Chapter-III
The congressional perspectives on the various aspects of US-Japan security relations in general and defense burden sharing issue in particular is the focus in this chapter. By examining the Congressional views through various Congressional hearings, reports submitted to the Congrress and the testimonies of government officials, experts of US-Japan relations, the following details broaden the understanding of the shifts in Congressional attitude from earlier liberal one to a hawkish one in the 1980s.

A brief review of the constitutional arrangement between the Executive and Congress in conducting American foreign policy will facilitate the understanding of how Congressional perspective kept on shifting on US-Japan relations. In specific terms, the prospects of the US dominant role in the Asia Pacific region and the extent to which the US applied its policy to curbing Japanese military aspirations contributed to the rising Congressional concerns over the years. The US foreign policy in 1950s and 1960s kept strengthening the strategic alliance against Soviet Union and China as the defining guidelines to engage with Japan both militarily and economically. Under such circumstances the Congress realized that it should play a critical role in setting the contours of US-Japan bilateral agreement in both strategic and economic spheres. Thus during the Cold War tensions between the US and USSR the President and the Congress were involved in exercising powers over each other
in all security related issues including the US financial and military aid to Japan, deploying US troops in Far East, technology transfer and trade related issues.

Striving for a coherent Asia policy the US focussed on Japan as the cornerstone in the evolution of such a policy. Turning Tokyo into more active player in Asian security remained a key objective of US policy makers. Japan's strategic importance to the US overwhelmingly focussed on ensuring stability and peace in the region through economic and military assistance programme clearly aimed at containing China. US envisaged a strong defense alliance with Japan which would have enormous impact on the balance of power in the region. In preparing such a defence arrangement the US administration was faced with Congressional views on the matter. The US Japan security alliance which underpinned the American presence in the Asia Pacific area could not be impervious to the changes that the Congress sought to give it over the years. The initial focus of this defense cooperation was based on a potential invasion of Soviet Union in Asia including Japan and later on revised to include the situation in area surrounding Japan. The shift was attack on Japan to areas "in and around Japan".

Under such a setting it is revealing to see the Congress Executive interaction on the formulation and conduct of American foreign and defence policy.

The founders of the US constitution gave the Congress two of the three most important security related powers: the power to declare
the war and the power to raise armies, provide a navy and fund them. The President was given only the role of Commander in Chief of the army and navy. Evidences provide that during the late nineteenth century and even in the early twentieth century, Congress exercised its war powers and no President claimed unilateral war powers as Commander in Chief. In 1919 and 1920, the Senate refused to ratify the Treaty of Versailles, which would have provided for American membership in the League of Nations. After the World War II, Congress rejected American participation in the proposed International Trade Organization, the centerpiece of the Roosevelt and Truman administrations commitment to the liberal international economic system.

However, it is observed that, during the Cold War, the US President began to commit forces to battle overseas without declaration of war or any other authorization from Congress. Experts noted that from Harry Truman, who sent US forces to Korea in 1950 to Bill Clinton, who committed US forces to Somalia, Haiti, Bosnia and

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Kosovo without Congressional authorization, all created a precedent that the US President does not need Congressional authorization for committing US forces abroad.

Thus, during the Cold War years, the Congress deferred to the notion that:

"the legislative branch should confine its influence to the domestic sphere and leave foreign policy more or less to the initiative of executive branch. Congress played a purely advisory role and the most important Congressional Committee during this time, the Senate Foreign Relations Committee served primarily as a conduit for explaining and defending policies formulated by the executive branch".3

Clearly the presidency assumed the dominant position in the military aspects of the US foreign policy. In fact, it seemed to coincide with the Congressional focus on its oversight and supervisory role regarding defence matters.

