

# Nakasone visits India

*Asia's two most powerful democracies agreed to collaborate on questions of peace and development, reports Susan Maitra from New Delhi.*

By any measure, Prime Minister Yasuhiro Nakasone's May 3-6 visit to India was a historic event. The effort to establish an active relationship with India caps a series of foreign-policy initiatives taken by the Japanese prime minister in the past year to make Japan "an international state," as Mr. Nakasone expressed it to the press at the conclusion of his stay in New Delhi.

"I have been determined to use Japan's economic power to make a contribution to the world," Mr. Nakasone told reporters. "India is an influential member of the non-aligned and neutral countries' group. Japan is an advanced democratic country in Asia. The potential for dialogue between our two countries having an effect on world politics in the future is great. I believe the talks served as a starting point in that direction."

Mr. Nakasone's diplomatic initiatives have taken him on a tour of the Southeast Asian nations and, most recently, a visit to China. Predictably, some here have already moved to discount the Japanese leader's initiative toward India on the grounds that the pledge of \$2 billion in credit to India, equivalent to the amount already extended to China, was not forthcoming. But while the actual accomplishments of the visit will only be measurable in the months ahead, there is no question that Prime Minister Nakasone's talks in New Delhi were, in a different way, equally ground-breaking.

In the first place, the talks between Nakasone and Indian Prime Minister Indira Gandhi, a leader of the 101-nation Non-Aligned Movement of developing countries, were frank and extensive. There were two official sessions and several informal discussions—covering the basics of each government's perceptions of programs in foreign, defense, and economic policies. Though elementary, this exercise was vital for the leaders of two such important Asian countries which have had virtually no contact or concern for each other for decades.

A commitment was made "for constructive cooperation" in the international arena, as Prime Minister Nakasone phrased it to the press. The cooperation will focus on world peace, in particular nuclear disarmament, and the North-South dialogue.

The third area of cooperation, the extension of bilateral economic ties, has also been given a big boost. In promising

an increase in the yen-credit assistance this year, a second high-level investment mission within months, and an experts' forum from the two countries on science and technical cooperation "at the earliest," Prime Minister Nakasone put his weight behind the naturally slow and cautious decision-making wheels of Japanese foreign investment.

Gandhi, calling the Japanese prime minister's visit a "turning point," has accepted Nakasone's invitation for a state visit to Tokyo in the near future.

## **Economic cooperation potential**

Prime Minister Nakasone arrived in India on May 3 following a three-day visit to Pakistan. His delegation included Foreign Minister Shintaro Abe, Deputy Foreign Minister Toshijiro Nakajima, and other senior officials, as well as four senior members of the Diet (parliament) representing the major factions in the Liberal Democratic Party and its coalition partner, the New Liberal Club. Tomoharu Tazawa, Morizoshi Sata, and Akira Fukida, representing the Nakasone, Tanaka, and Fukuda factions respectively, and Takashi Kosugi of the New Liberal Club held a meeting with Congress-I General Secretary Rajiv Gandhi and also met with Prime Minister Gandhi.

For the Japanese prime minister, the visit had multiple significance. At the dinner hosted by Mrs. Gandhi in his honor on May 4, Nakasone recalled his first visit to India in 1957 as a member of parliament accompanying then-Prime Minister Kishi.

In statements to the press on May 5, the Japanese prime minister underlined his admiration for the "very drastic changes" that have taken place since he last visited India. Nakasone pointed to the fruits of the successive Five-Year Plans which have guided India's attainment of high-technology industrial capabilities and to the monumental success of the Green Revolution program. He also hailed the very ambitious programs of the sixth Five-Year Plan now being implemented.

India has made no secret of its desire for Japan to play a greater economic role here. In her own remarks at the banquet for Nakasone, Prime Minister Gandhi emphasized that the phenomenal progress made by Japan had compelled other

countries to rethink their views on the motive force of growth. India, she added, would like to learn Japan's technological advances, while India's own growth provided opportunities for Japan and other industrialized nations.

In their official talks, Mrs. Gandhi made it a special point to review and explain India's economic development plans, and, according to Nakasone, specifically expressed her hope that Japan would extend greater economic cooperation to India against the background of the liberalization policy (for technical collaboration, technology import, and investment) adopted by her government.

