The Security Dimension of Japanese Foreign Policy

Recent Japanese thinking about security policy manifests two somewhat contradictory trends. One is anxiety about a possible of weakening of U.S. military commitments in East Asia. This concern has led many Japanese to think about hedging against the possibility of American disengagement. The other trend relates to a desire to break out of the psychology of dependence on the United States. Although these tendencies together can yield different policy prescriptions, they do strike a common theme: the need to enhance autonomy (*jiritsu*). Despite the contrasting political dispositions of Ryutaro Hashimoto and Yukio Hatoyama, both trumpet the autonomy theme. In his first Diet policy address, Hashimoto emphasized his commitment to an "autonomous diplomacy" (*jiritsu gaiko*) —a concept that unnerved Foreign Ministry officials enough to cause them to translate the term into English as "proactive diplomacy." Hatoyama's recent article in *Bungei Shinju* also stresses his desire to make Japan less dependent on and less deferential to the United States.[4]

It would be wrong to interpret these sentiments as evidence that Japan is about to embark on an independent military strategy with a nuclear arsenal and extensive power projection and offensive capabilities. Too often American observers get obsessed with this bogeyman so that they can't imagine anything other than the status quo. But recent trends in Japan do imply an emerging consensus in favor of revising the strategic bargain with the United States. What is being debated now is not whether this bargain should be altered or whether Japan should terminate its strategic link to the United States, but rather in what manner and at what pace this bilateral bargain should be changed. This debate divides into two schools of thought.

One view holds that the U.S.-Japan alliance should be restructured so that Japan plays a more prominent military role for regional deterrence and crisis management (especially during a Korean contingency). Ultimately, this means that Japan would

recognize its ability to exercise the right of collective self-defense through either constitutional reinterpretation or revision. This "normalized" Japan would then expand its defense role beyond its territory and eventually be willing to fight shoulder-to-shoulder with Americans in defense of common interests. But as Japan expands its defense horizon, there is an expectation that the bilateral alliance would be based on greater equality. America would genuinely consult Japan, not merely inform it of decisions already made. And as Japan musters the will to say "yes" to collective defense missions, it would also gain the right to say "no" to the United States when it disagreed with U.S. policy. In short, the U.S.-Japan alliance would evolve toward something akin to U.S. alliances with the major West European powers. The only disagreement within this school of thought is the political methodology for effecting change: some advocate constitutional reinterpretation and/or revision sooner than later, while others support an incremental approach by working first within current constitutional constraints to do as much as possible in the collective defensive mode starting with logistical support in the rear.

The other school of thought believes that Japan should build upon its postwar constitution and its special status as a "pacifist state" (*heiwa kokka*) to promote cooperative security and preventive diplomacy. Japan should emphasize the development of fledgling multilateral dialogues such as the ASEAN Regional Forum and APEC to foster trust in the region. It should also take greater diplomatic initiative in dealing with pressing regional problems such as uncertainties in North Korea and China's rise. Although the Self-Defense Force would stick primarily to its mission of homeland defense, many embracing this dovish viewpoint recognize that Japan has an obligation to participate in United Nations collective security functions such as humanitarian missions, peacekeeping operations and even peace enforcement and peacemaking. Some even support participating in a U.N. international or regional standby force. In short, Japanese soldiers could ultimately fight side-by-side with Americans under the U.N. banner.

Despite significant differences between these two views, the divide is much narrower than that between "realist" conservatives and pacifists of old. What is striking is what unites them, rather than what divides them. Both schools want to harmonize the three documents that shape Japanese security policy: the constitution, the U.S.-Japan Security Treaty, and the United Nations charter. Both seek at some point a revised bilateral security pact either in form or in substance. Both assume and desire a reduced U.S. military presence in Japan, and both want to restrain increases in host-nation support contributions (*omoiyari yosan*). In other words, the current debate holds the possibility of generating a new strategic synthesis that garners broad public support.

Notwithstanding the desire to enhance autonomy, Tokyo is far from creating an East Asian strategic alternative to the United States. Although Japan's image in Southeast Asia has improved steadily, its relations with China and South Korea have worsened. Ironically, right-wing nationalists undermine their notions of a re-Asianized Japan by provoking neighboring states with their warped view of history and their crude handling of territorial disputes. Moreover, the spring 1996 tensions across the Taiwan straits steered the Hashimoto government to tighten the security relationship with the United States by committing itself publicly to a review of the U.S.-Japan Defense Cooperation guidelines. Japan, however, does not back a policy of containing China. Virtually everyone in the mainstream wants to integrate China into the regional and global community so that China has a greater stake in the existing international order.. The differences are more about the means, than the ends. Again there are two views.

One emphasizes the construction of a balance of power system that can effectively check Chinese military expansion and irridentism.[5] Japan would play a role in East Asia analogous to Britain's in Europe for U.S. strategy. By embracing the right to collective self-defense, Japan would be able to cooperate with the United States to secure maritime safety in the region and to prevent China from threatening Taiwan. The two countries should also promote good relations with countries on China's periphery so that a coalition

would immediately emerge to counter China if it became aggressive. The other view stresses the security benefits of bringing China into international economic institutions such as the World Trade Organization and of deepening bilateral and multilateral exchanges with China on political and military issues.[6] The most effective way to constrain China's military buildup is to be more sensitive about China's own insecurities and take steps to mitigate these anxieties.

Despite their differences, these two Japanese views on how to deal with the rise of China have much in common. Both support China's economic development and deeper economic ties with China. Neither believe that holding China back economically so as to prevent it from becoming a threatening military power is a viable strategy. Both oppose using economic disincentives to change China's internal political behavior. Both reject the ambitious notion of some Americans of trying to remake China in America's liberal image or even to shape China's political evolution. China is much too large and proud a country to be responsive to such pressures. Although Chinese democratization may eventually make China a less threatening neighbor, outside powers should not force China to accept Western political values.[7] They should rather respect China's culture and recognize Beijing's interest in maintaining domestic stability.

Japanese leaders see no need to make a choice between tightening its alliance with the United States and reaching out to China diplomatically and economically. Although China vigorously condemns the "redefinition" of the U.S.-Japan alliance, the problem is not that this redefinition *inherently* contradicts a policy of engaging and integrating China. The problem lies in the fact that neither Washington nor Tokyo has taken adequate steps to improve relations with Beijing, to work out a modus vivendi on the Taiwan question, and to reassure China as they reinvigorate U.S.-Japan security arrangements. In international politics, much hinges on timing, sequence, and the manner of implementation.

Implications for U.S. Economic and Security Interests and Policy

The United States has a continuing interest in improving its access to Japanese markets, in getting Japan to absorb more imports from the rest of East Asia, and in enlisting Japan's support for its commercial agenda in the region, including trade and investment liberalization and the protection of intellectual property rights. The declining trade deficit with Japan should not be grounds for complacency. The U.S. unemployment rate may be low; but what matters is not just aggregate employment, but also the type of the jobs being created and lost due to trade. Increasing exports of manufactured goods and services to Japan, still the world's second largest economy and the most formidable competitor, is critical to preserving and generating high quality, high paying jobs. The recent depreciation of the yen could again shift the terms of trade in Japan's favor. Greater Japanese absorption of East Asian products is still necessary to alleviate some of the pressures from East Asian exports while improving opportunties for U.S. subsidiaries in East Asia to export to Japan. Of course, American consumers benefit from inexpensive, good quality goods from both Japan and East Asia. But consumers must also have good paying and secure jobs in order to consume without going into debt. We should be careful not to make too stark a distinction between consumers and producers.

The United States has a security interest in maintaining access to critical bases in Japan in order to deter and respond to aggression against U.S. allies in the East Asia-Pacific region and in getting Japanese political-military support to deal with regional and international crises.[8] It is also in America's interest to gain Japan's cooperation to check the proliferation of nuclear weapons and other weapons of mass destruction, to prevent the emergence of a hostile hegemon or coalition in the region, and to maintain safe and secure maritime and air navigation. And America and Japan should nurture a regional environment that minimizes threats to Taiwan, military conflicts over territorial disputes, regional arms races, and the prospects of violence in the context of Korean reunification.