Interestingly, a group of constitutional experts hold that no President alone is responsible for the erosion of the vast Congressional war powers. From the perspective of this group, the Congress willingly abdicated its constitutional responsibilities due to the fear of taking political responsibility for terminating military action. They did not want to be accused of "tying the President's hand" by voting against military action.4

In the meantime, the Congress moved forward in a situation of actual war or hostility rather than understanding the intricacies of

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defense agreements and assistance. Hence, the period which was characterized by Congressional assertiveness manifesting itself in various war powers clearly illustrated the logic of presidential ascendancy.

After the Vietnam debacle, Congress stiffened its backbone and attempted to reclaim some of the war powers. Experts observed that the US debacle in the Vietnam War challenged the capacity of President to provide unquestioned leadership in the foreign policy realm and provided an opportunity to Congress to restore constitutional balance. The American public opinion had also gone in favour of assertive Congressional role in the foreign policy and war related matters which was revealed in special hearings.

The constitutional aspects in particular become the vehicle through which the Congress addressed its own concerns over erosion of its powers derived from the constitution. In other words the challenges posed by the Congress signaled a reformulation of Congressional perception regarding security and defense as well as general or limited hostilities against foreign countries. For instance the National Communist Resolution which aimed at discouraging the use of armed forces in the absence of affirmative action by the

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Congress. The Senate Foreign Relations Committee Report on the National Commitment Resolution commented

A careful study of constitution and of the intentions of framers as set forth in the extensive documentation which they bequeathed to US leaves not the slightest doubt that, except for repelling sudden attacks on the US the founders of our country intended decisions to initiate either general or limited hostilities against foreign countries to be made by Congress not by the executive.

The powerful manifestation of Congressional assertiveness came through the well known War Power Resolution which cleared Congressional stand on foreign and Security related matters. The resolution maintains

The resolution required the President to consult Congress before introducing US armed forces into a situation where hostilities were actual or imminent. If US armed forces were introduced into such a situation without a declaration of war, the President, in every possible instance, was to notify the Congress within forty-eight hours. Within sixty days after that notification, the President was required to terminate the use of armed forces unless: Congress had declared war or enacted a specific authorization for their use, had extended by law the sixty-day period, or was unable to meet because of an attack on the United States; or unless the president certified to Congress that a maximum of thirty more days were needed to withdraw the troops safely. Regardless of the sixty-day period, if US forces were engaged in hostilities outside the territory of the United States without a declaration of war or Congressional authorization, Congress could at any time direct the president to remove the forces by a concurrent resolution.

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Thus the US domestic consensus on Congressional initiative and assertiveness reversed the trend of presidential dominance in foreign policy matters and titled the balance in favor of Congress. In the meantime however, it is worthwhile to examine how the Congress viewed the US occupation of Japan.

CONGRESS AND US OCCUPATION ROLE IN JAPAN

During the occupation period (1945-52) there was a general consensus and positive outlook among Congressmen towards US occupation and paternal role in Japan. Experts laid down two reasons for this positive perception. Firstly, the post World War II occupation government by General Douglas Macarthur was a great favorite with many Congressmen, precisely those members of Congress who were most critical of the Truman administrations policy towards China. They rarely questioned Macarthur's management of occupation. Moreover, Macarthur engaged in a comprehensive efforts to root out all visages of Japanese militarism and the complete disarmament and demobilization of Japan's armed forces which was appreciated by the Congress. Due to strong Congressional opposition to Japanese militarism, any policy that promised to end Japanese militarism could be assured of Congressional support. Secondly the increasing Soviet

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influence and arms buildup in the Far East was an area of great
concern for Congress which facilitated a general consensus among
Congressmen on not only to protect Japan but also its strategic
significance to defend US interests in the Far East. The Senate Foreign
Relations Committee Chairman during the hearings on Japanese
Peace Treaty commented on the increasing Soviet influence in the Far
East and expressed need to protect Japan. He said-

