chairman of Shin Nittetsu, regarding the steel industry, which has reached the stage of live and let live after a 10-year period of friction, is: "Aside from whether or not the U.S. steel industry's slump is due to the influx of Japanese-produced steel, from the viewpoint of Japan-U.S. relations up until this time, we must export with consideration for our counterpart's situation."

Fifth Crisis: Invasion into Strategic Fields

The trade friction which has continued in steel, color televisions and automobiles for the present has focused on the form of artificially "managing" the friction finally with such measures as regulating the amounts. However, it is the view of Yuji Masuda, chief researcher at the Economic Laboratory of the Machinery Promotion Association that: "If exports are simply moderated, future friction cannot be resolved."

The friction products have changed to more strategic, high-technology fields. Besides this, since the tempo of technological innovation is extremely fast, there is a great possibility that the ultimate situation will be one in which they will receive a crushing blow and be destroyed if they lose in the competition with Japan.

It is semiconductors which have already reached the combustion point as the number one "new type of friction." IC's are not only the bearer of the electronics revolution embracing the whole of production, but are strategic technological commodities deeply connected with national defense, satellites and aviation. The reason the U.S. national military establishment is asking for exercise of the provisions of the U.S. commerce law and national security with regard to Japanese-made semiconductors and is trying to curb imports is perhaps because it is extremely afraid that Japan will gain supremacy in this field.

Moreover, taking ultra LSI's as an example, because it is necessary, if carried to the extreme, to reinvest plant and equipment for every step increase in the degree of integration, it would be difficult to resurface if the industry once falls because of this investment cycle. It is possible to continue production with superannuated facilities if one is talking about steel or automobiles, but this is not possible in the high-technology fields where the tempo of technological innovation is fast. Therefore the competition is fierce.

The list of high-technology products, such as computers, aircraft, bio-technology and the like, which are seen as following semiconductors, have a high strategic character, and it may be said that they possess the almost perfect element for becoming the products of new friction.

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[1 May 82 p 1]

[Excerpts] Bitter Experience with "Curve Ball" Barriers; Out of Fear of Retaliation, Difficult To Complain

Within the protective measures surrounding the domestic market, if tariff barriers are spoken of figuratively as the "straight ball," then nontariff barriers are the habitual curve ball.

Perplexed by Criticism?

Third-Class Mail (Postal Law)

There are publishing companies which cannot use this low-cost system because they would have to print the wording of the third-class permit on both the front and back of the publication. ("Trade and Investment Barriers" in Japan by the U.S. Chamber of Commerce and Industry)

The explanation of the Ministry of Posts and Telecommunications Postal Bureau Business Office is: "Even the U.S. postal regulations are rather complicated. We do not consider there is discrimination against foreign publishers, and although it is said that Japan's regulations are nontariff barriers, we consider that is a desultory comment."

The third-class mail permit standards are prescribed by postal law and postal regulations. There are many points on which foreign publishers are requesting changes, and one of those changes is the method of showing the permit. They want to have stickers or stamps allowed in addition to a printed permit, as in the United States. That is because if it is printed especially for sale in Japan, the cost is too high. Whether or not the permit is received greatly influences the price of the publication. For example, if a 100 gram publication obtains a third-class permit, the cost is 28 yen; but if not, it is 170 yen.

Office for Promotion of Treatment of Problems and Complaints for Open Market (OTO)

"We have to give our names, addresses, everything. If one complains carelessly and is retaliated against, one's standing in Japan, built up with effort, collapses overnight. It is possible for the OTO, set up to eradicate nontariff barriers, to become, in fact, a nontariff barrier. (U.S. enterprise in Tokyo)

The explanation from OTO, the Economic Planning Agency's International Economy First Section, is: "If the name is unknown, we cannot make contact even if the complaint is handled. A public office should not retaliate, and we do not think they do. On the whole, results are being obtained."

On 31 January this year, the government set up OTO as one measure for eliminating trade friction. It is housed in the Economic Planning Agency,

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and it has set up desks in 11 ministries and agencies. Complaints are coming in at the rate of 12-13 per month.

"Accessories" Won't Pass?

Imported Cars (Drugs, Cosmetics and Medical Instruments Act and High Pressure Gas Regulations)

"In September last year, when I tried to import a Benz from West Germany, Narita customs said the first-aid kit and fire extinguisher attached to the Benz could not pass customs. Because I had heard the government had set up OTO, I telephoned them. But they replied arrogantly and did nothing." (Mr A, a foreign car importer)

The explanation from the Ministry of Finance, Customs and Tariff Bureau, Import Section: "The automobile passed customs, but since Mr A doesn't have the necessary permits for two items in the first-aid kit, such as adhesive plastic, and for the fire extinguisher, it still remains in a bonded area at Narita."

Permits for the import sale of pharmaceuticals and import sale of fire extinguishers are necessary. Import sale permits for the two items in the first-aid kit, considered pharmaceuticals, are required by article 22 of the Drugs, Cosmetics and Medical Instruments Act, and the import sale permit for the fire extinguisher is required by article 22 of the High Pressure Gas Regulations. First-aid kits are equipment on all Benz cars; so other importers, such as Yanase, remove the equipment from each car and pass customs. The fire extinguisher was put in on Mr A's orders. Mr A insists that "both first-aid kits and fire extinguishers should be considered as part of the car and allowed to pass customs. Mr A's complaint was the first right after OTO was set up.

Sporting Goods (Authorization System)

"When I asked if it was ready yet, he said 'Don't rush me' and became angry. I've been waiting quietly. I submitted the authorization application for tennis balls more than 3 months ago." (Importer of U.S.-made tennis balls)

The explanation from the Japan Tennis Association is: "We received authorization applications from two U.S. companies. The authorization is close to being given to one of the companies; and we're in the midst of testing the tennis balls of the other company."

There is much dissatisfaction with the sporting goods authorization and recommendation system of Japan's various sports associations. The Japan Tennis Association changed its regulation on authorizing only domestically produced tennis balls on 16 December last year, and opened its doors to foreign made balls. Both Wilson, the number one U.S. manufacturer in terms of the market share of tennis balls, and Penn, number two, are in the process of applying for authorization. Importers are anticipating that "sales will increase considerably when authorization is received." As for the problem of sporting goods authorization, regarding metal softball bats, the

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All-Nippon Softball League opened the door to foreign-made bats on 1 February of this year. However, the United States is working on improvement of the authorization system for volleyballs and basketballs.

[2 May 82 p 1]

[Excerpts] Aluminum Industry Protection Theory; "Spell" of Economic Security Is Decisive Factor

It is anticipated that Japan's reliance on imported aluminum will be about 70 percent in FY-82; it is necessary to be sufficiently concerned about the magnitude of the effect in the event instability comes about in imports. Domestically possessing a stable source of supply is a primary factor in deterring import price increases. Looking at the form of aluminum supply, since domestic production is the most stable, it is necessary to retain domestically a production capability of about 700,000 tons annually.