In working toward these objectives, the purpose of the bilateral alliance should not be to contain Japan. Rather the task is to encourage a more prominent Japanese political-military role in such a manner so that this evolution does not itself become a destabilizing factor.

U.S. economic and security interests with respect to Japan do intersect. At a time when the United States no longer faces an acute *direct military* threat from East Asia and when Americans are being asked to make hard choices for the purpose of domestic renewal, the political sustainability of U.S. security commitments to Japan will increasingly require that Japan not be seen to undermine U.S. economic interests. And to the extent that Japan produces more and more of the important inputs for U.S. defense systems, the United States has a security interest in maintaining stable supplies of such inputs and accessing Japanese dual-use technologies.

Will the pursuit of economic interests undermine security interests? An assertive policy on the economic front will inevitably strain political relations with Japan and may make Japanese leaders somewhat more reluctant to work with the United States on security-related issues. But given the absence of an attractive strategic alternative, Tokyo will not dilute or dismantle the security alliance because of Washington's pressures on trade. Japan will move away from its side of the bilateral strategic bargain not because of U.S. economic policies, but because of developments in the security arena, such as changes in the strategic environment, misgivings about U.S. defense policy, or irritations about the American military presence in Japan. Therefore, within reason, the United States should not hesitate about pursuing its economic interests vis à vis Japan for fear of damaging the security relationship.

But what about the reverse? Does the pursuit of U.S. security interests undermine its economic interests? Not necessarily. In defining our security interests in expansive terms, there is the danger that the United States will be saddled with much larger military expenditures as a percentage of GNP than other major powers.[9] The problem is not that

big defense budgets might crowd out business investments. Attractive businesses should be able to raise adequate funds in capital markets. But overblown military spending may make it difficult to sustain and develop the public programs necessary to ease the social adjustments to economic globalization. A choice in favor of the former would be unjust and tear America's social fabric and would even weaken U.S. political will for international engagement. The remedy is to restructure the military establishment and foreign deployments in order to enhance efficiency while continuing to perform the critical roles and missions. Japan can help this process by assuming more of the burden and responsibility for regional security.

If security and economics are inextricably linked, then should the United States explicitly leverage its defense commitments to Japan in order to extract Japanese concessions on economic issues? While theoretically enticing, I have serious doubts that Washington can execute such a strategy with the subtlety necessary to obtain the desired result. Moreover, given the current political climate, the Japanese are just as likely to accept the hollowing out of the security alliance as they are to submit to American economic pressures. Of course, although an explicit policy of linking security to trade may be unwise, U.S. leaders should always remind their Japanese counterparts that continuing American public support for the alliance depends greatly on whether bilateral economic relations are seen as fair and reciprocal. But in terms of actual policy, the best course is to pursue vigorously both economic and security interests on their own terms.

Much of existing Japanese barriers to trade are not explicit protectionist measures like tariffs and quotas, but rather collusive business practices and opaque arrangements between government agencies and the private sector. Consequently, while a rules-based approach to "level the playing field" may help in opening Japan, it is woefully inadequate. The Clinton Administration was therefore right in adopting a results-oriented approach of establishing objective criteria to measure progress. But it erred in not mobilizing the Japanese public who would benefit from America's market-opening efforts. Instead

Clinton officials, by being confused initially about their policy objectives and by neglecting to wage an effective campaign in Japan, turned the Japanese press and thereby most of the public against the United States. As Hosokawa and Hashimoto demonstrated, it became good politics to say "no" to the unreasonable Americans. The absurd effect was to let Japan become the champion of free trade, while the United States was denigrated for promoting managed trade. Although the Clinton Administration boasts of the twenty-two agreements it negotiated with Japan, the task of implementing them will be arduous especially since the two sides have divergent interpretations of many of them. Therefore, Washington and the U.S. diplomatic community in Japan must do a better job of informing the Japanese public of the benefits they would receive from America's liberalization efforts.

Pushing on the bilateral front doesn't preclude the use of multilateral mechanisms like the WTO. In fact, bilateral and multilateral efforts should be complementary; there is no need to choose one over the other.[10] But in light of the more strident nationalism of the new generation of Japanese bureaucrats, multilateral pressures will be more effective than bilateral ones. Europeans and Asians have their horror stories of how hard it is to crack the Japanese market. It is better to enlist them in our efforts to open up Japan than to let Japan form coalitions with them to resist us. Regarding trade with China, it would be better to enlist Japan's support in eliciting China's cooperation on such issues as intellectual property rights, rather than letting Japan watch on the sidelines while the United States leads the charge and takes all of the political heat.

On the security relationship, it is time to strike a new bargain. While the Pentagon has temporarily defused tensions on Okinawa by agreeing to return the Futenma Air Base in five to seven years, there is now widespread support in Japan for a gradual, but significant reduction of the U.S. military presence in Okinawa and elsewhere. Rather than stubbornly sticking to the 47,000 number for U.S. troops in Japan, the United States should adopt a roles and mission approach and determine what forward deployments are

absolutely critical for deterrence and crisis response in the context of changes in the strategic environment and technological capabilities. America's most important military assets in Japan are its air and naval power. Therefore, what should be done is to make the adjustments necessary to sustain Japan's willingness to host these assets. In return, Japan should take the appropriate steps to support U.S. military operations in regional contingencies and to facilitate rapid deployments into and out of Japan during an emergency. If such a bargain can be struck, then the Marine combat forces in Okinawa could be removed without harming the integrity of our military missions. This would go far in consolidating Japanese political support for the alliance well into the next century.

But the United States must also move beyond a strategy of military presence to develop an effective strategy to reduce tensions and prevent crises in the region. Keeping 100,000 troops in the East Asia-Pacific region is a poor surrogate for a comprehensive Asia policy. More realism is necessary in claims about what this military presence does. Does it really improve our access to East Asian markets, keep the East Asians from modernizing their militaries, and mediate conflicts among East Asian countries? Only after recognizing the limits of U.S. forward military deployments as a policy tool will U.S. officials see the urgency of integrating the economic, diplomatic, and military dimensions of foreign policy into a coherent East Asian security strategy. The "regional cooperation" section of the April 1996 U.S.-Japan Joint Declaration on Security did nothing more than list in general terms common regional security goals regarding Korea, China, Russia, and Southeast Asia. What is desperately needed now is a concrete, coordinated policy with Japan to achieve these objectives.

Notes

[1]For an excellent explication of Japan's mercantile realism, see Eric Heginbotham and Richard J. Samuels, "Mercantile Realism and Japanese Foreign Policy," *MIT Japan Program Working Paper* 96-22 (1996).

[2]One exception was the purported linkage during the Nixon-Sato negotiations between Japanese concessions on textile trade and U.S. reversion of Okinawa to Japanese administration.

[3]These economists include Iwao Nakatani, Yukio Noguchi, and Haruo Shimada.

[4]Hatoyama Yukio, "Minshuto: Watashi no seiken koso," *Bungei Shunju*, November 1996, pp. 112-130.

[5]Hisahiko Okazaki, former Japanese ambassador to Thailand and Saudi Arabia, has been the most active proponent of this view.

[6]Kazuo Ogura, senior official in the Ministry of Foreign Affairs and former ambassador to Vietnam, articulates this view. See Ogura Kazuo, "21-seiki no Chugoku to Nihon gaiko," *Sekai*, May 1996, pp. 157-170.

[7]Hisahiko Okazaki favors Japanese support for America's human rights agenda vis à vis China not because he thinks the policy will work, but because he feels Japan needs to tow the line on this issue in order to maintain good relations with the United States.

[8]In the East Asia-Pacific region, the United States has formal alliances with Japan, the Republic of Korea, Australia, the Philippines, and Thailand.

[9]Lawrence J. Korb, "Our Overstuffed Armed Forces," *Foreign Affairs* Vol. 74, No. 6 (November/December 1995), pp. 22-34.