"One of Russia's main objectives was to gain control over the
productive capacity of Japan. If this could be achieved, Russia would be
well on the way to world domination. That is why the situation in the Far
East is of such vital concern to the USA. If the Soviet could encompass
Japan... then Russian, Chinese and Japanese power in the pacific would
directly threaten the peace and safety of America and the threat we met in
World War II would seem small by comparison. It is the task of America
therefore to convert a former enemy into a friend to show Japan that her
destiny lies on the side of freedom and democracy rather than international
communism and slavery.\(^\text{11}\)

The same concerns were expressed by the House Committee on
Foreign Relations Chairman John Kee, Senate Committee on Rules
Chairman Adolph Sabath(D.Ill). They supported the Congress
Resolution No.5895 which sanctioned $27,640,000 military aid to the
Far Eastern countries.\(^\text{12}\) The active US role to protect Japan from the
Soviet threat was advocated by many Congressmen. Senate Foreign
Relations Committee member H Alexander Smith (R: New Jersey)
while commenting on the significance of the US role in protecting

\(^{11}\) For the statement of Tom Connally, Senate Foreign Relations Committee Chairman see US
Congress, Senate, Committee on Foreign Relations, Subcommittee on Asia Pacific Affairs.
Debate on the Japanese Peace Treaty 82\(^{nd}\) Congress, 1\(^{st}\) Session, 14\(^{th}\) March 1952. Summary
of Congressional proceedings. Vol.VII no.1, (Washington DCUSGPO, March-October
1952)p.34.

\(^{12}\) For the statements of John Kee and Adolph Sabath see US Congress, House of
Representatives, Committee on Foreign Relations. Debates over military Assistance to
Foreign Nations, 79th Congress, 1\(^{st}\) Session 12\(^{th}\) August 1949. Summary of Congressional
Congress, Senate, Committee on Foreign Relations, Debate on Military Aid to Far Eastern
Countries 80\(^{th}\) Congress, 2\(^{nd}\) Session, 7\(^{th}\) Feb. 1950, Summary of Congressional Proceedings.
Japan through contributing in its economic, social and political development said",

the US occupation role in Japan, US financial and military aid programme to Japan are designed to implement the US expectations that Japan would assume greater responsibility for her own defense. America needed the help of a strong Japan".13

As the Soviet military efforts in Far East increased by late 1940s, many Congressmen were convinced with the importance of larger appropriations for the Japanese economic recovery. The outbreak of Korean War brought an enormous increase in the size and scope of military aid programme to Japan. A vocal group of Republican legislators led by Walter Judd of Minnesota in the House of Representatives and William Knowland of California in the Senate strongly recommended the strict implementation of containment policy in the Far East.14 As a part of that strategy they advocated financial and military assistance to Japan. Between September 1945 to December 1951, Congress granted $2.1 billion economic aid to Japan under Mutual Security Assistance programme.15 In October 1951, the Congress passed Mutual Security Assistance Act which was designed to consolidate the American alliance system through supply of weapons and equipments, participation of allied officers in the

training programmes in the US and the overall coordination of military strategies.

The 1951 San Francisco Peace treaty with Japan by the allied powers and the subsequent independent US security treaty with Japan was appreciated by most of the Congressmen. During the Congressional debates on San Francisco Peace Treaty and security treaty with Japan, Congressmen praised both the treaties as a mechanism to protect US strategic interests in the Far East. Senate Foreign Relations Committee Chairman Tom Connally (D: Texas) called the treaties an important step forward in rebuilding Far Eastern Peace. He noted that the San Francisco Peace Treaty terminated occupation of Japan and offered her independence whereas the US security treaty with Japan provided security umbrella to the Japan.16 Senator Alexander Wiley, member Committee on Foreign Relations(R: Wisconsin) called the treaty as

"working milestones in Asiatic and world relations". He observed that the treaty would help to bring security to the pacific area where the peace was threatened by the aggressive designs of the Soviet Union. He called the treaty as a new form of Monroe Doctrine for the Western Pacific which would help to meet threats of aggression by sounding the warning that "we and our partners in the pacific would regard any armed attack in that area as a matter dangerous to our personal peace and safety".17

However, the senators like Everett M. Dirksen expressed reservations about the San Francisco Peace Treaty on the ground that it had offered Japan unlimited independence which might impact US adversely. He advocated an indefinite postponement of the occupation period.