For a Stable Supply

The economic security theory of "domestically insuring a fixed quantity of production for a stable supply" has started to be applied to various productions.

The United States has been critical in the following manner since last year.

Here are some recent newspaper articles which took up the efforts of the Ministry of International Trade and Industry (MITI), which seeks the reorganization of the aluminum refining industry which is suffering a slump. These articles are worth reading because they suggest that Japan can use various measures to plan for the maintenance of this one industry, which could be taken over completely by imported products from the United States and Canada without government protection. (Report from the trade subcommittee of the U.S. House Budget Committee)

Indeed, various measures as pointed out by the United States were considered in MITI's aluminum policies, which are in line with the suggestions of the Industrial Structure Council's aluminum subcommittee (advisory organ of MITI) in October of last year: 1) reduce domestic aluminum refining capability from the present annual production of 1.1 million tons to 700,000 tons by 1985; 2) eliminate tariffs on aluminum ore which refineries import and apply the lightened cost to a fund for doing away with plant and equipment; 3) concerning the reduction of energy costs, maximum support and cooperation are hoped for from those involved, such as banking institutions and the energy industry.

Why is protection of the aluminum industry necessary? I visited the Tomakomai factory in Hokkaido, which is the main plant of Nippon Light Metal Co, Ltd.

The plant is located on the north side of Tomakomai harbor. When the raw material bauxite is unloaded, it is moved to the aluminum oxide production process where it becomes a semiprocessed product, and from there it is put

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into the electrolysis plant which produces the aluminum. It began operating in 1969 as Japan's only full-scale refinery; it has the biggest facility in Japan, with an annual production of 130,000 tons, at an immense site in excess of 2 million square meters; and it has left enough room for future expansion. Light, rustproof, multi-use aluminum had hidden its high growth character until just before the first oil shock when the plant began operations.

Now, there is absolutely no feeling of a production plant's characteristic enthusiasm in this plant. There are almost no lights on and only scattered human silhouettes in the electrolysis plant, where there are four buildings, 25 meters wide by 600 meters long, lined up. No wonder. At present, only one out of the four buildings is in operation, and furthermore, production is going on in only half of that building.

The 1,300 employees at the height of prosperity have been reduced to 800 employees now, and it has been decided to cut back 300 more employees. At an annual production of 15,000 tons it is at one-ninth of total capacity. Going along with MITI's policies, which aim at a national production system of 700,000 tons, this plant has decided to scrap a 60,000-ton facility; even so, a 70,000-ton plant will remain. If present production remains as it is, can this plant really be independent under the 700,000 system?

"Well, we would like to merely maintain somehow the 70,000-ton facility which will remain after scrapping the others," replied Takashi Mitsugi, plant superintendent; he didn't say, "we can maintain." In short, there is not guarantee this industry will recover simply with MITI's present relief measures.

Very Low Competitive Power

It is generally said that it is necessary to use about 15,000 kilowatt hours of energy in order to make one ton of aluminum. The Tomakomai plant made efforts to curtail energy to the point where 13,500 kilowatt hours were enough. Even so, nothing can be done about the cost difference where, in contrast to Japan's energy cost of 16 yen per kilowatt hour, the U.S. cost is 2.5 to 6 yen per kilowatt hour. Japan's energy cost per ton is 120,000 to 160,000 yen higher.

Even with Japan's superior production technology and efforts, a lead beyond Japan's reach has already been opened up in terms of competitive power.

These are support measures on which the government and the involved industry are united. Aside from the signification of helping a depressed industry, when it is reduced to a matter of why it must be preserved by exhaustive relief measures, the idea of those connected with aluminum is that, in the final analysis, it converges on the following point.

"Aluminum is a necessity and we will be in trouble if Japan cannot secure the necessary amount when worldwide demand recovers. Domestic prices for the

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foreign product will rise sharply if domestic aluminum production is at zero." (Masami Ogawa, managing director of the Japan Aluminum Federation)

(1) ひとつの産業を育てるためには、ほとんどの産業の保護が必要

(3) 技術的つながり	(8) 鋼	(9) 鉄製鋼 (普通鋼) (10) 鉄製鋼 (特殊鋼)	(4) 素材	(5) 機械部品、電子、電気部品	(6) メカニクス	(7) メカトロニクス					
			(11) アルミ	(12) アルミ精錬	(13) アルミ加工	(14) 銅	(15) 鉛	(16) 石油	(17) 化学	(18) 肥料	(19) 繊維
(2) 主要産業の技術的つながり	●	◎	◎	△	●	○					
	○	○	○	○	○	○					
	○	○	○	○	○	○					
	○	○	○	○	○	○					
	○	○	○	○	○	○					
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(25) 産機審議会報告書経済安保問題特別小委員会報告から

Key: Figure 3:

- In order to nurture one industry, it is necessary to protect all industries.
- Technological connection of major industries
- Degree of technological connection (Large: ●; medium: ◎; small: ○; minute: △; unknown: x)
- Material
- Machinery parts, electronics and electrical parts
- Mechanics
- Mechatronics
- Steel
- Pig iron manufacture
steel manufacture (regular steel)
(special steel)
- Ferro-alloys
- Aluminum
- Aluminum oxide production
Aluminum refining
Aluminum processing
- Copper, lead, etc...
- Mining
Refining
Processing
- Salt electrolysis
- Petrochemicals
- First stage (raw material)

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- Middle stage (monomer, polymer)
- Resin processing
- 18. Nitrogen fertilizer
- 19. Synthetic fibers
- 20. First stage (thread)
- Medium stage (cloth)
- 21. Paper pulp
- 22. Pulp manufacture
- Paper manufacture
- 23. Ceramic industry
- 24. Cement
- Glass
- 25. (From a report by the Industrial Structure Council's special subcommittee on economic and security questions)

Certainly, such an economic security theory has a strange power to create an "atmosphere" in which every industry needs protection, like a hypnotic spell. However, there are interesting materials for breaking this spell. One is the booklet, "Aiming at the establishment of economic security," recently published by MITI.

"Standards" Are Ambiguous

"It is important to design harmony in commercial problems and to accommodate requests for international cooperation by means of opening up domestic markets as much as possible. It is inappropriate to discuss all agricultural products in an identical way in the name of insuring food security."

"In the case of production occupying an important position, isn't it rare to have a situation of no international competitive power at all at some point in time? Creating appropriate countermeasures in which production activity of a fixed scale can exist within a set time may be said to correspond to concurrence with market principles, looked at over the medium and long terms."

Although difficult to express, the former statement is insisting that "it is not good to preserve agricultural protection by waving the security theory," and the latter statement is saying that "protection of the aluminum industry is justifiable from the standpoint of security" and is skillfully using "economic security" in a proper manner. When I asked a MITI official about this contradiction, he said, "economic security is an ambiguous standard." It is extremely convenient to be able to use this at one's convenience in order to speciously theorize on policies.