Japan is a powerful member of the Asian Development Bank to which India has applied for a \$2 billion loan, and also has a voice in the councils of the International Monetary Fund and World Bank where there has been an effort of late to bar India from the concessional loan window and force her into the commercial market for credits—a move some argue will end up throwing India into the position of the large Ibero-American debtors.

In recent years, moreover, Japanese industry has become increasingly interested in the prospects for investment in India, with its huge domestic market potential, as cumulative development programs provide the basis for a broadening of India's industrial base and jumps in standard of living. Presently, Japan's pace-setting investment is the high-profile joint venture to produce a small new Indian automobile, the Maruti. Japan's Suzuki firm signed the agreement in 1982 with the Indian public-sector undertaking, Maruti, formed by the late Sanjay Gandhi, to manufacture the new car. Late last year, the first Marutis drove off the assembly line with the blessings of Prime Minister Gandhi and Deputy Foreign Minister Nakajima, generating widespread enthusiasm for industrial collaboration with Japan.

### **Obstacles to overcome**

India has also been quite straightforward in recent years about its desire for increased scientific and technical cooperation with Japan. Indian leaders are aware of the tremendous untapped potential in a pooling of the two countries' formidable scientific and technically skilled manpower, and India has forwarded numerous proposals for such cooperation to Tokyo. There they have apparently fallen victim, along with other foreign scientific cooperation agreements, to jurisdictional battling among the various Japanese ministries.

In his speech to the parliament, Prime Minister Nakasone referred to the strides India has taken in broad areas of science, particularly space and the sciences related to Antarctica. In his concluding remarks to the press, Nakasone put on the record the commitment to convene an experts' forum on science and technology cooperation in diverse areas—"such as nuclear science, materials science, and the sciences related to Antarctica."

An experts' group under the direction of Prime Minister

Gandhi's principal secretary, Dr. P. C. Alexander, and his Japanese counterparts meanwhile reviewed the status of the 1984 yen credit, i.e., the foreign aid Japan extends through the Aid-India Consortium. India has submitted a number of projects for assistance, with a natural-gas pipeline from the Bombay High field to service fertilizer plants in Gujarat at the top of the list. The various projects as well as proposals for collaboration in transport and electronics, among other things, were reviewed by the experts, which from the Indian side included the secretaries of the Commerce, Steel, Petroleum, Finance, Science and Technology, Heavy Industries, and Agriculture ministries.

### **'Constructive cooperation' internationally**

In the official talks at all levels, a detailed review of the respective nations' evaluation and policies was conducted. As Nakasone reported it to the press, he explained to the Indian prime minister that Japan is a country with two important positions: first, it is a member of the so-called free world, and second, it is a member of the Asian group of nations. Nakasone explained in detail Japan's defense policy and the basis for its security pact with the United States—a perennial source of misunderstanding and suspicion here.

Nakasone explained to Mrs. Gandhi that because Japan was a part of Asia, and in view of "troubles" it caused neighboring countries during the Second World War, as well as the fact that it had only recently emerged from a developing to a developed country, Japan was doubly determined to use its economic strengths on behalf of the developing nations.

Both sides were candid from the outset about the fact that there are areas of disagreement, for example with regard to the evaluation of the Soviet role in the global political situation. Referring to the Bandung principles of the Non-Aligned Movement with respect to sovereignty and peaceful co-existence, Nakasone reiterated that "we have no major differences over these." Differences arose, he explained, over how to implement these principles. On the subject of India's friendly relationship with the Soviet Union, Nakasone simply stated that "we have deeply understood the basic position of India and on the basis of this recognition we shall respect that and continue with our discussions."

The two nations' foreign ministers and their aides undertook what appeared to be a region-by-region review of the world, explaining and comparing analysis and policies in each case, and exploring the potential for cooperation. In particular, Indian Foreign Minister Rao briefed his Japanese counterpart Abe in detail on the historical background and current status of India's relations with China. The newly formed South Asia Regional Cooperation Group was also discussed, and the possibility of Japan's establishing a dialogue with this group analogous to its relationship with ASEAN was put on the table. While cooperation in the areas of nuclear disarmament and North-South relations was pledged, no specific joint measures were discussed.