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16 For detail see US Congress, Senate, no.11,pp.33-34.
While the debates illustrated the concerns about the strategic relevance of Japan especially in the context of Cold War, Congress was inclined to agree that the assistance to Japan should be continued. Indeed while watching the evolution of economic initiatives made by the administration in its Japan policy, it forbore any lessening of assistance. Congress also substantially supported the ending of occupation while continuing and sustaining financial and military assistance.

**END OF OCCUPATION: 1950s AND 1960s.**

The San Francisco Peace Treaty which ended the US occupation role found many Congressmen convinced that the freedom would not survive in Japan unless the basic difficulties of the economic situation were dealt within time. For instance, Senator Albert Gore said,

"Our reliance on Japan as a major bastion of free world strength in the Far East demands our attention and concern. The problem of integrating Japanese economies into that of the free world and of making Japan economically viable must be regarded as a major test of our economic statesmanship. This problem presents a special challenge to our relationship of free world." ¹⁸

Yet another Senator, Mansfield, during the debate on extension of financial and military assistance to Far Eastern countries argued that

"If we are to avoid crisis in Korea, Indochina and Formosa, we have to recognize certain realities which exist in Japanese economic situation. In Far East all our objectives, including our self interests require an independent, self supporting Japan, living at peace among other independent self supporting nations. He warned that if

economic situation became desperate in Japan, it would sought totalitarian remedies.\textsuperscript{19} 

The Secretary of State John Foster Dulles in his testimony before Joint Senate –Representatives Foreign Realtions Sub Committee on Asian and Pacific Affairs during the hearings on the extension of Mutual Security Aid to Japan underscored the significance of military aid to Japan. He said,

"the increasing Soviet presence in the Far East required Japanese military buildup. The continuation of US military aid would enable Japan to achieve that goal."\textsuperscript{20}

Thus the initial Congressional attitude of liberally granting economic and military aid to Japan was motivated by a desire to build Japan's economy and self defense capabilities. The Congress supported the 1954’s defense cooperation agreement between the US and Japan. The main purpose of the agreement was to achieve Japan's economic stability and development of its defense capabilities. The preamble of the 1954’s agreement maintains that

In the planning of a defense assistance programme for Japan, economic stability will be an essential element for consideration in the development of its defense capacities, and that Japan can only contribute to the extent permitted by its general economic condition and capacities.\textsuperscript{21}

Everett Drumright, Deputy Assistant Secretary of State for Far Eastern Affairs in his testimony before the House Committee on Foreign Affairs commented on the significance of Mutual Defense Agreement of 1954 with Japan. He said


\textsuperscript{20} US Congress Senate and House of Representatives, Joint Committee on Foreign Affairs Sub Committee on Asian and Pacific Affairs, Hearings on Extention of Mutual Security Aid to Japan 81st Congress, lInd session 5th may 1953 (Washington D.C. : US GPO, 1953).

\textsuperscript{21} The detail provisions of the Mutual Defense Agreement of 8th March 1954 are given in the American Foreign Policy Basic Documents, 1950-55 vol.2, pp.2437-2441.
"Japan is in future to be a source of strength or weakness to the free world much depends upon the example set by the United States in the treatment of imports from Japan... our policy is to encourage and assist Japan to realize its military potential to a point where the Japanese can assume responsibility for their own defense."