The following occurred when Senator Danforth visited Japan in January of this year. At a press conference after meeting with this senator, MITI Minister Abe was critical, saying: "The doctrine of reciprocity bill which the U.S. legislature is considering is an ambiguous standard of activity for opposition steps which the United States is about to take regarding the large increase in imports. It is a dangerous bill which can be used

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arbitrarily. However, if MITI, which is essential, were to abuse the ambiguous standard of economic security theory in order to protect domestic industries, this also could be called a dangerous policy.

[4 May 82 p 1]

[Excerpts] Suffering from "Fellowship Society" Barrier; Vertical Relationships Reign Supreme in Sales

In Japan, the major enterprises have formed groups and are hindering the advance and import of foreign enterprises. ("List of Japan's Trade Barriers," put together by the U.S. Department of Commerce)

Even the distinguished U.S. enterprise, Otis Corporation, which has more than a 20-percent share of the world's elevator market, continues to fight desperately in Japan. Its withdrawal was even being rumored. But after cooperating with the Sumitomo group and Matsushita Electric Industrial Co, Ltd, which did not have an elevator company in their groups in 1973, Otis made a comeback in less than no time. The present share in Japan, which had fallen to the 2 percent level just before cooperating, is 7 percent.

"Nearly all Sumitomo Bank, Ltd and Sumitomo Realty Co, Ltd buildings are using all Otis elevators." (Kareshige Nagashima, director of Japan-Otis Company) This is the power of the giant groups.

In the 50-story Shinjuku-Nomura Building in the Shinjuku area of Tokyo, completed in 1978, there are 24 passenger elevators; the elevators used are made by four companies--eight each by Mitsubishi Corporation and Hitachi, Ltd; and four each by Toshiba Corporation and Japan-Otis. Those involved say: "As for the Nomura Securities Co, Ltd, it could not help but consider its connections with each group.

Old Relationships Viewed with Suspicion

The vertical system control by the major manufacturers reaches as far as the distribution stage and has worked in the direction of excluding foreign goods. (EC's committee on reasons for GATT conference on Japan)

At a street corner in San Francisco, there is an automobile dealership with two signs out front: one says "Ford," the other, "Datsun." When the owner was asked, "Won't the manufacturers complain if you sell two manufacturers' cars?," he gave a puzzled look: "Don't you sell Toyota and Nissan together in Japan?" "We will handle any car if it's a car we can sell."

European automobile manufacturers have asked Japanese manufacturers to be allowed to use their sales networks. Of course, the Japanese manufacturers flatly refused. The Japanese manufacturers say: "We put in the capital, provided the land and nurtured this sales dealership over many years. It is selfish of them to ask to join our network."

The vertical formation has been appeared in many fields, such as home appliances and cosmetics, although not to the same extent as automobiles.

"Even in free markets like the one in Akihabara in Tokyo, our products are pushed into the corner, since the major Japanese manufacturers send their own salesclerks to help out." (Phillips Home Appliance Co, Ltd, a Japanese corporation affiliated with the Netherlands Phillips Corporation)

Japanese companies follow the "buy Japanese" policy. This means that they do not trust foreign-made products. (Testimony of Under Secretary of Commerce Ormer before the legislature)

At the beginning of April, the West German publication HANDELSBLATT carried an article headlined, "Thiessen Discriminated Against in Japan." The content of the article was as follows. Thiessen Corporation a major West German steel manufacturer, had been continuing sales negotiations for automobile parts (crankshafts) with Hino Motors, Ltd for a year and several months, but it lost to a competitor even though it could match Sumitomo Metal Industries, Ltd in quality and price. It is thought that this was the result of the relationship of Japanese enterprise fellowship.

President Tahler of Thiessen-Japan, Thiessen's Japanese corporation, grimace and said: "At any rate, Japanese enterprises are cold toward imports." In the latter half of March, he visited MITI's OTO along with other people connected with the West German Embassy and the German Chamber of Commerce in Japan, and protested that "raw materials are imported, but we are distressed over the tendency of supplying only domestically manufactured goods."

Hino Motors took no notice, saying, "We have simply chosen the better terms. This was no different than any normal business talks." But this reflects to West Germany that "it is the result of giving priority to the long-standing relationship between Hino and Sumitomo." (Japan-German Chamber of Commerce, Survey Department Director Schaper)

Japan's distribution structure is extremely complicated because it is rooted in long-standing human relationships, and U.S. manufactured goods have had great restrictions imposed. (Report by trade subcommittee of U.S. House Budget Committee)

Dissatisfaction with Substance of Wholesaling

M.K Cheese is a cheese manufacturing and sales company that was created through a 50/50 investment by Morinaga Milk Industry Co, Ltd and Kraft Corporation in 1970. Kraft took charge of marketing, such as planning and advertising, and Morinaga took charge of sales. However, this three-legged race did not do well because sales did not develop as expected. Kraft, which saw that the "reason the world's number one Kraft cheese cannot sell is there is a problem with the Japanese-style sales organization selling wholesale," tried the American style formula of selling directly to retail stores; but it did not go well because of defiance by wholesalers and retail stores, and so it withdrew from Japan in 1977 with a parting shot of "we cannot understand Japan's distribution structure."

There is foreign capital which repeatedly changed wholesalers and was completely despised by the wholesalers, who said: "They disturb the humanity and justice of our fellowship," and sales dropped. "U.S. manufacturers

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consider how to sell their goods, but in Japan it is more important to consider how to have them sold." This is the conclusion finally reached by Robert Connery, who has owned an import grocery business in Tokyo for 4 years.

"Exaggeration." "A selfish claim for their own convenience." "They forget their own lack of effort." Of course, there are many Japanese counterarguments, but this "fellowship society," which the Japanese do not find particularly strange, presents a thick wall to foreigners. In this, even though the government removes import regulations, perhaps the situation will be: "The gate is open but the front door remains tightly closed."

[5 May 82 p 1]

[Excerpts] Futile Shot--Tariff Reductions Earlier than Schedule; Even U.S. Department of Commerce High Official asked: "Was It in the Newspaper?"

About the time I visited the Department of Commerce in Washington, Mr A, a high-level official, made the following comment:

"The Japanese government announced an earlier than scheduled reduction in tariffs at the end of November last year. Actually, I didn't know that until recently.

In November of last year, Prime Minister Suzuki advanced the schedule of customs reductions which was planned for the 3-year period from 1981 to 1984 at the Tokyo round, and directed the Ministry of Finance to put it into effect on 1 April 1982. This was a measure aimed at impressing the United States with the Suzuki cabinet's determination to resolve Japan-U.S. trade friction. There were 1,053 targeted items. He lowered the average duty rate on these from 8 percent to 6.75 percent. MITI exclaimed: "Since Japan is giving this much blood, we think the United States will evaluate it highly," But...

Reported Quietly in United States

I checked on whether the earlier than scheduled tariff reductions were accurately reported in the United States and compared the reports with those of Japanese newspapers. The Japanese newspapers I checked were NIHON KEIZAI SHIMBUN and ASAHI SHIMBUN; and the U.S. newspapers were the financial publication WALL STREET JOURNAL, which reports the Japan-U.S. trade friction problems comparatively well, and the general publication the New York TIMES. Since it is easy to put one's own subjectivity into it when looking at the difference in content of the articles, I simply compared by measuring the total space given to headlines, copy and photographs.

