

Tokyo braces for new round of Japan bashing

by Jeffrey Steinberg

The author just returned from a two-week tour of Japan, where he lectured on the Gulf war, and met with Japanese political and business leaders.

Although both houses of the Japanese parliament have passed the \$9 billion aid pledge to the United States to finance the just-ended Gulf war, the prevailing view in Tokyo is that relations with the Bush administration are about to take a turn for the worse. The *Sunday Mainichi* of March 3 bluntly observed: "The voices of those who say the end of the Gulf war will herald the beginning of a war between the U.S. and Japan are growing louder. This time, however, the war will not be military, but economic."

The same week, the *Yomiuri Shimbun*, Japan's largest daily newspaper, editorialized: "U.S. dissatisfaction with Japan's response to the war, combined with the economic recession, has caused more complex economic problems than ever before between the two nations."

Privately, Japanese business and political leaders are even more worried. Some admit that the war was not about Kuwait, but about control over the flow of Mideast oil and other raw materials; and that the American-led action was directed as much against Germany and Japan, the United States' two great perceived economic rivals, as against Saddam Hussein.

The Japanese elites recognize that the \$14 billion pledged so far to the American Gulf adventure is merely a down payment on a long-term mortgaging of Japan's resources to Pax Americana. When this author predicted to several leading Japanese think tankers that Ambassador Michael Armacost would be back again on April 1 demanding the next installment of money to finance the latest U.S. military adventure, they agreed without hesitation. In effect, Japan is being asked to finance a war that was directed in large measure against Japan itself.

The latest \$9 billion payout to the Bush war chest came close to bringing down Prime Minister Toshiki Kaifu's government. After weeks of behind-the-scenes deal-making, the ruling Liberal Democratic Party reached an agreement with the two largest opposition parties, the Buddhist Komeito Party and the Social Democratic Party. In return for their votes for the \$9 billion pledge in the upper and lower houses of parliament, the LDP agreed to take some of the costs of the pledge out of Japan's defense budget, to hold off on any new personal income taxes, and to support a joint candidate

with the two other parties in the upcoming elections for the governor of Tokyo Prefecture.

Although the deal forestalled a government crisis, it also signaled that Japan's ruling elite is not ready to take on the Bush administration. Rather, it appears that Japan will continue to placate the Americans while attempting to blunt the impact of the ongoing extortion and economic warfare against the Japanese economy. In intelligence parlance, this is called "damage control."

Global Infrastructure Fund

Some of Japan's leading industrial groups continue to push an alternative policy, far more in keeping with their long-term economic and security interests.

On Feb. 28, the *Japan Times* gave prominent coverage to an upcoming international conference in Tokyo of the Global Infrastructure Fund, a plan launched in the late 1970s by the Mitsubishi Research Institute. The GIF plan calls for a series of large-scale infrastructure development projects, like the Kra (Thailand) and Second Panama Canals, and massive fresh water and hydroelectric development in Central Africa, Egypt, and South America. Under the terms of the GIF proposal, an annual development fund of \$13 billion would be put up by the major industrialized and oil-producing countries to transform the world's infrastructure and fuel economic growth on a global scale.

In September 1990, the Japanese government formally endorsed the Mitsubishi Research proposal and set up the GIF Research Foundation. GIF research director Norio Yamamoto told the *Japan Times*, "GIF's macroprojects should be carried out as a crash program, just like the U.S. Apollo Program in the 1960s." The article continued, "Yamamoto said the proposed GIF fund should be separate from existing international organizations, such as the United Nations and the World Bank, because these bodies have become a scene of international conflicts of interest and are unsuited for the GIF philosophy."

Yet, there are no signs that the Japanese are about to make a serious intervention to force the plan into implementation. One critical test of Japan's willingness to change the rules of the Anglo-American-rigged global game is the upcoming summit meeting between Prime Minister Kaifu and Soviet President Mikhail Gorbachov on April 16-18. Moscow is desperate for infrastructure development, a point at least temporarily grasped by Germany's Chancellor Helmut Kohl when he met with Gorbachov last summer in Moscow. Kohl pledged German long-term economic assistance; in return, Gorbachov dropped resistance to rapid German reunification. The Gulf events blunted the potential of that Kohl-Gorbachov accord. But the idea has been around for a century, that a European-Russian-Japanese economic development alliance could form the core of a new world economic order that would bring genuine peace and stability to the world.