

# The Japanese Domestic Scene and Foreign Policy

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Ours is an era when the relation between a nation's domestic condition and its foreign policies has become increasingly close. Japan is no exception. That nation's post-1945 leadership, political institutions, and economic policies have combined with a cultural legacy, modified but still influential, to provide the foundations of contemporary Japanese foreign policy. While aspects of that foreign policy are now under intensive review and may undergo substantial alterations in the years immediately ahead, such development cannot diverge greatly from the indigenous sources that provide them with support.

## The Japanese Political System

What are the salient characteristics of the contemporary Japanese political system? Among the major industrial nations, Japan represents a political phenomenon. Despite a full range of political rights for the citizenry and an uninhibited competitive political party system, power has not been transferred via the electoral process in the more than three decades since the creation of the Liberal Democratic Party (LDP). Under conditions of political freedom, Japan has maintained the type of dominant party system only achieved in most other Asian societies through some degree of political restraint. Political stability in turn has enabled a continuity of social and economic policy rare in the modern world.

Many reasons can be advanced for conservative dominance in Japanese politics: the special nature of Japanese culture; the capacity to fashion a powerful coalition of interest groups; access to ample funds; the unequal election districts; the weaknesses of the opposition parties. It remains, however, that had not LDP policies been successful, and particularly the economic policies that bore its imprimatur, none of the other factors singly or collectively would have sufficed in all likelihood. It is also important to note that the special factional composition of the Liberal Democratic Party has enabled Japan to change leaders without changing parties. In essence, the

LDP is a federation of distinctive groups, each with a recognized leader. Coalitions between and among these groups form to choose the party president, who then proceeds to become the prime minister. A gentlemen's agreement, now buttressed by party regulations, normally prevents any given individual from holding these offices too long. Thus, rather than risking election with a leader that has expended his political capital, the LDP can present the voters with a different face from among the handful of political veterans that have awaited their turn for the top office.

Some observers have challenged the right of Japan to be called a democracy, arguing that unless a nation has experienced a transferral of power through elections, the democratic system has not been put sufficiently to the test. This is a curious argument. If the electorate is given the opportunity to choose among competitive parties in reasonably free and fair elections and signifies its general satisfaction with those in power, it has exercised its basic democratic right. More telling is the thesis that Japan is the archetypical bureaucratic polity, with administrative edicts and guidance dominating the political process in an authoritarian manner. It is true that officialdom has played a powerful role in Japanese governance in liaison with LDP leaders, many of whom have themselves come from an earlier bureaucratic career. Protected by the historic respect for officials, sheltered by a stable parliamentary majority and relying upon the personal network that connects individuals across organizational lines, Japan's political leaders, it is asserted, have been guided relatively infrequently by public opinion or even by private interest groups.

There is merit in this view, but two points must be immediately advanced. First, such groups as the agricultural cooperatives and the industrial federations have never been without influence in various branches of the Japanese government. Second, as all observers agree, recent years have witnessed the relative decline in the power of the bureaucracy, even such important agencies as the Ministry of International Trade and Industry (MITI), and the rise in the power of key interest groups and the professional politicians interrelated to them.

Indeed, for Japan, the process of democratization involves inroads into the ramparts of bureaucratic power rather than the extension of popular political rights. Whether a stronger public input in policy will result in better or more effective policy is a moot question. This is one of the several respects in which evolutionary change might lead to greater instability in future Japanese politics. Generally speaking, the advent of populist democracy gives rise to

more strident demands for early gratification with less attention paid to middle-or longer-range considerations. Populist politics may also sharpen class consciousness, especially in strongly hierarchical societies.

Earlier prediction of such developments or of coalition politics in Japan, however, have proven to be greatly premature. To be sure, two of the moderate opposition parties, the Democratic Socialist and the Komeito (Clean Government Party) have moved increasingly towards the LDP position on certain issues. Hence, they have been prepared to work with the government on occasion. Indeed, Diet procedures in general have gradually acquired a regularity and legitimacy enabling one to assert that parliamentarism has been institutionalized in Japan to the level of this institution in West Europe. Even the Japan Communist Party now resembles its West European counterparts in being willing to work within the prevailing system. While that is also true of the Japanese Socialist Party (JSP), the JSP remains frozen in the past with its left wing strongly ideological and largely divorced from the main stream of its society. At this point, therefore, an alternation in power is difficult to envisage.