Despite the general Congressional consensus on the US financial and military assistance programme to the Japan, the Japanese attempts to resume trade with Communist China were strongly opposed and criticized by many Congressmen. In the draft peace treaty with Japan, there was a provision which allowed Japan to choose between the Nationalist China and Communist China. Some Congressmen objected to that clause. Further the Japanese Prime Minister Yoshida Shingeru strongly advocated on independent foreign policy and a normalization of relations with China as early as possible. Immediately after the San Francisco Peace Conference, 56 US Senators wrote a letter to President Truman stated bluntly that any Japanese ambiguity on the China question could jeopardize Senate ratification of San Francisco Treaty. Subsequently, Senator John Sparkman and Senator H. Alexander Smith, members of the Senate Foreign Relations Committee’s Far Eastern Subcommittee visited Japan and made Congressional stand on Sino-Japanese trade relations clear to the Yoshida government.

A certain responsibility for Japan’s security and ... in as much as the threat to that security came primarily from Communist China, already convicted by the United Nations of military aggression in Korea, the Senate would doubtless want to know whether or not Japan contemplated giving moral, political or economic support to the aggressor regime against which the United States would be expected to defend Japan.

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The new Security Treaty signed by the US and Japan in 1960 was also unanimously approved by the Congress. The Senate Foreign Relations Committee commented that the treaty reflected the genuinely coequal character of the then relationship between the US and Japan. However, few Congressmen expressed reservations when the treaty came in floor debate. Senator Long (D-CA) and Senator Russell (D-GA) opposed the ratification by arguing that, firstly, the treaty would lead to Japanese rearmament and secondly, the treaty was entirely a one way street. They expressed fear that the future Japanese government might grant base rights to communists.

OKINAWA ISSUE AND CONGRESSIONAL RESPONSE

In the early 1960s, one more issue intensely debated on the Congressional floor was the return of administrative rights of Okinawa islands to Japanese sovereignty. Many Congressmen were in general disinclined to surrender Okinawa. Experts laid down two reasons, firstly, strategic importance of Okinawa in protecting US interests in the Asia Pacific and secondly, a price in American lives had been spent to take the Island in 1945 The Congressional consensus on Okinawa's strategic importance has been reflected in various

ibid.126.
Congressional hearings while granting financial assistance to Ryukyu Islands.\textsuperscript{28}

The Okinawa issue provided an opportunity to the Congress to restore a constitutional imbalance which resulted from continued Congressional abnegation in the field of foreign affairs. Congress passed its famous National Commitment Resolution which aimed to regain the lost Congressional powers in foreign and security policy matters. Many Congressmen believed that the Congress had simply followed the executive branch’s lead in the foreign policy matter which led to the situation in which the US had found itself drawn into military engagements or war without Congressional support. An amendment to the State Department Appropriation Bill as introduced in the Senate required the President to obtain the Senate’s advice and consent on any agreement change to the status of Okinawa.\textsuperscript{29}

Both the Johnson and Nixon administration attempted to convince the Congress the positive side of Okinawa reversion to the Japanese authority. Congress took tough stand a November 1967’s summit between the president Johnson and Japanese Prime Minister Sato in which Johnson announced that the Okinawa Islands would be returned to Japan within a few years. The Senate Foreign Relations Committee Chairman Richard Russell strongly

\textsuperscript{28} Congressional recognizion of the importance of Okinawa has been reflected in the following Congressional hearings-US Congress, House of Representatives, Committee on Appropriations, Sub Committee on Foreign Operations Appropriations. Hearings on Foreign Operations Appropriations 1963 – Appropriations for Ryukyu Islands. 87th Congress IIInd session part-I, 12th March 1962 (Washington DC: USGPO, 1962) pp 1-81 and 842-879.

objected to Johnson's announcement by arguing that such reversion would undermine US strategic interests in Asia Pacific region.\textsuperscript{30} Nixon in particular persuaded the Congress that the reversion was essential to retain the goodwill of an important ally. Nixon's Secretary of State William Rogers in his testimony before the Senate Foreign Relations Committee noted that the ratification of Okinawa Reversion Treaty would not only promote US-Japanese relations but also increase Japanese responsibility for its own defense. He observed that.\textsuperscript{31}

Continuance of a situation in which a million Japanese are still living under US military administration more than 25 years after the second World War has subjected our position in the Ryukyu Islands and our relationship to Japan to increase strain. To fail to carry out this agreement.....would give a strong weapon to these political forces in Japan who do not favour the kind of close relationship with the US which now exists, and who seek to replace the present leadership of the country with other less favourable to such a relationship.