Japan: NIHON KEIZAI SHIMBUN: 370 square centimeters
New York TIMES: 0
Total: 610 square centimeters

U.S.: WALL STREET JOURNAL: 97 square centimeters
New York TIMES: 0
Total: 97 square centimeters

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The ratio is 6.3 for Japan to 1 for the United States. It seems that such a difference in Japanese and American newspaper reporting is behind the Department of Commerce official's comment, "I didn't know that until recently."

Why were the earlier than scheduled tariff reductions, for which Japan must make considerable sacrifice, only quietly reported in the United States?

MITI official Kurihara recently gave the following example in relation to Japan-U.S. friction. "When a U.S. election draws near, this "wolf" of Japanese-directed criticism urges an opening of markets. This has been the pattern for several years. It is necessary to throw a bone to this wolf, but if possible, it is more efficient to throw a bone with some meat on it."

In saying this, Kurihara pointed out that two steps are necessary in order to make the countermeasures Japan is pushing effective: 1) the appearance of giving what the other party wants or making it look like it has been given; and 2) the calculation of the timing of the giving. Unless these two points are given consideration, no matter how much Japan works out an opening of its markets, it will be an "attempt sure to misfire" and it will all be a futile shot.

Complete Reverse of Dramatic Effect

In terms of results, the earlier than scheduled tariff reductions set forth by Japan are a futile shot. The first major factor was that not enough consideration was given to timing.

The government decided on the earlier than scheduled tariff reductions on 30 November last year, at the time of the first cabinet meeting of the reorganized Susuki cabinet. This was a total surprise decision and the reason it could not help but be made was because there was no other way besides brazening it out with the decision on an earlier than scheduled tariff reduction related to all ministries and agencies even though the ministers were unaware of the situation. (Leader of the Liberal Democratic Party) In short, this decision was a shot fired after considering only Japan's circumstances, and not measuring the effect of how the United States would evaluate it. It is natural that there was no effect.

The second reason that the earlier than scheduled tariff reductions had no effect was the lack of Japanese presentation. For example, at present, when "such and such a white paper" is going to be announced by a Japanese government office, they choose a day when there is no other major news, and explain courteously to the mass media beforehand and elaborate a plan so that it will be accepted to the greatest degree possible as news. However, this is also exclusively domestic, and there is no indication they are cognizant of foreign correspondents in Japan.

The staff of a certain public relations agency which aids in the news-gathering activities in Japan for U.S. correspondents in Japan made the following comment.

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"Well, they purposely announced news of the formation of a cabinet and news of the earlier than scheduled tariff reductions on the same day... . Comparing the value of the news, it was evident that the news on the tariffs would be blurred. This way of handling it was as much as to say we do not want you to know too much about the earlier than scheduled tariff reductions."

Japan-U.S. friction is the current problem between the United States and Japan. Cherry blossoms, Mount Fuji, Geisha girls are not enough to have the United States understand presentday Japan. Even though it is an era in which information about Japan is relayed to the United States on the same day, Japan still lacks the wisdom of effectively relating its own ideas to the United States.

[7 May 82 p 1]

[Excerpts] Absence of Key Persons Among Politicians; Without Pipeline, Cannot Press for True Intentions

People holding important posts in the U.S. Government are divided roughly into two kinds. The first is the brain group the President brings with him from his home state. And the second group is of those appointed from among lawyers, consultants, lobbyists and scholars in the Washington area. Of these, the number of people of talent in the appointed group is extremely limited persons of above a certain level, such as those from the Brookings Institute, the Democratic Party's think-tank, the Republican Party affiliated American Enterprise and Georgetown University's Strategic Research Center employed according to the government of the time.

If one keeps contact with the limited number of people from the environs of Washington, some day they will become an influential pipeline to the U.S. government. Of course, there are instances where individual friendships are formed with U.S. legislators and administration leaders and a pipeline is developed by exchanging information periodically.

Former Prime Minister Kishi had a strong connection with the Republican Party and had a strong pipeline to former President Nixon, who was vice president at the time of the Japan-U.S. Security Treaty revisions. Therefore, "at the time of the Sato government, he had more influential power than Sato in problems involving the United States." (Cabinet member at the time of the Sato government)

But even so, it is an old pipeline. Even the MITI minister who performs the role of new leader of the LDP and who is said to be a future party presidential candidate would not help but rely on the Kishi Pipeline.

Strauss, former special U.S. envoy to the trade negotiations, who was a negotiation window at the Tokyo round (multilateral trade negotiations) uttered the following during his visit to Japan in early April:

"The friction has become more complicated than necessary because there are no mediators in either Japan or the United States at present."

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A negotiator is not only someone who can mediate domestic issues, but who can be influential with the United States and can speak his real feelings with the other side. He can be called a key person. The more severe Japan-U.S. friction becomes, the more noticeable it becomes that there are no political key persons with a pipeline to the United States.

The few key persons who come onto the stage in the history of Japan-U.S. friction are primarily private persons and bureaucrats.

In September 1978, when there was an off-year election in the United States as there is this year, the Japan-U.S. agricultural products negotiations, held in Washington as part of the Tokyo round, had tough going over the import liberalization of meat and oranges; after talking for 10 hours over 3 days, both countries announced a "breakdown." However, the next day, this was modified to "a continuation of negotiations" and in December of that year, they finally concluded with an expansion of the import framework.

Sony Chairman Akio Morita was the one who overnight changed the "breakdown" into "continuation of negotiations" by standing between the two men involved in the negotiations, Strauss and Minister Nakagawa of the Ministry of Agriculture and Forestry. Morita is the one who newly introduced Strauss, with whom he got along well after he happened to ride on the same plane in 1977, and Nakagawa, with whom he was close through the "Free Society Research Association," a group of new leaders in the political world and young executives. And, Nobuhiko Ushiba, minister with responsibility for foreign economy, who has a widespread reputation in the United States and who has the trust of legislators, is the one who was able to bring the "continuation of negotiations" to a "conclusion."

Why are Japan's politicians, who should be standing at the head of the resolution of friction, not very zealous about creating these pipelines?

Money is necessary to create a pipeline with the United States and it isn't linked to election votes. So minor politicians repeat the "pattern of returning home on Friday and coming back on Tuesday" from their election districts, and influential people within the party, rather than creating a pipeline with the United States, first of all, strengthen their real power within the factions and influence within the party. So the common pattern for politicians who are said to have a relatively good pipeline with the United States, such as former Prime Minister Fukuda and LDP Secretary Nikaido, is that when their aim of success has nearly acquired a firm footing, they set about creating a full scale pipeline with the United States.

Organizations for legislator exchange have come into being one after the other--Japan-U.S. Legislators League, Japan-U.S. Legislatures Political Council, and Japan-U.S. Sunbelt Legislators League--but many are in the situation of "having the door open, but no business going on."