If recent public opinion polls are used as a guide, however, Japanese citizens may be less firmly committed to the LDP as a party and to any given leader including Nakasone than is often assumed. Although a majority (nearly 52%) voted for LDP candidates in the July 1986 elections, a considerable smaller number regard themselves as committed to the LDP - 31% according to a December 1986 poll. By the beginning of 1987, moreover, only about 39% of the electorate believed that the Nakasone administration was doing a good job, and several months earlier, a majority wanted Nakasone to step down after another year or less. It should be noted, however, that no other party garnered support close to the LDP. The Socialists, Japan's second party, fell to 18% in the 1986 national vote, and at the end of 1986, the JSP garnered only 8% public approval. Slightly over one-third of the Japanese electorate now claims that it supports no particular party, and it is this vote that might make some future difference, although given its present strength, the LDP appears safe through the early 1990s at least.

It is clear that some of Nakasone's 1986 statements and actions eroded his popularity. The more intriguing question is whether Nakasone's political style, more individualistic and high-posture than that of any leader since Yoshida Shigeru, has captured the imagination of the Japanese citizenry. Or are most Japanese more comfortable with a less obtrusive, bureaucratic

leader? In any case, Nakasone's latter-day course was not consonant with public opinion. In recent polls, the Japanese public has given the highest ratings to price stabilization, tax reduction, and the improvement of social services - especially social security. There was far less interest in yen reevaluation and very little active support for increasing defence expenditures above 1% of GNP.

Such evidence as is available thus indicates that in raising Japan's posture in the world, Nakasone and other internationalists are ahead of Japanese public opinion - whether temporarily or in more fundamental terms remains to be seen. The data substantiate a fact commonly recognized. The impetus for change in Japanese policies relating to foreign relations is largely external. It does not stem from domestic sources. It is thus natural that Japanese leaders have had to exhibit caution in adjusting to foreign demands, especially since on some matters, they too harbor a reluctance to pursue risky alternatives. Consequently, the changes undertaken are never in time to obtain maximum political benefits. Indeed, when concessions are finally made, a new set of demands is already in the offing, and foreign judgment has been that Japan must be treated roughly to obtain results.

## **Economic Strategy**

To probe more fully the source-springs of Japanese foreign policies, one must turn first to the structure and current status of the Japanese economy, and then explore select aspects of Japanese culture, particularly those aspects that bear upon the psychological attributes of mainstream Japanese. The broad outlines of Japanese economic strategy in the post-1945 era are sufficiently known to require only brief treatment here. Utilizing select aspects of its past, including nearly one hundred years' experience with industrialization, and taking advantage of the reforms and subsequent assistance provided by the United States, Japan aggressively pursued an export-oriented policy aimed at taking advantage of the favorable ratio between the prices of energy/industrial materials and those of manufactured products.

It was also aided by the prosperity of the advanced West, especially the United States, and the open markets afforded to it. Internally, a combination of universal literacy, an ample labor force, skilled management, and a harmonious, semi-paternalistic factory system conducive to industrial peace

were of signal benefit. As a part of their cultural heritage and reinforced by current necessity, moreover, the Japanese were attuned to adaptation. They had no need to be pioneers at this point, providing they could be aware of those ideas that had a future and could make them marketable. In addition to their skills, Japanese labor and management alike had a work ethic that rivalled that of any society, and a relatively spartan life-style enabling the Japanese savings ratio to soar above that of other industrial societies. These funds were available for industrial expansion. And such expansion not only gave rise to an entire new generation of large-scale high-tech industries, but also to a myriad of small and medium enterprises, draining off surplus labor from agriculture.

These were the foundations upon which the so-called Japanese miracle arose. Today, there are some clouds on the horizon. At least for the present, Japanese overall growth hovers around 2.5%, and unemployment at approximately 3% is high measured against the recent Japanese record. Japan's major smokestack industries - steel, ship-building, and textiles - face the same type of competition from such Newly Industrializing Countries (NICs) as the United States and Europe have faced from Japan in recent decades. Perhaps the most serious problem, however, is the widespread criticism of Japan internationally as a nation oblivious to its responsibilities as a global economic power, continuing to sustain a largely closed market system at home while practicing unfair, predatory economic activities abroad. Retaliation in various forms is thus constantly threatened.

Meanwhile, Japan has finally bowed to sustained American pressure and acquiesced in the rapid acceleration of the yen against the dollar in addition to engaging in further market-opening measures, especially in the financial sector. More significant, however, has been the flood of Japanese investment abroad, and especially in the United States. It is Japanese funds that permit the United States to live above its means. With the rapid growth of interdependence between the United States and Japan, the politics as well as the economics of this bilateral relationship are being altered. Indeed, some observers are now using the term "integration" in speaking of the relationship of the two economies.