[10]Jeffrey E. Garten, "Is America Abandoning Multilateral Trade?" *Foreign Affairs* Vol. 74, No. 6 (November/December 1995), pp. 50-62.

the president's two-hour meeting October 24 with China's President Jiang Zemin.

The two presidents agreed that a strategic vision of their relations would make it easier to handle specific problems, such as human rights differences, and they agreed to open a new set of dialogues on subjects ranging from energy to international crime to sustainable development.

More concretely, the presidents inched toward agreement on a zero-yield comprehensive nuclear test ban and forward on ways to amicably discuss human rights.

The presidents met for two hours in New York City's Lincoln Center, a change of locale highlighting Chinese sensitivity to the rights issue. The meeting was moved from the New York Public Library because of a private exhibit there which included references to the Tiananmen Square massacre.

White House Press Secretary Mike McCurry told reporters that Clinton described the session as "a very good, very positive meeting" and termed it "certainly the best of the three he has held to date with President Jiang Zemin. The president said, based on this meeting, he is confident we have begun a process that will lead to a series of dialogues that can help improve the opportunity for comprehensive engagement with China." McCurry's remarks, and those of Winston Lord, assistant secretary of state for Asian affairs, were delivered in New York and monitored at the White House.

Lord said the relationship "was improved" during the session, but he insisted it should be seen as a process, not a one-time event. "As two great countries with different histories and cultures and stages of development," he said, "we're going to have some differences. The president's aim today was to create a broad agenda and...the kind of honest dialogue where we can manage the differences more effectively, perhaps, than we have in the past."

Lord said the Chinese side reaffirmed its intention to sign a comprehensive nuclear test ban treaty but stopped short of endorsing Clinton's call for a zero-yield provision. "Their view on zero-yield," he said, "was that they seemed to be on a similar track on their own, but that they wanted to study the issue further. So that was a favorable discussion."

Nuclear non-proliferation was a major topic, with Clinton noting it was in Beijing's interest as well as Washington's to stop the spread of weapons and technology capable of being used in nuclear weapons production.

Clinton and Jiang stressed the importance of direct communication, Lord said, and while agreeing that face-to-face sessions are the most useful, they decided to explore other means of contact, such as electronic or telephonic.

The meeting was "dominated," Lord declared, by a "strategic view of the relationship and where we can initiate new dialogues as well as resuming old ones."

Lord said the meeting has to be seen as part of "an overall process" following sharp tension in the relationship caused by the unofficial visit to the United States by Taiwan's president. He said Clinton reaffirmed the U.S. policy of recognizing only one China -- Beijing -- while adding that Washington will continue to have unofficial, friendly ties with Taipei. Clinton told Jiang, Lord said, that future visa requests by Taiwanese will be handled on a case-by-case basis, but he expects them to be unofficial requests which will occur rarely.

"Today," Lord said, "was another significant step forward" in restoring relations. "From the very beginning, both presidents sought to focus on the long-term importance of strong ties between the two countries not only for our two peoples but for the region and the world."

He said Clinton sketched out his vision of the vast potential of the relationship while acknowledging the differences. "The feeling was that if we can establish a broad framework and have an honest dialogue we can manage those differences more favorably," Lord noted. Saying he would let the Chinese make their own comments, Lord nevertheless noted that Jiang "reciprocated...he underlined China's strong interest in a stable and healthy relationship with the United States as we head toward the next century."

Lord said the leaders agreed to "establish some new agenda items," including strategic and regional issues, the fight against international crime, narcotics trafficking, the environment, sustainable development and energy. While working to broaden the agenda, Lord said, the two countries are "also in the process of resuming more traditional dialogues," including the need to enforce intellectual property rights, economic issues, and China's admission to the World Trade Organization (WTO). Clinton said it is the U.S. view, shared by others in the WTO, that while Beijing should be in the organization, it has not yet made commercially agreeable proposals.

"The president expressed our well-known concerns on human rights," Lord said, "and the need for dialogue in that area," including the situation in Tibet. "As he always does, the president did raise the issue and make clear our general concern as well as our interest in specific cases," he said.

EPF305 10/25/95

LORD: U.S.-JAPAN ALLIANCE IMPORTANT TO ENTIRE ASIA-PACIFIC REGION
(Text: Lord's 10/25 remarks to HIRC panel) (4210)

Washington -- The security alliance between the United States and Japan is important not only to the two countries but to the entire Asia-Pacific region, according to Winston Lord, assistant secretary of state for East Asian and Pacific affairs.

At an October 25 hearing before the House International Relations Committee's Asia and Pacific Subcommittee, Lord said that "The U.S.-Japan security relationship underpins a strong diplomatic partnership, allowing us both to better manage our relations with other Asian countries, indeed the world."

Lord noted that "The presence of 47,000 U.S. military personnel in Japan, combined with the personnel aboard Seventh Fleet ships (home-ported in Japan), allow us to contribute to the maintenance of stability in the region, forestall regional arms competition, including nuclear arms, and exercise influence over the course of events."

He added that "The U.S.-Japan defense relationship is key to the United States' presence and continuing influence in the Western Pacific and Asia. It is warmly welcomed by the countries of the region."

Following is the official text of Lord's testimony, as prepared for delivery:

(begin text)

HOUSE INTERNATIONAL RELATIONS COMMITTEE
Asia and the Pacific Sub-Committee

Testimony by
ASSISTANT SECRETARY OF STATE
FOR EAST ASIAN AND PACIFIC AFFAIRS
WINSTON LORD
October 25, 1995

Mr. Chairman, Members of the Committee:

Thank you for inviting me here today to share with you views on the current state of the U.S.-Japan relationship and where it is going. This is an extremely important and timely topic. Our relations with Japan have been called our most important bilateral relationship, and this has not changed.

The United States' and Japan's interests are predominantly congruent, and I believe they will continue to be so in the years to come. The United States and Japan share an interest in global peace and security and are cooperating around the world to this end. Our diplomatic coordination is close and fruitful. Our agenda on global issues is broad and growing.

The United States-Japan alliance, based on the Treaty of Mutual Cooperation and Security, is essential to the defense

Q: Did President Jiang say anything at all about how he saw China's prospects in the wake of the death of Deng Xiaoping?

LORD: No, that did not come up.

Q: The meeting in Osaka -- could you tell us more about what they plan to do there, at what kind of level this meeting will be held, and what the format will be?

LORD: Well, no, we haven't worked out any details yet. The fact is that they'll both be there for the leaders meeting for APEC. This is before the president has his own state visit to Japan, as you may know. And, thus, they'll still see each other inevitably in multilateral settings, and I would certainly imagine that as they have met in Seattle and Bogor, they will also meet bilaterally in Osaka. But both sides still have to work out the details.

Q: Was there any further mention of approvals being given to U.S. investment deals in China or conformation of the GM deal in China?

LORD: No specific deals, but President Jiang was very strong in affirming China's desire to attract American investment and to expand trade between us. And he felt that this should be an important priority for both countries. But there were no specific deals concluded or talked about, but a clear understanding that China welcomed American investment as well as trade.

Q: Ambassador, is this the first initial collaboration with the Chinese on the area of the fight against narcotics or have we been working with them on a variety of things in this neighborhood? And does it include the new initiatives on money laundering, since many of the banks involved in money laundering traditionally have been run by a lot of emigree Chinese in Southeast Asia?

LORD: Money laundering was specifically mentioned by the president as one of the items. I don't think I did it in my rundown, but I should have. And he made it very clear that this problem is assuming significant proportions; it already is in our society; it's coming back in China, which the president, of course said he regretted and Jiang said it is coming back there.

We have had had some cooperation already on narcotics. It's been at the working level, more or less at the assistant secretary and agents level and so on. And it's been significant, but I think what was new here is a joint commitment to raise this to higher levels, to higher level exchanges and a more systematic approach on this issue as well as other international crime issues.