Voice of Self-Examination in LDP

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As may be expected now, a call for self-examination has begun to appear within the LDP. A certain young Diet member has devoted himself to admonishing that this is not the time to be riding piggyback on the old pipelines of private individuals and bureaucrats.

"With Japan-U.S. relations having become so strained, politics directed solely to domestic issues up to now will certainly reach their limits. In an era when Japan's moves are raising discord in the United States, it is necessary for Japan to willingly probe and consider U.S. thinking. Just as the United States helped Japan's revival after the war..."

Up to now, whenever Japan-U.S. friction has occurred, domestically, the order of reaction was from the industrial world and then the related ministries and agencies; the Diet members did not move until just before the blaze. Although politicians may have moved, they were only the spokesmen for the industrial world which was about to be hurt by the friction. However, it is necessary to deal in advance, quickening perceiving the true intentions of the U.S. legislature and government--not take measures after the fact. To do this, Japan cannot fail to create not only a formal diplomatic route, but also pipelines at various levels.

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ECONOMIC

FINANCE MINISTRY PLANS 5 PERCENT BUDGET CUTS IN FY 83

Tokyo MAINICHI DAILY NEWS in English 20 Jun 82 p 5

[Text] The Finance Ministry has decided to trim the ceiling of budgetary appropriations for next fiscal year, starting in April 1983, by at least 5 percent in principle from the allocations made for the current fiscal year, it was learned Saturday.

Last year, the various ministries and agencies of the central government were asked to limit their respective budgetary requests for fiscal 1982 to the same levels as in fiscal 1981.

The circumstances of the national finances today are much more severe than last year, the sources explained, while reporting the ministry's decision to cut at least 5 percent from the prevailing levels.

The ministry is scheduled to present its final plan around the middle of July.

The sources, however, admitted that seven items of expenditures, including national defense and economic cooperation with developing countries, will be exempted from what they call the "minus ceilings."

Also to be exempted will be expenditures related to pensions and public works projects.

A huge shortfall in tax revenues is foreseen for the present fiscal year, after another huge deficit in revenues was scored last fiscal year ended March 31. Moreover, flotation of national bonds designed to cover such deficits is becoming more and more difficult, the sources said, adding that efforts are therefore to be redoubled to trim expenditures as much as possible next fiscal year.

It is seen that welfare and educational expenses will bear the brunt of the projected budget slashing.

As to public works projects, one of the seven exceptional expenditures, the sources said

that even if public works expenditures cannot be cut by as much as 5 percent in view of the growing necessity of stimulating the national economy, their total for fiscal 1983 will not exceed that for fiscal 1982.

They foresaw the greatest friction over budget compilation might arise over defense expenditures.

The Defense Agency, encouraged by repeated U.S. calls for a considerable increase in Japan's defense expenditures, is reported planning to seek an increase of more than 11 percent in defense appropriations next fiscal year.

If the Defense Agency's request is to be fully respected, it alone would amount to an additional expenditure of some 260 billion yen.

"That's too much," the Finance Ministry sources reacted. They want to limit the increase to around 100 billion yen, equivalent to an increase of 4 percent or so.

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ECONOMIC

JAPAN TO CONTINUE ASEAN AID

Tokyo MAINICHI DAILY NEWS in English 19 Jun 82 p 1

[Text] Singapore (KYODO)--Foreign Minister Yoshio Sakurauchi said here Friday Japan will continue to provide economic assistance to five noncommunist Southeast Asian countries which form the Association of Southeast Asian Nations (ASEAN).

Sakurauchi told foreign ministers of Thailand, Malaysia, Singapore, Indonesia, and the Philippines Japan will give positive support to the five nations' economic and social development efforts.

"The ASEAN is the highest priority region in Japan's economic cooperation," he said.

The Japanese foreign minister delivered the speech in an hour-long meeting with his counterparts--Supphiah Dhanabalan of Singapore, Siddhi Savetsila of Thailand, Mochtar Kusumaatmadja of Indonesia, Muhammad Ghazalie of Malaysia and Carlos Romulo of the Philippines.

The ASEAN foreign ministers discussed with foreign ministers of Japan, the United States, Canada, Australia, New Zealand and the European Community on Thursday, following a three-day meeting Monday through Wednesday between themselves only.

In Friday's Japan-ASEAN meeting, Indonesian Foreign Minister Mochtar delivered a keynote speech and called on Japan to open its market wider to ASEAN countries.

Mochtar strongly urged Japan to increase imports of tropical products and industrial goods, noting that Japan's imports from ASEAN countries are raw materials and oil at present.

Japan should contribute to development of medium and small business corporations in the ASEAN countries, he said.

Sakurauchi told the ASEAN ministers that Japan and ASEAN have worked together to further their mature partnership, which will mean a great deal for stability and development of Asia.

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The meeting went into closed-door session after Sakurachi's speech.

Sakurachi explained Japan's efforts to stem mounting trade protectionism and to open its market wider to imports, Japanese officials said.

The Japanese foreign minister, who flew into Singapore Tuesday, is scheduled to visit Malaysia Saturday and return home Tuesday.

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ECONOMIC

ASEAN WANTS EC TO TAKE BIGGER ROLE

Tokyo MAINICHI DAILY NEWS in English 19 Jun 82 p 1

[Text] Singapore (AFP-Jiji)--The Association of Southeast Asian Nations (ASEAN) Friday called on the European Economic Community to play "a very important role" in international commodity issues, which are of vital concern to ASEAN.

Opening the ASEAN-EEC dialogue session, attended by EEC Council of Ministers President Leo Tindemans and Vice President Wilhelm Haferkamp, Thai Foreign Minister Siddhi Savetsila stressed the importance of North-South interdependency as "fundamental to the world's economy and well-being."

"The South's call for a more equitable international economic order is just and reasonable. It is aimed at creating North-South balance," he said, adding that its successful implementation would result in greater harmony, which was essential to world peace.

Air Chief Marshal Siddhi said, "The community's recognition of the importance of the stabilization of the international market for sugar, or the signing of the international rubber agreement and of the international tin agreement, are warmly appreciated by ASEAN."

They are examples for other developed countries to follow, he said, in an obvious reference to the negative attitude of the United States to the sixth international tin agreement, which Washington decided not to sign.

Siddhi said ASEAN was the fastest growing region in the world today, with its abundant natural resources and a market of more than 250 million people.

"But the full potential of our relationship can be realized only if you open your market wider to our goods. We must be able to sell to you in order to buy from you, and your investments should be accompanied by a bigger transfer of technology," the Thai foreign minister said.

Tindemans said that the EEC-ASEAN collaboration constituted a "remarkable example" of work in support of peace and international security between two groupings in different continents.

He noted that the cooperation was growing more natural and deeper every year.