What does the future hold? Experts differ in their assesment of the short-to medium-range prospects for the Japanese economy, but there are reasons to believe that despite problems, Japan will handle the difficult transitional era confronting all major industrial powers with more skill and success than most, if not all, others. Both government and the private sector know that the

premium must be upon high-tech and knowledge-intensive industries, with the service sector steadily rising in importance. This will place Japan in ever more intensive competition with the United States, a competition moderated in some degree by the interdependence just noted. To prepare for this battle, the Japanese assets are considerable. A very high savings ratio persists although various measures to encourage an expansion of the domestic market are under way. A huge trade surplus continues despite fiscal and market-opening measures. Japan's expenditures for research and development continue to rise, and are now second only to those of the United States. In certain fields, Japanese technology leads the field. Efforts to automate some traditional industries to improve their competitiveness, to shift others overseas, and to phase out still others are taking place. Relatively uninhibited by stockholders, moreover, most Japanese industries are fighting to retain market-share, sacrificing high profits. And despite reports to the contrary, there are few indications that the Japanese work ethic is seriously declining.

Complex issues do loom up. Foreign pressures upon Japan to change its economic strategy, even its culture, to permit more equitable economic relations will be unremitting. If results are not satisfactory, retaliatory measures will follow. And from within Japan, demands are rising that measures be taken to improve the quality of life. Whatever the statistics may say about the collective wealth of Japan, the average Japanese does not feel rich - a fact powerfully conditioning his attitude towards the various sacrifices on behalf of international amity he is being asked to make. Housing in particular is a major problem, with the extraordinarily high price of land inhibiting resolution. Japan desperately needs land reform of a new type.

The Japanese population is rapidly ageing, with the labor market destined to shrink in the years ahead. Among other things, this is certain to increase the demand for state-supported social services. Higher taxes, however unpalliative, seem inevitable. Indeed, all of these factors are already present on the Japanese political stage. Whatever remedial measures are taken, moreover, the competition from dynamic, still youthful societies moving into industrialization can only grow. Among them at some point will be China. One of the reasons why the Japanese are cautious in transferring technology to this giant is their concern about what is called the boomerang effect, namely that this technology will come back to Japan in the form of cheaply produced, high-quality goods. But this is a principle that will apply far more widely.

Yet when all of the hazards are assessed, the odds favor a relatively

successful adjustment. The combination of continuing political stability, sound economic policies, a correct sense of problems, and the willingness - along with the capacity - to effect changes when required, together with a relatively good relation between government and the private sector, is likely to see Japan through the difficulties ahead. However, these factors will not necessarily make the commitment to genuine internationalism stronger.

### **The Cultural Factor**

To appreciate additional facets bearing upon the latter consideration, let us turn to those elements that make up the Japanese collective personality and mind-set. Admittedly, this is a hazardous undertaking. The literature is filled with quackery and overly facile generalizations about Japanese attitudes and behavior, some of them advanced by Japanese. Cultural stereotypes are at best approximations, never wholly accurate nor universally applicable. Yet it seems correct to describe Japanese behavior in general as characteristic of the introverted individual most comfortable when operating within his primary reference group. Moreover, hierarchy is still a vital element within Japanese society, imbedded in language, family, and social relations at large. Thus, the concept of equality, whether in domestic or foreign relations, is a difficult principle to handle. In addition, racial homogeneity, a tradition of exclusiveness, and the possession of a culture both unique and satisfying in its major dimensions, combine to produce a strong racial consciousness. It is "we" versus "they", with racial stereotypes - hence, prejudices - strongly in evidence. In this respect, Japanese do not differ greatly from most other East Asians.

In recent years, moreover, one can witness the reemergence of Japanese nationalism. At an earlier point, the trauma of total defeat in war brought out reflections upon Japan's leaders and institutions that were strongly negative. Feelings of inferiority and an accompanying pessimism were omnipresent in the initial postwar years. These sentiments supported accommodation to the reforms introduced by the American Occupation and also facilitated the acceptance of sacrifice on behalf of a brighter future. After decades of success, however, the Japanese mood is different. Younger generations are proud of being Japanese, relatively confident about their future, and unafraid to be compared with others. As they look abroad, they are prone to define much of Europe as decadent, the United States as a spoiled young adult threatening

his health with overindulgence, China as still incapable of putting its act together, and the Russians as the latest barbarians threatening their region. The noisy ultra-nationalists who seek a restoration of the past are a tiny minority and likely to remain so, but there is a new nationalism in Japan that must be factored into the political scene, present and future.