SUETTINGER: Let me just add a word on that. It was very clear from the discussion at several points that President Jiang had listened very carefully to the president's address to the U.N., and, in fact, mentioned specifically that they were looking forward to cooperation in a number of the areas that the president had raised in his U.N. address and was actually was looking for positive -- they presented these kinds of issues unilaterally, so it wasn't a request on our part that they cooperate, but it actually was a Chinese initiative.

Q: Was the subject of Hong Kong rights raised by either side?

LORD: I'm sorry.

Q: Was Hong Kong discussed at all?

LORD: It was not discussed specifically today, but it has been a constant theme in our discussions with the Chinese at all levels. I wouldn't read anything into that. We have a huge stake in Hong Kong both in terms of economics and in terms of humanitarian issues and in terms of stability in the area.

I might say, in talking about agenda, whether at this meeting or in the meeting yesterday Secretary Christopher had with his counterpart, there was also agreement in principle to pursue more systematically our dialogue on United Nations issues, as well as Asian regional issues as well.

And, finally, under the general subject of international crime and other topics on the agenda, the question of alien smuggling also was included.

SUETTINGER: If I could just add to that, I think one of the important outcomes of the meeting is the fact that we have now an opportunity to raise in more different contexts and in more different dialogues the various problems and the issues that we have to deal with with the Chinese. So I think that's a useful outcome of this meeting -- that just because in an hour-and-a-half private session, and a half-hour larger session we didn't cover every single issue on the overall U.S.-China agenda doesn't mean that we aren't going to have that opportunity in the near future. And I think exchanges will become more frequent and in more different areas.

Q: Is the relationship back on track, sir?

SUETTINGER: I think you could say that this, as Ambassador Lord said, was a positive outcome of a process that began with Secretary Christopher's meeting with Foreign Minister Qian in August. Whether it is on track or not is really a matter of definition. The important point is that we made significant progress in resolving issues and dealing with the different dimensions of the relationship. And I think both sides will probably agree that it was a very positive meeting.

Q: Did President Clinton offer assurances to President Jiang the United States does not seek to contain China? Or did President Jiang seek those assurances?

LORD: Well, the president offered in his overview at the very beginning, and he came back to it at the end, that we seek engagement with China, not containment. So he was explicit, as we have been for some time. And, of course, the Chinese welcome this.

Q: Anything to add on the three-way Balkans talks to what you did before?

MR. MCCURRY: No. I mean there will be, as you can imagine, growing out of the session that we had earlier today, with President Tudjman and President Izetbegovic, discussions with other members of the Contact Group about ways in which we can follow up, ways in which we can set the scene, both for Dayton and then ensure that progress can go forward beyond Dayton.

Q: Mike, can you characterize how President Clinton felt after his talks with Jiang?

MR. MCCURRY: Yes, he felt -- I think you gather from here -- he felt that it was -- had been a very useful and very productive meeting. And he was intent on the notion that we had structured a mechanism to deal with our differences, but placed that mechanism in the context of a much more comprehensive engagement across a much wider bilateral agenda in which the interests of both countries can be advanced and in which, frankly, the interests of the international community can be advanced on such issues as sustainable development, environment, fighting international terrorism, international crime.

Q: Why is the president avoiding Fidel Castro --

MR. MCCURRY: Because that is -- his meetings here are defined within the parameters of the Cuban Democracy Act. And the Cuban Democracy Act would not allow for that type of direct exchange.

THE PRESS: Thank you.

(end transcript)

EPF304 10/25/95

WHITE HOUSE ENVISIONS BETTER TIES WITH CHINA
(Presidents meeting improved relationship, Lord says) (880)
By Alexander M. Sullivan
USIA White House Correspondent

Washington -- The Clinton administration thinks its relations with China are moving toward normalcy following

of both countries. It is a central element of the United States' policy of forward deployment and contributes directly to security and prosperity throughout the Asia-Pacific region. The U.S.-Japan defense relationship is key to the United States' presence and continuing influence in the Western Pacific and Asia. It is warmly welcomed by the countries of the region.

The United States and Japan, as enormous economic actors, share a responsibility for the well-being of the world economy. Our governments are in frequent contact on questions of global economic management. And they cooperate closely on the maintenance and nurturing of the international economic institutions, including the IMF, the World Bank and the World Trade Organization.

Naturally we also have some differences with Japan. In a relationship as large and active as ours, such differences, particularly on trade, arise. We have had success under the Framework for Economic Partnership and elsewhere in negotiating agreements that resolved about 20 sectoral and structural trade issues. Both countries must continue to address and resolve trade issues constructively as they arise so that these issues do not hamper the rich commerce and overall ties between the United States and Japan.

The United States and Japan have common values as well as interests. We share a commitment to the principles of freedom, democracy, and the promotion and protection of human rights and the rule of law, both at home and in our relations with other countries. It is the vision of a world based on these principles that lies at the center of the excellent relations between our two nations.

Let me first comment briefly about conditions in Japan.

Domestic Political Developments

First, a word about political developments. Prime Minister Murayama's three-party coalition government has been in office since June 1994. Many Japanese initially viewed the coalition with skepticism, because its two principal partners--the conservative Liberal Democratic Party (LDP) and the Socialist Party (JSP)--had been bitter ideological rivals during much of the postwar period. But despite occasional setbacks--including a poorer-than-expected showing in the July 1995 Upper House election--the coalition has proved resilient.

In September, the Liberal Democratic Party elected Ryutaro Hashimoto, the Minister of International Trade and Industry (MITI), to a two-year term as party president. Mr. Hashimoto was subsequently appointed Deputy Prime Minister. He also retained his portfolio as Minister of International Trade and Industry.

The political opposition is dominated by the New Frontier Party (NFP), an amalgamation of several opposition parties and groups that was created in December 1994. This party fared well in the July 1995 Upper House election, but its representation in the Diet is still considerably smaller than that of the ruling coalition.

In December 1994, the Diet enacted several electoral reform measures that could have a profound impact on Japanese domestic politics. The new system, among other elements, establishes a combination of single-seat and proportional constituencies and will shift seats from overrepresented rural areas to urban centers. Whether the reforms will lead to more frequent alternation of administrations between competing political parties remains to be seen.

We anticipate that Japanese political parties and coalitions will continue to undergo realignment for several years, until the consequences of the new electoral system work themselves out. In nationwide local elections held this past April, voters rejected mainstream gubernatorial candidates in Tokyo and Osaka, reflecting growing unpredictability in domestic politics. Elections in the important Lower House of the Diet must be held no later than July, 1997, four years after the last election, but many observers speculate that they will be held sometime during the first several months of 1996.

Political realignment has, of course, affected the decision-making process in Japan, including on issues of critical interest to the United States. However, we have no reason to expect change in Japan's basic policy of strong support for the U.S.-Japan strategic alliance and U.S.-Japan cooperation in general. Today, all political parties, except for the minor Japan Communist Party (JCP), pursue close ties with the United States and endorse the Treaty of Mutual Cooperation and Security.

Domestic Economic Situation

Japan's economy seems headed next year for a modest rebound following four years of its most serious economic downturn since World War II. After achieving one of the highest economic growth rates in the world during the 1970's and most of the 80's, the economy slowed starkly in the early 1990's. Plummeting stock and real estate prices marked the end of the "bubble economy" of the late 1980's. Real economic growth in 1994 was 0.5%, following a contraction of approximately 0.2% in 1993. Private economic analysts project growth in 1995 to be just under one percent. For the past four years the U.S. economy has grown faster than Japan's.

Inflation in Japan remained below 1.0% throughout 1994. Unemployment rose to a seven year high, and considerable hidden unemployment belies the official rate placed at 3.2% in August 1995. Japanese domestic demand has been weak. In the wake of the collapse of the "bubble economy," many firms have substantial over-capacity, which has suppressed private investment. Although industrial production was off by 4.5 percent in 1993, it rose by nearly one percent in 1994.