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ECONOMIC

BRIEFS

INDUSTRIAL OUTPUT DECLINE--Japan revised Thursday an April decline in industrial output downward by 1 percent to 1.9 percent from March to stand at 147.3 against the 1975 base figure of 100. April shipments also decreased 2.8 percent from the preceding month instead of the originally projected drop of 1.9 percent to 137.5, the Ministry of International Trade and Industry said in a revised report. The April shipments represented a 0.9 percent decline to mark the first yearly drop since May 1981 when the index showed a 1.3 percent decrease from a year before. MITI said the downward revision in April output and shipments was necessitated by smaller production and shipments of chemical fiber machinery, shovel bore equipment, tape recorders, record players and auto bodies. Inventories in April rose 1.1 percent in reality instead of the original 0.9 percent from the previous month to 117.5 due to inventory increases in the mining, coal, food, precision instrument, general machinery and other sectors. The inventory rate for April stood at 93.2 after seasonal adjustments, up 2 percent from a year ago. It was the first year-to-year gain in the rate since July, 1981 when the indicator of inventories in relation to total output grew by 1.8 percent over July, 1980. A MITI official noted that the transport machinery, metal product and electric machinery industries sustained drops in both output and shipments in April while the precision instrument, paper and pulp and chemical industries posted gains in production and shipments. [Text] [Tokyo MAINICHI DAILY NEWS in English 18 Jun 82 p 5] [COPYRIGHT: Mainichi Daily News 1982]

FARM OUTPUT TO RISE--Despite an expected decrease in the number of farmers and the acreage of land under cultivation, Japan's total agricultural output will record an increase of some 4 percent--the largest growth in the past four years--in fiscal 1982, according to an estimate by the Agriculture, Forestry and Fisheries Ministry. The ministry said the nation's farming population, which totaled 4.88 million in fiscal 1981, was expected to decrease by about 4 percent in fiscal 1982 ending next March, following a 3.6 percent drop in the previous year. The total acreage of farmland under cultivation will also decrease by about 22,000 hectares from 5,442,000 hectares in fiscal 1981, it said. But agricultural production throughout the country in fiscal 1982 will show an increase of some 4 percent over fiscal 1981, the ministry said. As a result, Japanese farming households' income solely from farming will increase by about 6 percent this fiscal year, far surpassing an estimated 2.6 percent growth in the previous fiscal year, it said. The cost of fertilizers and farming equipment will become stabilized in fiscal 1982 and demand for farm products will increase 1 percent following a 0.5 percent decline in fiscal 1981, it added. [Text] [Tokyo MAINICHI DAILY NEWS in English 20 Jun 82 p 5] [COPYRIGHT: Mainichi Daily News 1982]

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SCIENCE AND TECHNOLOGY

SPACE DEVELOPMENT PROGRAM IN DISPUTE

Tokyo NIKKAN KOGYO SHIMBUN in Japanese 9 Jun 82 p 4

[Text] The Space Development Special Committee (Chairman Taro Nakayama) of the Liberal Democratic Party (LDP) has made "a proposal for space development." With regard to this proposal, many space related officials heartily welcomed the LDP's move to increase the space development budget, although they feel that launching a military satellite may not be possible. It seems that the issues on the revision of the Basic Space Development Program and the moving-up of the space development programs may arouse arguments centering on the Space Activities Commission.

The launching of commercial-use artificial satellites is entering an era where the U.S. space shuttle and Arienne rocket of the European Space Agency (ESA) will compete with each other for customers and enjoy the world demand exclusively between themselves. The United States, Europe and the Soviet Union are the only ones that can place 1-ton satellites into stationary orbits at 36,000 km above the earth. Therefore, it is undoubtedly a matter of grave concern to Japan to be left 10 years behind by ESA at this very moment.

With the current speed of development, it is unavoidable that the gap between Japan and Europe will grow wider, and the Science and Technology Agency (STA) and the National Space Development Agency (NASDA) have a great deepening sense of crisis about this.

Comparing Europe and Japan's space development, opinion had it that Japan was leading around 1978. In fact, it seemed that Japan was ahead of Europe because of its rocket development program which had made step-by-step progress, from the Lambda and the Mu rockets (both by the Tokyo University) to the N-1 rocket, the N-II and the H-1 rockets.

ESA has finished technological development of the Arienne rocket and 1-ton satellite in whose development each country had a share. As of now, therefore, Japan has clearly been left behind because it can launch satellites of only 350 kg. It is estimated that around 1992 or 1993 Japan could launch 1-ton satellites if it speeded up development. Compared to this, Europe will launch 1-ton satellites on a commercial basis next March.

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The gap between Europe and Japan derives from differences in the establishment of goals and from the sequence of development. One cannot ignore, however, that it also derives from the fact that Europe centered its development on independently developed technology while Japan imported almost all technology, such as rocket production, artificial satellites and guidance systems, from the United States.

We will have to wait until 1987 for a solely Japanese domestic space rocket to be developed. At that time, the H-1A rocket with a second-stage liquid oxygen and liquid hydrogen fuel rocket and a third-stage solid fuel rocket and an inertial guidance system will be developed.

In addition, there is the problem related to developmental funds. Most of the 2,700 artificial satellites that the United States and the Soviet Union have launched are used primarily for military and defense purposes. Therefore, it is said that in these countries a great amount of funds is allocated for space development in the defense budget. Besides, Japan's space development budget is restricted to peaceful uses, with the amount barely reaching 100 billion yen in 1982. It is much too small compared to Europe's space development budget, of which the science budget is estimated to be about 160 billion yen.

Most advanced space technologies using artificial satellites include communication satellites, broadcast satellites, weather satellites and earth resources satellites, and the use of these satellites is expected to expand rapidly in future. The era of 1-ton satellites is quickly approaching, and it is expected that the era of 4-5 ton satellites will come in 3-4 years.

Even if Japan starts development of a rocket for 1-ton satellites promptly in FY 83, NASDA estimates that the development would take at least 9-10 years and that an annual average 30 billion yen (a total of 300 billion yen for 10 years) for the rocket development would be needed on top of the current budget. This is a pretty stiff demand, but it is certain that if Japan undeniably lags behind in the space development race, it will suffer great setbacks in the most advanced fields of communication, broadcasting, resources detection and defense.

For this reason, as the LDP's Space Development Special Committee has proposed, it is considered necessary to develop as quickly as possible a lift capability suitable for the era of large-scale satellites and large rockets and to establish a system through which Japan would not yield to others in the space development race, as well as to promote space development and the improvement of technologies.

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SCIENCE AND TECHNOLOGY

MITI WORKS OUT PLAN FOR NUCLEAR FUEL CYCLE

OW230439 Tokyo NIHON KEIZAI SHIMBUN in Japanese 21 Jun 82 Morning Edition p 3

[Text] On 20 June, the MITI announced a comprehensive program it had prepared to establish Japan's own nuclear fuel cycle. The program, designed to meet the requirements of the nation's nuclear power technology, which has entered a commercialization phase, contains these salient points: 1) uranium ore development and import systems centering on private businesses will be established and new companies set up thereafter as joint ventures with overseas capital in Australia and other countries; 2) preparations will be expedited to build land custody facilities for nuclear waste with low radioactivity, and a reserve system will be introduced to grant nuclear fuel processors tax exemptions for waste disposal expenses; and 3) an atomic power international cooperation center will be inaugurated, tentatively in fiscal 1983.