### **Japan's International Role**

Against this background, one can understand why Japan, while having become an international economic power, has yet to develop truly international attitudes and policies. This is not to say, however, that Japanese foreign policy has remained static. Partly as a result of the leadership of men like Nakasone, partly as a response to the prodding of the United States and other nations, partly as a product of those needs and opportunities that flow naturally from its phenomenal growth, Japan is moving toward expanded responsibilities and higher visibility in regional and international affairs. The domestic debate centers primarily upon the pace of these developments, and the precise mix of economic, political, and military commitments that should be undertaken.

Perhaps the clearest evidence of Japan's rising posture is to be found in Northeast Asia. Here, we can see the emergence of a soft regionalism with Japan at its vortex. It is "soft" because it lacks a formal organizational structure, nor is it likely to have one in the foreseeable future for political reasons. But that makes it none the less important. The extraordinary growth of an economic network throughout the region, cutting across ideological-political lines, is its chief symbol, and in this trend Japan has played a critical role. Vital economic ties now exist between Japan and China, Japan and South Korea, and Japan and Taiwan, in addition to those between China and South Korea, and China and Taiwan. While North Korea tilts economically to the Soviet Union, as does Mongolia in even more decisive fashion, Japan has economic ties with both socialist states, bonds that may be of greater importance at some point in the future.

Northeast Asian regionalism is not exclusively economic. High-level political visits have greatly expanded in recent years. Again, Tokyo has played a meaningful part, hosting Chinese and South Korean leaders, and reciprocating such visits. Less visible but continuing political connections with Taiwan and North Korea have been maintained semiofficially via Diet



"friendship committees". These ongoing contacts have enabled discussions of pressing political and security as well as economic problems relating to the region, with messages transmitted to relevant parties.

Even in the security realm, Japan currently plays a regional role. In addition to acceptance of responsibility for sea and air surveillance to its east and south, and closer collaboration with the United States in joint military planning and exercises, activities related to contingencies beyond Japan proper, Japanese Self-Defense Force authorities have conferred with their Chinese and South Korean counterparts, both at home and overseas. While the Soviet charge that a Northeast Asian NATO is under way is a considerable exaggeration, low-level security ties are developing. Japan now probably has the fifth most significant military force in the world, measured in terms of the capacity of its weaponry although its thrust is wholly defensive, with the most limited offensive capacities.

In all of Japan's regional activities, the United States remains a key element. U.S. economic relations with each of the regional states except North Korea are vital. Its political ties are also of importance, especially those with Japan and South Korea. In addition, its bilateral security agreements with these two nations, together with its role as a countervailing balance to the greatly augmented Soviet military presence in the region and its low-level security ties with both China and Taiwan constitute an irreplaceable factor in the regional security structure.

The Soviet Union must also be accounted a regional force of importance. In addition to its military presence, Gorbachev's efforts to add economic and political increments to its Asian policies open up new vistas, both of opportunity and threat. The superpowers are thus far from peripheral elements in the Northeast Asian scene. Yet Japan's position in the region had changed not merely in degree but in kind over the past several decades.

There is also ample evidence to indicate that Japan has begun to exert a greater influence in southern Asia, using carefully circumscribed techniques. It is in the economic realm that Japan excels here, having become the leading trader and investor throughout much of the region. To travel in rural Thailand or Malaysia, for example, and to witness the plethora of Japanese transistor radios, television sets, motorcycles, and pickup trucks is to realize that the truly revolutionary agent in rural southeast Asia is Japan, not the Communists. Japanese economic assistance, official and private, is now a substantial element in the planning of most Southeast Asian states. Such aid, moreover, is political as well as economic in its implications. To provide

assistance to the Philippines or to withhold it from Vietnam represents a political act of major import.

Using this reasoning, Japanese spokesmen have long asserted that they can make substantial contribution within the framework of *comprehensive security*, specializing in those economic actions that on the one hand bolster the stability of friendly developing states, and on the other hand deter aggressive behavior where it is in evidence. As with certain West Europeans, moreover, a number of Japanese argue that to draw various socialist states into the orbit of the market economies will be to induce complexities in their decision-making processes and enable a general reduction of tension, a view gradually shared by the United States in some degree. In any case, Japan advanced its economic role as a substitute for the type of military role unacceptable either to its own people or to other Asians. To economic policies, however, the Japanese government is willing, indeed eager, to add enhanced cultural interaction. Southern Asians are brought to Japan in increasing numbers for training, and in turn, various forms of Japanese culture are transmitted to the region.