In an effort to stimulate growth, Japanese monetary authorities have reduced official interest rates to historic lows (of 0.5 percent in October 1995) and the government has enacted a series of fiscal stimulus packages. The latest and largest package, approved September 20, included about $140 billion in additional government spending and lending. These steps appear to be having an impact. Private forecasters expect GDP growth to be around 2 percent in 1996, as a result of the stimulus packages. The outlook beyond that is not clear.

One factor that could affect economic growth is the financial sector where banks continue to struggle with record bad loans. The government has responded to runs on some financial institutions in the past few months and is now in the process of formulating a comprehensive plan to address these problems.

Japan's economic slowdown has contributed to the size of its current account surplus, $129 billion (2.8 percent of GDP) in 1994, down $2 billion from 1993. As Japan's economy resumes growth over the next several years, its current account surplus is projected to decrease to less than $120 billion in 1995 and to approximately $90 billion in 1996 (less than 2 percent of GDP).

The Japanese Government's regulation of a substantial number of business sectors contributes to slow economic growth and to Japan's current account surplus. Many Japanese economic and business leaders have joined outsiders in calling for rapid deregulation. The government's five year deregulation plan announced in March 1995 was judged by both domestic and foreign experts to be weak and lacking a comprehensive view of the kind of deregulation necessary to make the Japanese economy more open to competition. This plan is being reviewed with changes to be announced in March 1996. We are suggesting improvements in a number of specific areas.

Though Japan faces challenges in deregulating and stimulating its economy, its economic fundamentals remain strong. It has a large reservoir of industrial and technical leadership, a well-educated and industrious work force, and high savings and investment rates. Japan's long-term economic prospects remain good.

Japan is a very central economic partner for the United States. We are hopeful that Japan will enjoy more rapid economic growth in 1996 and that with growth U.S. exports of goods and services to Japan will rise. In short, Japan is in a period of political change and it is grappling with economic problems that are not trivial. However, we expect US-Japan ties to remain strong. Japanese institutions do respond to the views of the electorate, when these views are

strongly held. The Japanese continue to support close relations and cooperation between the United States and Japan, but the reservoir of goodwill is not something which we can take for granted. It needs to be nurtured, lest it dwindle.

Security Situation

Assistant Secretary Nye will address the security aspects of the U.S.-Japan relationship in some detail, so I will be brief here. However, I want to emphasize one point: the U.S.-Japan strategic alliance, based on the Treaty of Mutual Cooperation and Security, is the key to continuing U.S. influence in East Asia. Let there be no doubt: in this period of rapid change in East Asia, our alliance contributes directly to the security and economic well-being of the American people. The presence of 47,000 U.S. military personnel in Japan, combined with the personnel aboard Seventh Fleet ships (home-ported in Japan), allow us to contribute to the maintenance of stability in the region, forestall regional arms competition, including nuclear arms, and exercise influence over the course of events. The U.S.-Japan security relationship underpins a strong diplomatic partnership, allowing us both to better manage our relations with other Asian countries, indeed the world.

A year ago we set out purposefully to conduct an intensive security dialogue with Japan. Our mutual goal has been to re-examine and reaffirm the rationale and goals of our alliance in this 50th anniversary year of the end of World War II. Assistant Secretary Nye and I, and our deputies, conducted a series of meetings which led to a first-ever meeting in New York on September 27 where Secretary Christopher and Secretary Perry met with their Japanese counterparts, Foreign Minister Kono and Minister of State for Defense Eto. They reaffirmed that our alliance is the critical factor for maintaining peace and stability in the Asia Pacific region. Both sides welcomed the signing of the Special Measures Agreement which allows for the continuation, with some improvements, of host nation cost-sharing programs for the next 5 years. Japanese direct financial support for U.S. Forces amounts to almost $5 billion annually, or about 70% of the cost. This is more than that provided by any other ally. In fact, it is more than the amount provided by all other allies combined. It is less expensive for us to maintain forces in Japan than here at home.

This year-long security dialogue in which we have re-examined the basis of our alliance and charted a new course for the future, one guided by common interests and a renewed commitment to a balanced partnership, will culminate in the November Summit meeting in Japan.

Because the U.S.-Japan alliance is so important, not only to our two countries, but to the entire region, the recent incident in Okinawa is all the more deplorable. The rape of an Okinawan schoolgirl, allegedly by 3 U.S. servicemen who have been indicted, is heinous under any circumstances, and the President, Ambassador Mondale, Secretary Christopher and Secretary Perry have expressed their deep personal regret and shock. This criminal act of a few individuals has provoked an outcry from the Japanese public. Some politicians and editorialists have questioned elements of the Status of Forces Agreement and the social costs associated with the presence of U.S. forces in Japan. The U.S. government has pledged its cooperation with Japanese authorities to see that justice is done in this case, and to take steps to prevent the recurrence of any such incident.

I am happy to report that, in Tokyo earlier today, Ambassador Mondale, U.S. Forces Japan Commander Lieutenant General Meyers, and Japanese Foreign Minister Kono agreed on improvements in the implementation of criminal jurisdiction procedures under the bilateral Status of Forces Agreement. Under this decision, the U.S. has agreed to give sympathetic consideration to Japanese requests for transfer of custody of criminal suspects prior to indictment in specific cases of murder or rape.

Diplomatic And Other Cooperation With Japan

The U.S. and Japan share a broad range of other vital interests: regional stability; promotion of political and economic freedoms; protection of human rights and democratic institutions; free passage of goods and services; strengthening of the nonproliferation regime, and peaceful settlement of regional disagreements.

This abiding community of interests existed during the Cold War and continues today, a time of extremely rapid modernization throughout much of East Asia. Despite modernization and economic growth, the pattern of domestic change and international integration is extremely uneven in the region. Japan is our essential partner in promoting common interests and values, not just in Asia, but around the world. We coordinate closely on Asian regional problems -- the North Korean nuclear issue, the peace process in Cambodia, the ASEAN Regional Forum, other regional security fora, as well as on regional economic issues.

Let me highlight briefly those areas where joint U.S.-Japan diplomacy has been particularly successful, and then suggest how the U.S.-Japan diplomatic relationship might develop in the near future.

Japan has played a new, important and growing role in United Nations peacekeeping missions by contributing funds and personnel in Cambodia and Mozambique. It also participated in international efforts to provide humanitarian assistance to Rwandan refugees. Japan has recently indicated that it will send a contingent of peacekeepers to the Golan Heights. We expect that it will continue a policy of measured participation in international peacekeeping. Japan's heightened profile in international peacekeeping strengthens its longstanding bid for a permanent seat on the UN Security Council, which we support.

This September, Prime Minister Murayama visited several nations in the Middle East where he discussed with the region's leaders Japan's role in the peace process. He indicated that Japan will continue to extend economic assistance to Syria, Palestine, and Jordan, and will seek to strengthen economic ties with Israel. We welcome Japan's participation in the peace process, and expect that it will continue to have a significant role.

Japan has joined or supported other U.S. diplomatic initiatives. Japan, along with the Republic of Korea, has been a central partner in our nuclear negotiation with North Korea, and will make a major contribution to programs designed to eliminate the North Korean nuclear threat and reduce tensions on the Korean peninsula. We have also engaged in positive dialogue about Japan's participation in the reconstruction of Bosnia. The Japanese have indicated a willingness to assist in such efforts. They have announced that once the parties fully reconcile Japan will open an embassy in Zagreb to coordinate its rehabilitation efforts in the former Yugoslavia.

An extraordinary, if somewhat unheralded, example of successful cooperation with Japan is the "Common Agenda," which we launched in July 1993 as part of our Framework Agreement in order to address jointly difficult long-term global problems. We are cooperating on a very broad agenda, including global health and population, the environment, and science and technology. In two short years, this enormously successful bilateral partnership has grown to encompass 20 different initiatives.

Among the many highlights, we are collaborating on one of the most successful public health initiatives ever undertaken -- a massive immunization program that has virtually eradicated polio in the Western Pacific and aims to wipe out the disease worldwide by the year 2000. We have worked together closely on population and HIV/AIDS programs with concrete results in countries such as Bangladesh, Kenya, the Philippines and Indonesia. We have also established an extensive and formal Environmental Policy Dialogue under the Common Agenda through which we seek to harmonize our approaches on critical global issues such as climate change, biodiversity and hazardous waste.