The Senate Foreign Relations Committee ratified the Okinawa Reversion Treaty. However, the committee in its final report clarified that the ratification of the treaty does not imply its approval of maintaining the existing level of US troops or bases on Okinawa for indefinite time. The committee approved the policy of reducing the American presence in that area to the extent appropriate in light of developments in US-China relations and other developments in Asia.

The Senate Foreign Relations Committee Chairman F.W. Fulbright (D-ARK) while appreciating the Okinawa Reversion Treaty


commented that the treaty would formally terminate the American occupation of Japanese territory following the Second World War and settle the last political issue between two countries.\textsuperscript{32}

The Okinawa Reversion Treaty was however opposed by some Congressmen based on its negative strategic implications for US interests in Asia pacific. For instance Barry M. Goldwater(R-Ariz) expressed fear that the removal of US nuclear weapons from Okinawa as required by the treaty would bring a speeding up of Japan’s rearmament. James Buckley(R-NY) argued that the reversion at that time was undesirable from the standpoint of objectives of the Nixon Doctrine in the East Asia.\textsuperscript{33}

**ECONOMIC AND MILITARY ASSISTANCE TO JAPAN: EROSION OF CONGRESSIONAL CONSENSUS: 1970S**

The Japanese high economic growth in 1960s allowed Japan to compete successfully in world markets. By mid 1960s war reparations were paid off and Japan established formal relations with Korea in 1965 and with China in 1972. Japan’s GDP grew by a rate of over a 10% making it the world’s number two economy. It was at this time that Japan hosted the 1964 Tokyo Olympic games signaling its importance as a member of GATT, OECD and Western alliance. The only blimp that occurred on the economic scorecard of Japan was the oil shock of 1973. Two development at this time are


\textsuperscript{33} The Nixon Doctrine which marked radical changes in American foreign policy in the 1970s has extensively been discussed in the previous chapter.
worth mentioning. Okinawa was returned to Japan in 1972 and secondly the US pressurised Japan to increase defense spending above one percent of its GNP which faced opposition from the Japanese Ministry of Finance. In both these the role of US Congress was significant. Establishing a connection between defence and economic growth, the Congress began to grow increasingly uneasy over granting a huge financial and military aid to Japan.

Thus the earlier Congressional consensus on Japan seemed to be eroded by early 1970s. The major shift in Congressional perception was caused due to two developments. Firstly, the overall colossal increase in US foreign military aid which started affecting the US economy in the form of budgetary deficit, inflation. Secondly, Japan’s rapid economic development and increasing trade surpluses with the US. These developments led to a strong demand by the Congress to reduce drastically US foreign military aid deploying US troops abroad in general and stop pampering the countries like Japan that could rely on its own capabilities for prosperity.

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Economic and military assistance emerged as a major instrument of American foreign policy during the cold war. Kennedy's Defense Secretary Robert McNamara in his testimony before House Committee on Appropriations Subcommittee on Foreign Operations Appropriations underscored the significance of Military Assistance Programme. He said,

"The whole of our defense programme, of which military assistance is a vital part, is geared to our global requirements over the long term. The principal purposes of our military programmes including military assistance is to deter the Communist from restoring the use of armed force in seeking to achieve their objectives."  