The MITI also plans to work out the necessary rules to decrease Japan's dependence on overseas facilities for uranium enrichment and reprocessing of spent fuel. It is going to speed up coordination with the Science-Technology Agency and related businesses on this program.

"Nuclear fuel cycle" means a series of processes from the development and refining of uranium ore to enrichment, processing, generating, reprocessing of spent fuel, and waste disposal. While Japan's nuclear power technology has entered a phase of full-scale preparations for commercialization from the experimental phase, it still depends on overseas facilities for considerably large parts of the cycle, as facts show. In order to promote the development and utilization of nuclear power smoothly and with stability, it is required for the nation to end its dependence on overseas facilities and establish a nuclear fuel cycle of its own. This has become a major task for this country.

The MITI program lists measures to be taken, focusing on areas where the work of making systems has been lagging. The ministry believes that Japan will be able to establish its own nuclear fuel cycle by carrying the program into practice step by step, beginning next year.

As a means of ensuring a stable supply of uranium ore, the ministry plans to maintain a development-import system with private firms serving as its nucleus. At present, Japan purchases 80 percent of its requirement for

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uranium--about 200,000 tons (on a crude ore contractual basis)--from overseas under long-term contracts and only about 20 percent from Niger and Australia in a development-import program. The MITI thinks that increasing the percentage of this development-import program is essential to a stable supply of uranium. In this connection, it plans to continue and expand the program by turning over the overseas uranium mining projects being undertaken by the Power Reactor and Nuclear Fuel Development Corporation (Donen) to Japanese electric power and mining companies and putting them on a commercial basis. The MITI's study calls not only for joint surveys and mining by overseas subsidiaries of Japanese businesses and Donen but also for the establishment of new companies with the capital jointly invested by Japanese businesses and overseas capital, like the one in Australia, for instance.

As regards radioactive waste, the ministry plans to promptly work out concrete steps for disposing of those low-level ones emitted in large quantities from atomic powerplants by keeping them in overland facilities. It will expedite the selection of candidate sites for these facilities and put laws and decrees prescribing the rules for overland custody in good order. In building the facilities, the ministry says it will see that low-interest-rate loans are made available from the Japan Development Bank and measures taken for the development of the local areas concerned. As a measure for the disposal of wastes produced in the stage of processing enriched uranium, the MITI plans to take a taxation measure by exempting the expenses spent for it from taxable objects.

The ministry also plans to inaugurate an "atomic power international center" (tentative name) next year, if possible, to help developing countries in building atomic powerplants and carrying out other projects for peaceful use of atomic energy. This reflects Japan's consideration for a rush of requests from developing countries, mainly those in Southeast Asia, for help in building the foundation. Specifically, the ministry plans to render cooperation in working out atomic energy development plans, training personnel, managing operations and putting laws and decrees in order. The MITI's calculation is that through such cooperation, Japan will be able to expand its atomic energy-related exports, currently limited to accessory equipment and parts, to reactors or even complete plants. In addition to all this, the MITI is also preparing for the establishment of a nuclear fuel facility planning department under the Agency of Natural Resources and Energy.

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SCIENCE AND TECHNOLOGY

JDA TO DEVELOP OPTICAL FIBER GUIDED MISSILE

Tokyo NIHON KEIZAI SHIMBUN in Japanese 17 Jun 82 p 1

[Text] It was recently disclosed that the Japan Defense Agency (JDA) has been engaged in research on a new missile which uses optical fibers in its guidance system. Electrical wire manufacturers, including Furukawa Electric, are involved in this JDA effort. Research on the new missile still remains in the basic stage, but if the missile proves to be practical, JDA will launch R&D efforts to produce a follow-on to the "Heavy MAT," an antitank and antiship missile. Optical fibers have a larger transmittal capacity than copper cables currently used in telephone circuits. They are also characteristically very free from electronic interference. Therefore, they may come to be widely used in the future in such major military equipment as tanks, airplanes and warships.

The new guidance system that the JDA is studying consists of optical fibers and CCDs (charge-coupled devices). A CCD is a semiconductor used as a new electronic eye in VTRs for home-use. It will be installed in the missile head and will pick up target images. These images, converted from electronic signals to optical signals, will be transmitted to the controller of the missile, who will be able to see the target as if he were watching a TV screen and will be able to correctly guide the missile to the target.

Because this new missile uses optical fibers instead of wires and the "images" the CCD picks up are transmitted through optical fibers, the missile can even be guided to targets hidden behind obstacles. Thus, this will be the birth of an epoch-making weapon.

However, in order to use optical fibers in a missile, they have to be made even finer and lighter. It seems that JDA has entered into the technical study of these aspects along with the study of how to increase the strength of fibers. Large electrical wire manufacturers, such as Furukawa Electric, Sumitomo Electric and Fujikura Cable Works, are working jointly with JDA in these efforts.

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SCIENCE AND TECHNOLOGY

NTT COMPILES REPORT ON FUTURE EFFECT OF INS ON SOCIETY

Tokyo NIHON KOGYO SHIMBUN in Japanese 5 May 82 p 1

[Article: "Industrial Reorganization in Various Fields; Work at Home, and TV Conferences"]

[Text] As a result of the industrialization of equipment in the primary industries, including agriculture, and simplification of the circulation mechanism, productivity has increased so rapidly that industrialization is underway in various other fields. It was revealed on the 4th that a report that gathers the expectations concerning this kind of "highly informationalized society" has been compiled by the INS (intensive information and communication system) work group of Nippon Telegraph and Telephone Public Corporation (NTT) (president: Mr Tsune Mafuji). This report deals with the impact on society if INS is built on a global scale; the report was compiled by culling the free discussions among the young staff members of NTT. Although the bold assumptions made in various places are not without questions, the report has already caught the attention of the public, including those inside and outside NTT, as a document comparable in value to the Japanese version of "The Third Wave" by Irvin Toffler (United States), who predicted the fifth information revolution.

"Maturation" on a National Scale in the 21st Century

In predicting the impact of INS on society, the group assumed that if construction of INS is started in 1982 with an investment of 20-30 trillion yen for the entire undertaking, the desired services can be provided to the person who desires them in 10 years (1992) or 15 years (1997), and INS will "mature" on a national scale in the 21st century, in approximately 20 years (2002).

In an INS society created under these assumptions, the industrialization of equipment and the secondary industrialization of primary industries are quite advanced, and the automation and informationalization of the secondary and tertiary industries are well advanced. As a result, changes in the industrial format will take place rapidly.

For example, in agriculture, an "optimum nature-utilization system" will be realized. Diseases related to precipitation, temperature and density will be controlled by predicting their outbreak period and their prevention and eradication periods. Increases in productivity will be achieved through such mea-

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tures. On the stock farms, an "unmanned feed system" will be in operation, while in the ocean, "unmanned fishing boats and transport ships" will applaud big catches. It is figured that the foodstuff self-supply rate will be increased significantly.