Last year we broadened our cooperation and joined efforts in countering the production and trade of narcotics. This year, we began the Women In Development initiative which focuses on enhancing girls' education and will also include assistance in financing and services for women's micro-enterprises in developing countries. These many success stories may not attract headlines, but theyprovide an excellent vehicle for the U.S. and Japan -- as two economic

superpowers -- to pool resources and set the pace in finding solutions to common global problems.

We will continue to consult and collaborate closely on a full range of regional and global matters in the future.

The U.S.-Japan Economic Relationship

The U.S.-Japan economic relationship is deep and multifaceted. Japan is our largest overseas export market, our largest supplier of imports and an important source of investment, technology, and profits for U.S. firms. However, significant imbalances continue to characterize our economic relations with Japan. Owing in part to structural features of its economy, Japan continues to have a large global current account surplus and a large current account surplus with the United States.

U.S. exports to Japan amounted to $53.5 billion in 1994 and reached $36.4 billion in the first seven months of this year. Yet there remain many impediments to Japan's market. These include concentration in some industries, the pattern of inter-corporate relationships in the various keiretsu, and intrusive government regulations in many industries. The statistics suggest the extent of the problems. Japan's imports of manufactured goods as a percent of GDP were only 2.9% in 1994 as compared to 7.9% for the U.S. and 10 to 22% for other G-7 nations. U.S. and other foreign firms continue to encounter serious difficulties exporting to and investing in Japan.

The U.S. is committed to opening Japan's markets more fully and to ensuring that competitive foreign goods have fair access. We believe it is in Japan's interest to admit more foreign products and to give its consumers the opportunity to purchase goods based on quality and price. The United States has urged Japan to correct its persistent global current account surplus, to remove impediments to the Japanese market and to remove regulations, which hinder domestic and foreign businesses. This is not only in our interest. It is in Japan's interest as well as the health of the global economy.

During the past two years, the United States has pursued its economic goals with Japan through the Framework for Economic Partnership, which the two governments established in July 1993. Under the Framework we have made progress in resolving a variety of sectoral, structural, and macroeconomic issues. And in June in Halifax, President Clinton and Prime Minister Murayama extended the Framework agreement and renewed their commitment to work together on remaining issues.

During the Clinton Administration, the U.S. and Japan have signed over 16 trade agreements, most of them under the Framework, plus four under the Uruguay Round. U.S. and Japanese negotiators concluded results-oriented agreements on flat glass in January, on financial services in February, on Investment in July and on autos and auto parts in August. Earlier we concluded agreements on government procurement, cellular phones, intellectual property rights, construction and various agricultural products, including apples.

Negotiations and agreements over the years have had concrete results. In the past decade Japanese imports from the United States have more than doubled. The portion of manufactured goods in our exports to Japan has steadily increased and now approaches two-thirds. Japan is the United States' largest foreign market for commercial aircraft and agricultural products. Despite such progress, much of course remains to be done. We will continue to highlight the urgency of further opening Japan's market.

One important task is monitoring implementation of our trade agreements to ensure that the Framework's goal of substantially increased access and sales of competitive foreign goods and services is realized. The Administration and the private sector are working hard to see that all agreements are fully and vigorously implemented. We plan to continue to identify quickly any problems in implementation and move to resolve them.

Even as we address bilateral issues, we continue to work with Japan in APEC to build a "Pacific Community." Together we will be striving to ensure the November's leaders meeting in Osaka builds on the successes of Blake Island and Bogor and makes real progress toward trade liberalization in the Asia/Pacific region. Any effort in Osaka to weaken the commitment to comprehensive trade liberalization made by all APEC leaders last year in Bogor will be widely viewed as a step backward for APEC.

As might be expected in a trade relationship as large as that between the U.S. and Japan, there are a few issues on the horizon that have the potential to grow into disputes if we do not act to resolve them. Our hope and our challenge is to address these issues in a constructive manner that will ultimately benefit the U.S., Japan, and the world trading system. Our two nations must deal openly and directly on these problems.

Our approach from the outset of this Administration was to insulate security and other positive elements of the relationship from trade frictions. We did this not as a favor to Japan, but because it was in our interest to do so. We also recognized that the unresolved issues, if allowed to fester, over time could erode domestic support for other elements of the partnership. That is why we have made such serious efforts to address our economic differences even as we have worked successfully to strengthen the other areas of our relationship.

Our relationship with Japan rests on solid ground. But as recent events have illustrated, we must constantly nurture our ties and seek to mitigate problems. Ambassador Mondale characteristically put it well: no matter what problem confronts the world, it will be easier to resolve if the United States and Japan work together.

The President's Visit to Japan

The President will travel to Japan in November, to Osaka for APEC and to Tokyo for a state visit and a summit meeting with the Prime Minister. The preparations for the visit have included a thorough review of the extent of our interests and the scope of our cooperation with Japan. The United States and Japan have a very strong relationship of enormous benefit to both nations, the region, and the world. The President's visit provides an opportunity to make clear to Americans and Japanese alike that:

-- The U.S.-Japan strategic alliance is fundamental to our mutual security and to stability and prosperity in the Asia-Pacific region.

-- U.S.-Japan cooperation on diplomatic issues ranging from nuclear arms to Asian security to global peacekeeping, make the world a safer place.

-- The two countries' cooperation on newer global issues like those under the Common Agenda promote the welfare of other countries and at the same time strengthen our bilateral relationship.

-- We have made progress in resolving trade and other economic issues with Japan, and it is in our mutual interest, and that of the global economy, to carry this process forward.

The President's visit to Japan therefore comes at a very important juncture. Together our two countries have travelled an enormous distance in the past half century. Building on that solid record and recognizing the global implications of our bilateral ties, we will strive to bolster one of the world's most productive partnerships.

Thank you.

(end text)

EPF306 10/25/95

NYE: U.S. MILITARY FORCES IN JAPAN AN 'INVESTMENT FOR THE FUTURE'
(Text: Nye's remarks for the 10/25 HIRC panel) (2560)

Washington -- The Cold War may be over, but the presence of U.S. forces in Japan is an "investment for the future," according to Joseph S. Nye, assistant secretary of defense for international security affairs.

At an October 25 hearing before the House International Relations Committee's Asia and Pacific Subcommittee, Nye said: "Increasingly, our military presence in Japan will be less the insurance policy it was during the Cold War and more of an investment for the future. Where American alliances used to provide insurance against a Soviet threat, our security commitment to Japan today provides the foundation for U.S. military presence in Asia. And these forces today serve as our investment in the continued security and stability of the region."

Following is the official text of Nye's remarks, as prepared for delivery:

(begin text)

In November 1994, the Departments of Defense and State began an initiative to reaffirm our security relationship with Japan in the post-Cold War environment. In January of this year, I sat before this subcommittee and reported our intentions regarding the Asia and Pacific region. I identified the remarkable stability and economic growth in East Asia and the Pacific over the past 20 years as proof of the increasing importance of this region to the United States. And I described the long-standing American ties to the region, emphasizing the importance to the United States of continued development of these relationships.

The U.S.-Japan bilateral security relationship is extremely important to America's security. The security, political, and economic aspects of our bilateral relationship reflects fundamental interests shared by the U.S. and Japan -- to preserve the benefits of expanded trade and political progress which have exemplified East Asia during the last two decades. The U.S.-Japan bilateral security relationship is fundamental to both bilateral security and regional stability. It is also the basis for global U.S.-Japan cooperation.

We continue to believe that the bedrock of East Asian and Pacific stability has been -- and will continue to be - the forward presence of American troops operating from U.S. bases. The U.S. military presence in Asia is anchored in the security relationship with Japan. The Secretary of Defense's East Asia Strategy Report emphasizes the strong American commitment to the Asia and Pacific region, and the intention of the U.S. to maintain its military presence at the current level of about 100,000 troops.

