

Japan's Resources Faction Has Come To The Fore Again

JAPAN

We reprint below sections of two articles from Japan's second largest newspaper Yomiuri outlining the crisis Japan's resources faction members (the 'shigenha') are facing in the quest for resources outside the control of the Rockefeller's multinational corporations.

The articles reflect discussions in Japan's top business circles to join the Europeans and Arabs in a break with the dollar monetary system. In the last month, the Japanese have sent major business missions to the Third World, in particular Latin America. Recently Toshio Kimura, Tanaka's former finance minister met with Venezuelan President Carlos Andrés Pérez in Caracas to work out agreements for increased export of Venezuelan crude oil to Japan, free of multinational marketing networks. Japan's Prime Minister Takeo Fukuda is under intense pressure from the shigenha, a fact which should make Fukuda's Washington visit later this month a very interesting affair.

"Energy Policy 'Envoys' Become Active Again"

*Yomiuri, March 7
by Yoshiya Sato*

The group of economic leaders known as the 'shigenha' (resources development advocates) has become active again after two years of silence, reflecting the business world's sense of crisis over the stagnancy of Japan's energy policy.... The business leaders dubbed 'shigenha' are those who have made a great point of securing stable supplies of natural resources from abroad. Especially during the Tanaka government, they would hop actively around the world to facilitate import of resources development projects between Japan and resources-rich countries.

Rated among the most influential members of the 'shigenha' group are Sohei Nakayama, counselor of the Industrial Bank of Japan, who successfully established the Japan Oil Development Company after securing drilling rights in Abu Dhabi; Hiroli Imasato, Chairman of the Board of Nippon Seiko, who represented Japan in the negotiations with the Soviet Union on Siberia's Tyumen

oil field development project; and Hiroshi Anzai, Chairman of the Board of Tokyo Gas Company, who has dealt with the problem of developing and importing natural gas in Sakhalin.

Others include Soichi Matsune and Yoshiro Inayama, Chairman of the Board of Alaska Petroleum Company and Nippon Steel Corporation respectively....

Their retreat during the period of the Miki government had a great deal to do with the stance that government took toward them.

It was simply because they had been authorized by the Tanaka administration to act on behalf of the government that the 'shigenha' businessmen were able to conclude agreements with foreign governments and companies on resources development projects.

In advance of their departure for resources-rich countries, they would always have prior consultations with the government, so that they were empowered to make such promises that Japan would give the foreign countries concerned special government loans or low-interest financing by the Export-Import Bank of Japan if they agreed with the proposed resources development.

Should they have gone abroad empty-handed without any official mandate, no foreign government would ever have regarded them as prospective partners in large-scale resources development projects.

Since the Tanaka government made much of furthering Japan's investment and development projects overseas, the 'shigenha' businessmen were able to have a lively time of it.... Not that Miki himself paid no heed to the problem of securing natural resources, but he was under the pressure of dealings with the domestic political imbroglio caused by the Lockheed scandal and hardly able to promote resources policies.... What was lost because of the two year's absence of an energy policy, however, is great indeed. According to government estimates, Japan will be in need of 500 million kiloliters of petroleum a year in and after 1985, that is twice as much as the present consumption. But measures to secure supplies of such a huge amount of petroleum have yet to be worked out.

Meanwhile, prospects are extremely slim for achieving the government-set target of expanding the nation's atomic power generation capability to the level of 49 million kilowatt-hours by 1985.

With these circumstances as the backdrop, it can be said the 'shigenha' businessmen have come to the fore again....

“Saudi Mission Worries Gov’t., Business Leaders”

Yomiuri, March 7
by Mitsuo Kono

Business and government leaders have rapidly become very much concerned about Saudi Arabia since a recent visit to Middle East nations by an influential economic mission composed of business leaders and headed by Shigeo Nagano, president of the Japan Chamber of Commerce and Industry and honorary president of Nippon Steel Corporation....

Business leaders had taken it for granted that Saudi Arabian people would respond favorably to the visit of such an influential Japanese economic mission.

True, Oil Minister Yamani received the mission with a sunny smile, but Planning Minister Nasser, leader of the nation’s industrialization projects, it is said, took an attitude quite alien to international friendship toward the mission. He received only limited members of the

mission and made time for only less than 20 minutes of talks.... Many members of the mission actually felt the distrust the Saudi Arabians have of the Japanese only after they were treated in a cold way by Planning Minister Nasser....

Concern about Saudi Arabia has arisen from this humiliating experience. More accurately, this experience has given rise to national consciousness of the crucial need to secure a stabilized supply of oil.

A member of the mission said: “Japan depends upon Saudi Arabia for one-third of its imported oil, while nearly all of the U.S. oil imports come from Saudi Arabia. Hence, there is a possibility of a struggle for oil taking place between Japan and the U.S. in the near future.

“Japan will be completely defeated in the struggle since the Japanese have made little contribution to industrialization efforts in Saudi Arabia, whereas the U.S. is on intimate terms with Saudi Arabia.

“Where shall we be if Saudi Arabia hesitates to supply oil to Japan in an emergency? I spend sleepless nights out of anxiety.”