In secondary industries, take the fiber industry, for example. A consumer will be able to choose a design pattern through TV image communication and place an order directly with the manufacturer, who will produce it for you in a robot-operated factory even if it is the only piece of work. In this sense, the tertiary industrialization of secondary industries has already made progress. Using INS, a data base containing all sorts of engineering information will be constructed, and the engineering industry will be in full bloom. At the same time, international INS should also have been established, and the internationalization of Japan will have made further progress. Japan will move in the direction of fewer country risks.

The changes in tertiary industries will be also quite significant. A "completely unmanned goods distribution system" that is controlled electronically will have been perfected. If this transportation route is utilized effectively, progress can be made in "compound industrialization," in which all aspects of distribution, from manufacture to retail, are handled. As shopping at home becomes widespread, the circulation mechanism will be transformed from the "dark continent" into a simple one.

Information on shopping will also change from the traditional one-way traffic. The consumer will be able to obtain the desired information freely whenever he wants it. Therefore, the big question mark will be the proper future of mass media advertising. Home banking, called "at-home approval system," will become widespread, and we will see the day when the traditional image of banks will "vanish."

The fields which are to be affected most drastically include printing, publishing, newspapers, and broadcasting.

An "electronic printing technology" which will render the conventional printing process unnecessary will be developed, so the printing industry will be obliged to reorganize. Newspapers will be printed simultaneously everywhere nationwide. Delivery of newspapers is also expected to become unnecessary as a result of application of the facsimile.

INS will also have a role in easing the traffic hell. Working at home will become very popular, and business travel will become unnecessary through inexpensive TV conferences using the public network. Thus, the traffic volume will decrease considerably.

Establishment of Automatic Energy Supply System

Energy conservation also will be undertaken by INS. Local energy such as solar and wind energy will be connected to the network through INS, and a system will be established by which the required amount of energy will be supplied automatically to whoever requires it. Moreover, overall energy consumption will be

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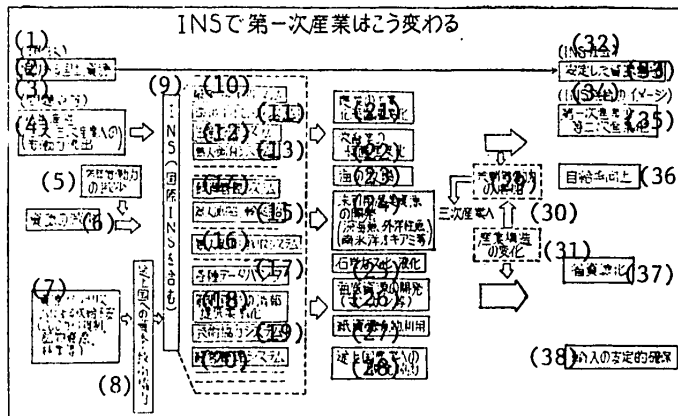
reduced significantly through the increased productivity and rationalized transportation and communication that INS will permit.

On the other hand, as for social life, an "at-home voting system" for political matters and "CAI" (computer-aided instruction) will come into being and affect our daily lives. Therefore, the right or wrong of the present system will become problematical. Furthermore, individual ways of thinking and culture will be affected, and the realization of an INS society will pose new global problems, including numerous international problems.

However, the report also pointed out the negative aspects of INS besides those "good aspects" described above, and efforts need to be exerted to eliminate these negative aspects during the process of building INS: For example, computer crime, leakage of business secrets, invasion of privacy, outflow of national secrets, etc. The report recommends that countermeasures, including appropriate legislation, be established as soon as possible.

INS: Telephone, data transmission, and facsimile transmission systems today use different modes of transmission. These systems will be combined and unified into a single system through digitalization of the information. As a result, various forms of communication will be able to be used freely by a single network, and colorful services, including communication of images, will become available. A new uniform charge system based on the amount of information will be applied, and differences in charges based on distance will disappear. In order to realize INS, NTT will, starting in 1982, construct a model system in the Mitaka and Musashino areas of Tokyo. Depending on the results, construction of INS will be carried out in earnest starting in 1985.

Primary Industries Will Be Changed by INS as Follows



Key:

- (1) Present condition
- (2) Finite land and resources
- (3) Problem points
- (4) Low productivity; outflow of labor force to secondary and tertiary industries
- (5) Reduction in youthful labor force
- (6) Reduction in resources
- (7) Supply uncertainty due to resource nationalism (such as 200-mile claim, mineral resources, forestry, etc)
- (8) Capital and technical co-operation with industrializing nations
- (9) INS (including international INS)
- (10) Optimum nature utilization system
- (11) Environmental control system
- (12) Production management system
- (13) Unmanned feed system
- (14) Feed management system
- (15) Unmanned fishing boats and transport ships
- (16) Unmanned mining system
- (17) Various data banks
- (18) Newspaper and magazine as supplier of information
- (19) 無人採掘システム (Unmanned mining system)
- (20) 各種データベース (Various data banks)
- (21) 新聞・雑誌の情報提供 (Newspaper and magazine as supplier of information)
- (22) 無人飼育システム (Unmanned feed system)
- (23) 無人漁業・輸送船 (Unmanned fishing boats and transport ships)
- (24) 環境制御システム (Environmental control system)
- (25) 生産管理システム (Production management system)
- (26) 無人採掘システム (Unmanned mining system)
- (27) 各種データベース (Various data banks)
- (28) 新聞・雑誌の情報提供 (Newspaper and magazine as supplier of information)
- (29) 無人飼育システム (Unmanned feed system)
- (30) 無人漁業・輸送船 (Unmanned fishing boats and transport ships)
- (31) 環境制御システム (Environmental control system)
- (32) 生産管理システム (Production management system)
- (33) 無人採掘システム (Unmanned mining system)
- (34) 各種データベース (Various data banks)
- (35) 新聞・雑誌の情報提供 (Newspaper and magazine as supplier of information)
- (36) 無人飼育システム (Unmanned feed system)
- (37) 無人漁業・輸送船 (Unmanned fishing boats and transport ships)
- (38) 環境制御システム (Environmental control system)

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Key continued:

- (19) Technical cooperation system
- (20) Operation management system
- (21) Industrialization of agriculture, industrialization of equipment
- (22) Equipment industrialization of animal husbandry
- (23) Ocean as stock farm
- (24) Development of yet utilized marine resources (deepsea fishing, open-sea fishing, Antarctic Ocean euphasia, etc)
- (25) Gasification and liquefaction of coal
- (26) Development of ocean floor resources (such as manganese)
- (27) Efficient use of paper resources
- (28) Assist development of industrializing nations
- (29) Increase in surplus labor force
- (30) To tertiary industry
- (31) Changes in industrial structure
- (32) INS society
- (33) Stable supply and demand of resources
- (34) Image of INS society
- (35) Secondary industrialization of primary industry
- (36) Increased self-supply rate
- (37) Conservation of resources
- (38) Assurance of stable imports

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END