Over the past year, we have undertaken an intense bilateral dialogue with the Japanese government. The dialogue is based on bilateral, regional and global security cooperation with Japan, focusing on the U.S.'s commitment; Japan's contributions; regional stability; new Japanese missions such as PKO and BMD; the immediate challenge of North Korea; and the importance to regional and global stability of China's successful integration into the regional security system. While the security dialogue is an ongoing effort, the initiative we have undertaken during the past year is now focused on a Security Declaration, to be issued by the President and Prime Minister at the Tokyo bilateral summit this November.

The single most important U.S.-Japan bilateral security meeting of this Administration to date took place on 27 September in New York. Secretary Perry and Secretary Christopher met for a historic, first ever 4-way meeting with their counterparts from Japan, Foreign Minister Kono and Defense Minister Eto. This meeting of the Security Consultative Committee (SCC), referred to as the "2-plus-2," was the culmination of the previous year's work, and the final milestone in preparation for the November Summit.

The meeting accomplished two significant goals. First, it provided the unique opportunity for the four cabinet-level officials to meet together and with their respective senior advisers and senior military officers, to reaffirm the bilateral relationship and the centrality of the security relationship. Second, Secretary Christopher and Foreign Minister Kono signed the Special Measures Agreement. Japan is our most generous ally in host nation support. The SMA will continue, for an additional five years, the Government of Japan's payment of appropriate yen based costs for U.S. force presence in Japan, part of the larger Host Nation Support arrangement. In addition to yen based costs, Host Nation Support includes Japan's contributions in areas of Facilities Improvement Program (FIP) and treaty obligation payments. In 1995, this amounted to more than 70% of our non-salary costs. Japan's JFY 1995 payments for Host Nation Support totals $5 billion. Provided FIP and treaty obligation payments remain the same for the next five years, Japan's total host nation support payments for U.S. forces in Japan will total more than $25 billion over the life of this Agreement.

In addition to the two goals of affirming the centrality of the security relationship and signing the SMA, the 2+2 meeting helped to prepare for Prime Minister Murayama and President Clinton's bilateral Summit meeting in November. Discussions with the Japanese Ministers covered the need to coordinate our security policies, and prospects for Japan's National Defense Program Outline, that nation's long range statement for security policy, which currently is being revised. We told the Japanese Government that one measure of success would be a clear overlap in approach between the NDPO and the DOD's East Asia Strategy Report published earlier this year.

The Subcommittee's invitation identified several areas of special interest. I will address each of these issues individually. You asked me to address:

-- the U.S.-Japan relationship against a backdrop of a changing post-Cold War Asia-Pacific region;

-- the status of U.S.-Japan relations;

-- where we should strike the balance in our bilateral ties both among competing American policy objectives, and between our relations with Japan and other regional states;

-- the China factor in U.S.-Japan security ties;

-- host-nation support arrangements; and

-- the impact of the recent rape incident in Okinawa.

U.S.-Japan relationship against a backdrop of a changing post-Cold War Asia- Pacific region

There is no more important bilateral relationship than the one we have with Japan. I justify this assertion based upon two premises. First, that our economy is tied to that of Asia to such a degree that Asian stability and security equate to U.S. security. Second, that our military presence in Japan supports critical US global interests and helps us to fulfill global responsibilities. For these reasons, close security cooperation with Japan is indispensable.

U.S. interests are directly tied to Asian security because of our economic dependence upon the Asia and Pacific region. We engaged in $373 billion in trans-Pacific trade in 1993. That is twice as much as in 1970, and the amount is growing. We expect trans-Pacific trade to be twice as much as trans-Atlantic trade by the year 2000. Today, about 3 million American jobs can be traced directly to exports across the Pacific, while many million more depend indirectly on Asian economic growth. U.S. exports to Japan alone totaled $47 billion in fiscal year 1993.

The Japanese archipelago affords US forward deployed forces geostrategically crucial naval, air and ground bases on the periphery of the Asian land mass. Under the US-Japan Treaty of Mutual Cooperation and Security, Japan provides a stable, secure, and low-cost environment for our military operations and training. Despite the breakup of the Soviet Union and the ensuing decreased military threat to the region, our presence in Japan remains a vital aspect of our global forward deployed posture. U.S. forces operating from bases in Japan are committed not only to the defense of Japan, but also to the preservation of peace and security in the entire Asian region, and are prepared to deal with a wide range of local and regional contingencies. Given the great distances associated with the Pacific theater, forces maintained in Japan fill the requirement for forces capable of dealing with regional contingencies.

The status of U.S.-Japan relations;

Increasingly, our military presence in Japan will be less the insurance policy it was during the Cold War and more of an

investment for the future. Where American alliances used to provide insurance against a Soviet threat, our security commitment to Japan today provides the foundation for U.S. military presence in Asia. And these forces today serve as our investment in the continued security and stability of the region.

This relationship, we are pleased to say, receives broad and essentially universal support throughout the region, including long-term Japanese domestic support.

We agree with the vast majority of Asians, who understand that our bilateral security ties with Japan are one of the key factors supporting regional stability. Furthermore, the U.S.-Japan security relationship also underscores key vital American security interests and remains fundamental to both our Pacific security policy and our global strategic objectives.

Where we should strike the balance in our bilateral ties both among competing American policy objectives, and between our relations with Japan and other regional states

Unlike Europe, Asia lacks a strong multilateral system of security guarantees. We will continue to depend primarily on our strong bilateral relationships with Japan and our other allies. Multilateral institutions may develop. In the meantime our investment in the region is most valuable. We rely on a robust partnership with Japan to advance our regional and global agenda at the U.N., in global nonproliferation regimes, and in other multilateral fora.

Japan's global role is evolving toward greater contributions to regional and global stability. Japan is the world's largest Official Development Assistance provider and has increased its involvement in humanitarian and peacekeeping efforts around the globe, including Cambodia, Mozambique, and Zaire. The Government of Japan is considering sending a U.N. Disengagement Observer Force (UNDOF) team to the Golan Heights early next year.

Japan supports emerging democracies, particularly in Asia. Japan's continuing close cooperation with the United States in a strategic partnership is conducive to regional peace and stability and supports broad United States global objectives. Japan's new "National Defense Program Outline" will review national security objectives in light of changes in international security, based on the continuing importance of the Japan-United States security relationship.

The relationship gathers strength from the degree of shared perspectives between the U.S. and Japan. Specific examples include the North Korea issue and the problem of the proliferation of weapons of mass destruction, coordination on China, as well as other regional and global security and economic issues.

We have spent the last year in an intense security dialogue with the Government of Japan, designed to reaffirm our security ties. Our policy of re- affirmation does not come at the expense of national economic policies, but results from trends which necessitated renewed attention to the security leg of the bilateral relationship -- questioning in both countries of the continued validity of long-standing relationships overtaken by the end of the Cold War; the demise of the Soviet threat; Japan's emergence as an economic superpower; bilateral trade friction without the salve of a common enemy; and concern on both sides of the Pacific about American staying power and Japan's future orientation.

The China factor in U.S.-Japan security ties

The rapid growth in China's material strength has raised the importance of China in the Asian security equation, and our consultations in China with the GOJ are an essential part of our security and political dialogue with Tokyo. We believe that China's successful emergence as a responsible regional power and global actor is essential to our mutual security and regional stability.

China is a nuclear weapons state, a leading regional military power and a global power with a permanent seat on the U.N. Security Council. China's stability is essential for peace, stability, economic growth in the Asia-Pacific region, and friendly relations with its neighbors.

The United States, for its part, is enhancing its military dialogue with China in order to promote better mutual understanding, as well as greater transparency and trust. This dialogue is maintained through periodic high level visits, participation in professional fora, and functional exchanges. Through the newly established Defense Conversion Commission, we hope to facilitate cooperation between Chinese defense enterprises and American businesses in civilian production.