Viewing recent trends, some observers have remarked that Japan has at last achieved the Greater East Asia Co-Prosperity Sphere that was its earlier objective, and done so without the costs previously attached. There are some parallels, but the analogy is basically misleading. The Japanese crusade which opened in the 1930s aimed to drive the West out of Asia in every respect, making the region an exclusive Japanese sphere of influence. Today, Japan is indeed a formidable economic competitor with the West throughout the region, but if its interests are to be served, it must have the political-strategic cooperation of the West, and especially of the United States. It cannot take up a commanding political or security position even if it desired to do so. The rest of Asia as well as Japan has changed. There is no Western imperialism to overthrow, no vacuum of power to fill. On the contrary, only with an American strategic presence can Japan pursue its economic interests with confidence.

While Japanese policies toward the Third World are focussed primarily upon the Asian theater, Japan's global economic reach dictates worldwide operations, in some cases with political as well as economic purpose in mind. Assistance to Egypt and Turkey are cases in point, as was the abortive effort to influence Iran. Japanese interest in the Middle East is natural, given its heavy dependence upon oil from this area. Activities in Africa and Latin America are more strictly economic in scope.

Economic factors have caused Japan to devote more time to its relations with West Europe, but essentially, it views these relations as part of its general interaction with the advanced industrial world headed by United States. It is with the three states that bear most directly upon Japan's economic, political, and security interest to which greatest attention must be given - namely, the United States, the Soviet Union, and China. It is appropriate, therefore, that we turn finally to these bilateral relations as well as to the linkages that in some measure connect them.

### **Japan - U.S. Relations**

The Japan-U.S. alliance is the single most important bilateral relation held by either nation today. While the marriage has been and will continue to be stormy, there will be no divorce. The combination of economic interdependence and strategic dependence will serve to make a dissolution of the ties impossible. At the same time, since the current economic problems are systemic as well as policy-derived, no sudden solutions can be envisaged. For both societies, structural changes are essential if economic health is to be preserved or attained. For the United States, serious attention must also be given to fiscal and budgetary policies, with the recognition that the status of the American economy will affect relations with many nations, including Japan.

At this writing, it appears that such protectionism as is applied by the United States will be hinged to the economic policies of individual countries and the status of their interaction with the United States. Administrative discretion will probably be considerable. Fairness and reciprocity will continue to be the code words. Meanwhile, various efforts to ameliorate grievances are under way in Japan, as noted earlier, and American authorities have belatedly acknowledged the need to face up to budgetary deficits and insufficient revenues, albeit with limited success thus far.

On the political and security fronts, Japan's relation with the United States are more harmonious than at any time since the alliance was fashioned. Where political disagreements exist, as with respect to Middle East policies, discretion on the part of Japan is observed. In general, however, Japan and the United States have a similar list of political desiderata. Meanwhile, Japan has moved with some increase in tempo to accede to American requests that it do more on behalf of its own defence. Even now, the United States has not

made it completely clear as to what it wishes Japan to do in the course of the next decade, but coordinated defence planning and exercises have advanced, Japan has agreed to participate in SDI and crept over the 1% barrier, and Prime Minister Nakasone has spoken out more forcibly on Japan's obligations as a security partner than any of his predecessors.

Undoubtedly, the future of Japan-U.S. relations will be marked by an intricate mix of competition and cooperation. Current tension, particularly in the United States, runs high, and incidents like the sales of proscribed items by a Toshiba subsidiary to the Soviet Union add fuel to the fire. If we assume that these two nations, and the world, can avoid serious, sustained economic reverses, however, the American-Japanese relationship will survive the present crisis. In its competitive as well as its cooperative aspects, moreover, it will force economic reforms in each society even as it contributes to the growth and security of the Pacific-Asian region.