With reference to the role of the U.S.-Japan Alliance vis-a-vis China, the U.S. and Japan must engage China constructively to assure it is integrated into the regional security system. China must realize that the U.S.-Japan security dialogue is not an effort to constrain or ostracize China. Our bilateral relationship derives from our common interest in promoting economic growth and political stability in East Asia. These are ends which China supports. We are taking pains to ensure that Beijing understands this. In order to assure the continued economic prosperity of the region, China must be integrated into the international system in a way that respects its position as a regional power and ties its economic and political advancement to maintenance of amicable relations with its neighbors.

The impact of recent events in Okinawa

Finally, you asked me to comment on the deplorable rape of a young school girl in Okinawa, allegedly by three U.S. military personnel stationed on the island. The judicial process is well underway and the case will be resolved in due course.

The incident has, however, brought some long standing bilateral issues to the attention of the Japanese media. Certain elements within the Japanese polity are taking advantage of the situation to protest our presence, and in particular our bases in Okinawa. These issues include resolving the realignment and consolidation of some U.S. facilities in Okinawa and reviewing the Status of Forces Agreement (SOFA). Let me take this opportunity to emphasize that the U.S. Japan alliance is stable; it serves our mutual interests and is the bedrock of peace and political stability in the region. The position of the GOJ is clear on the presence of U.S. Forces in Japan. Our presence is mutually beneficial and the GOJ unequivocally support the continuation of the Alliance and continued U.S. military access to bases.

Some statements in the media and by some Japanese politicians have used this incident to call for a review of the SOFA and a pretext to halt further negotiations on the reversion of land issue. Our USIA polls indicate that this is a minority view and that the preponderance of the Japanese people supports the Alliance. We are reviewing procedures for the transfer of judicial custody of accused SOFA personnel to the GOJ. Tokyo agrees with us that SOFA revision is not necessary.

We will continue to cooperate with Japan on the outstanding security issues, including pursuit of the North East Asia Security and Cooperation Dialogue, supporting peacekeeping operations in the Middle East, and pursuing confidence and security building measures with North Korea.

We look forward to the bilateral Summit in Tokyo in November and continuing to work with our Japanese Allies in promoting peace and stability in East Asia. A key outcome of the Summit will be a Security Declaration issued by the President and Prime Minister. We have agreed in principle to the Declaration and are working out the details of language that will establish publicly the basis for continued strong bilateral security ties.

(end text)

EPF307 10/25/95

CLINTON URGES REDEDICATION TO IDEALS, GOALS OF U.N. CHARTER
(Text: Proclamation of United Nations Day) (590)

Washington -- As the United Nations enters its second half-century, says President Clinton, "let us reaffirm the ideals, principles and goals" of the U.N. Charter and

"rededicate ourselves to working for the good of all humankind."

In a proclamation designating October 24 as United Nations Day, 1995, Clinton urged all nations to "work more closely together to fully realize" the charter's principles and to "commit to improving the organization's efficiency and effectiveness."

Following is the text of the proclamation, which was issued by the White House October 23:

(begin text)

Fifty years ago, at the end of the most destructive war the world has ever known, delegates from fifty-one countries met in San Francisco to establish the United Nations. Inspired by a common determination "to save succeeding generations from the scourge of war," the delegates recognized that their vision of a better world could not simply be defined by the absence of conflict, nor could peace be maintained without broad international cooperation. Thus they resolved to "unite our strength to maintain international peace and security," to "promote social progress and better standards of life," and to reaffirm universal human rights.

This year, the U.N., which now numbers 185 member countries, has continued its tradition of promoting peace and security around the globe. Its agencies are important instruments in the campaign to stop the proliferation of nuclear arms and other weapons of mass destruction. It works to provide security for the conduct of free elections. And United Nations troops strive to keep the peace in places of great importance to the United States -- on the Kuwait border, in the Mediterranean and in Europe.

We can also be proud of the U.N. agencies and programs that work to support sustainable development, protect the environment, battle the spread of disease, and promote human rights. In fighting the deadly outbreak of the Ebola virus, immunizing millions of children, and securing relief for hundreds of thousands of refugees, agencies like the World Health Organization, UNICEF, and the United Nations High Commissions for Human Rights and Refugees make important contributions to the international community.

The U.N. enters its second half-century of service facing new opportunities and challenges. If the nations of the world are to fully embrace these opportunities and overcome these challenges, we must work more closely together to fully realize the principles of the original United Nations Charter and must commit to improving the organization's efficiency and effectiveness. During this momentous anniversary celebration, let us reaffirm the ideals, principles, and goals contained in the Charter and rededicate ourselves to working for the good of all humankind.

NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim Tuesday, October 24, 1995, as United Nations Day. I encourage all Americans to acquaint themselves with the activities and accomplishments of the U.N. and to observe this day with appropriate ceremonies, programs, and activities furthering the goal of international cooperation.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-third day of October, in the year of our Lord nineteen hundred and ninety-five, and of the Independence of the United States of America the two hundred and twentieth.

WILLIAM J. CLINTON

(end text)

EPF308 10/25/95

MEMBERS PROMISE A REVITALIZED, SOLVENT U.N. FOR 21ST CENTURY
(UN50: Anniversary session maps vision for future) (1650)
By Judy Aita
USIA United Nations Correspondent

United Nations -- Reaffirming their commitment to the goals of the U.N. Charter, members of the United Nations brought to a close October 24 a three-day special commemoration of the world organization's 50th anniversary.

Kings, presidents, prime ministers, and other senior officials from some 180 nations stood at the granite podium in the soaring General Assembly Hall to mark the occasion with praise and criticism for the United Nations of the past and to sketch their vision for the future.

Adopting a seven-page "Declaration on the Occasion of the Fiftieth Anniversary of the United Nations," the members said that they are "determined that the United Nations of the future will work with renewed vigor and effectiveness in promoting peace, development, equality and justice, and understanding among the people of the world."

Looming over the festivities was the fact that the United Nations has been tottering on the brink of bankruptcy for several years because members owe almost $3,000 million. But in the declaration, the members said they "will give to the 21st century a United Nations equipped, financed, and structured to serve effectively the peoples in whose name it was established."

Secretary General Boutros Boutros-Ghali said "all of this attendance, this dedication, this hard work, show that the United Nations has the support of the citizens of the world and their leaders. I am convinced that together we can enable the United Nations to serve the world of the future."

The secretary general noted that 128 heads of state and government participated in the event -- the largest gathering of leaders in history. "Together," he said, "they have given the world an 'Agenda for Tomorrow,' an agenda covering every aspect of human society."

President Clinton opened the summit of world leaders October 22 saying that "no one is immune" to the death, destruction, and terror sown by international criminals, and he proposed a new agenda to address the challenges of the post-Cold War era -- terrorism, drug trafficking, organized crime, and the proliferation of weapons of mass destruction. He briefly outlined a new five-point program the United States is undertaking domestically to combat international crime and invited other nations to join the effort, especially by negotiating and endorsing a declaration on international crime that includes a "no sanctuary pledge" on terrorists.

The president also addressed the United States' $1,000 million debt to the world organization, saying that he is "determined that we must fully meet our obligations" while adding that all who care about the organization's future "must also be committed to reform."

"The United Nations has not been all that we wished it would be, but it has been a force for good and a bulwark against evil," Clinton said. "So at the dawn of a new century so full of promise, yet plagued by peril, we still need the United Nations. And so, for another 50 years and beyond, you can count the United States in."

Most countries echoed the United States' call for reform. Especially candid was British Prime Minister John Major who said "the world is changing and it is time for the U.N. to change with it." After the speech, aides named several U.N. organizations that the prime minister feels should be scrapped, including the U.N. Conference on Trade and Development (UNCTAD), the U.N. Educational, Scientific and Cultural Organization (UNESCO), and the Food and Agricultural Organization (FAO).

"Is the U.N. spread too wide? I believe it is. Is there too much waste and duplication between bodies? I believe there is. Are the priorities right for the 1990s? I'm not convinced they are," Major said.

Minnesota Historical Society