## **Relations Between Japan and the Soviet Union**

Relations between Japan and the Soviet Union have followed a very different course, and dramatic change is not in the offing. It is well to remember that Japan and Russia have fought two declared wars and engaged in a series of undeclared conflicts in the course of this century. There has been a history of almost unalleviated hostility and mistrust from earliest contacts, and the memory of this history is deeply etched into the consciousness of both people. As the younger generation would put it, the vibes are not good. Beyond this, there are few factors on the immediate horizon that would support major improvements at this point in time. Economically, to be sure, meaningful interaction can be envisaged. Japan could play a major role in the development of Siberia, and indeed, in the modernization of other parts of the USSR. In exchange, it could utilize some of the energy sources, industrial materials, and food products, especially marine products, of the USSR. Depending upon the outcome of the economic reforms now being attempted by Gorbachev, this may come to pass at some future time. For the near future, however, technical as well as strategic considerations block the path. As Japan moves in new economic directions, its need for Soviet raw materials is declining. The Soviet capacity to pay for Japanese assistance is correspondingly affected. If economic intercourse is to increase significantly in the years ahead, moreover, it must be encased in a new environment. At

present, the USSR is rightly regarded by Japan as the primary security threat. While the Japanese do not fear a Soviet invasion, they are aware of the fact that Soviet power in overwhelming quantity now rests on their doorstep. The Russians in turn view Japan as a forward American base, harboring the military capacity to bottle up the Soviet Far Eastern fleet and eliminate key Siberian air bases if not countered. In every sense, Japan is a front-line state. Thus, they have limited incentive to make concessions on the Northern islands, although this possibility will unquestionably continue to be considered.

In part, the future of Japan-USSR relations will hinge upon trends with respect to relations between the United States and the Soviet Union. If the latter relations improve, and tension is reduced globally, with sizeable reductions in arms, conditions will have been prepared for a new era in Japanese relations with their northern neighbor. Even under these conditions, however, normalization is likely to be approached with wariness and restraint on both sides.

### **Relations Between Japan and China**

Relations between Japan and China present a more promising prospect. When Deng Xiaoping spoke of these relations a few years ago, he remarked that they were the best in this century. That is not saying a great deal, since Japan's relations with China have been almost as conflictual in the past century as those with Russia. However, they have been a great deal more intimate at times, with strands of cooperation as well as hostility. As the century comes to a close, Japan fully expects to be the principal vehicle for China's modernization in the decades ahead. In a variety of ways, both the Japanese government and private sector are preparing for that task. Now and for the foreseeable future, moreover, there are few political or security obstacles. While their political systems and stages of development are radically different, Japan, unlike the United States, has no emotional need to conduct missionary work on behalf of democratization. Unless the Chinese political environment produces the type of instability that would be harmful to Japanese economic activities, the Japanese will not concern themselves overly with Chinese political trends. And from the Chinese viewpoint, Japan is not likely to be a security threat.

None of these facts point to Pan-Asianism of the type that certain Japanese

and Chinese envisaged during the early years of this century. That concept is passé if indeed it ever had meaning. In addition to the factors mentioned earlier, certain reservations are presently harbored by both Japan and China about each other, reservations not likely to disappear. Indeed, in the recent past, Sino-Japanese relations have cooled somewhat. Many Japanese remain uncertain about the result of China's modernization efforts. Thus, the private sector has drawn back from investment in China. On the other side of the coin, virtually all Japanese are alert to the competitive potential of China in the economic sphere and, beyond this, to the potent force of Chinese nationalism which, if harnessed to power, military as well as economic, could exert enormous pressures throughout the region. Thus, Japan wants China to make progress - slowly.

The Chinese have their own reservations. While they are not as deeply worried about Japan's remilitarization or the signs of a resurgent nationalism as their rhetoric sometimes suggests, they do have concerns - as witness - the alacrity with which they attacked Nakasone's visit to the Yasukuni Shrine and revisionist textbooks produced in Japan in relating to wartime events. There is a resentment, moreover, of Japanese economic aggressiveness and what is perceived on occasion to be Japanese sharp dealing in the economic sphere. Thus China hopes to keep economic intercourse with Japan within certain bounds despite its very considerable needs. Moreover, they are very irritated at Japan's continuing strong ties with Taiwan, including extensive Japanese investments there, and a network of unofficial political ties. As in the case of the United States, Japan is following a de facto one-China, one-Taiwan policy in China's view.

## Conclusion

In surveying Japanese relations with the major states, one is made aware of a seeming paradox. Japan is in the process of expanding its foreign relations, reluctantly preparing for increased costs and risks, at a time when other nations are seeking to reduce the costs and risks of their foreign policies to concentrate more substantially upon pressing domestic problems. In considerable part, Japan's contrary trend relates to the position from whence it is coming in comparison with others, as well as to the pace and dimension of its recent growth in power, hence influence. Nevertheless, it is yet another factor conducive to deep soul-searching on the part of the Japanese leaders

and the public, as they ponder the appropriate role for their society in a profoundly revolutionary era.

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