Senator J.W. Fulbright (D-ARK), informed that the total amount of US foreign military aid in 1971 was $6.96 billion-$775 million in direct military aid and $575 million in economic assistance to forward defense countries. The US based think tanks working in foreign policy area were also inclined to reduce and streamline various foreign military aid programmes. Morten Halperin of the Brookings Institution told the Congress Joint Economic sub committee on foreign military aid that most military aid grant should be ended or phased out and that all security assistance be combined in one legislative package. Edward Fried of the Brookings Institute emphasized that the recipient country should be involved in the planning and programming for US military aid. William Whitson of the RAND Corporation outlined the history on US military assistance and

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recommended centralization in various US military aid programmes, training and planning.\textsuperscript{38}

In the case of Japan, its rapid economic development and trade surpluses with the US was crucial in changing Congressional perspective from liberally granting financial and military aid to demanding the measures of economic protectionism against Japan.\textsuperscript{39} As rightly observed by a scholar, "the changed balance of US-Japan economic power is clearly a major factor affecting Congressional views of the strategic environment in general and relationship with Japan in particular. As Japan emerged from the war period as a more formidable economic competitor, pressure developed in the US Congress to suspend aid programme and replace it with programmes more appropriate for a nation that could more than carry its own weight into the global economy".\textsuperscript{40} In 1965, Japan for the first time recorded trade surpluses of $333.7 million over the US which reached to $1223.3 million in 1970. The Congress was basically concerned about increasing Japanese textile products to US which posed serious threat to the US textile industry. That induced the feelings of protectionism in the Congress and demands were made by several Congressmen to put quantitative restrictions on Japan's export of

\textsuperscript{38} Ibid. 386. Also see US Congress, House of Representatives, Committee on Appropriations, Sub-Committee on Department of Defense Appropriations. Hearings on Departmental Defense Appropriations for 1972, 92\textsuperscript{nd} Congress, 1\textsuperscript{st} Session Part-II (Washington DC: USGPO,1971).

\textsuperscript{39} For Japanese economic development and trade challenge see Congressional Hearings on National Security Policy and the Changing World Power Alignment, no.35, pp.340-41.

cotton textile to the US. In their understanding, the Japanese trade surplus was a result of false trade practices, import restriction and foreign exchange control. A congressional report prepared by House Committee on Ways and Means Subcommittee on Trade expressed deep concern about Japan's trade barriers and other protectionist measures. The report, after comparing the US and Japanese trade policies, criticized Japan's closed door policy and recommended the removal of trade barriers as early as possible. The US Congress's Joint Economic Committee's subcommittee on International Economics under the chairmanship of Henry Reuss suggested several devices to curb balance of payments deficit with Japan. The subcommittee contemplated discretionary authority for the president to impose tariff surcharges. It also called for all industrial nations to abolish tariff barriers. A Task Force Report on United States Japan Trade Relations prepared by the House Committee on Ways and Means Subcommittee on Trade commented that

We believe that Japan's rate of industrial progress and stated economic goals should be as shocking to Americans as was Sputnik. And like Sputnik, we should be shocked into responding to the challenge. Nothing could serve the world economy better than good, clean competition with Japan in high technology innovation. It is time that we respond to Japanese economic challenge. As with Sputnik, we did not block Soviet efforts we bettered them. The same approach should guide us in dealing with Japan.


TRADE AND FREE RIDE DEBATE: THE 1980s.

Due to Japanese economic development and trade surplus with US, a new sentiment generated among Congressmen that Japan was enjoying a free ride on US security guarantee, enabling the country to focus on economic development and expanded trade markets at the expense of United States. This Congressional belief became more intense by the 1980 with the emergence of Japan as a formidable economic competition and trade challenge.

The US - Japan trade conflicts that began in the period of 1968-72 over the textile negotiation expanded over other areas by 1976-78 and became a serious economic conflict in the 1980s. The US trade deficit with Japan in 1981 was $15.8 billion which rose to $46.3 billion in 1985.\textsuperscript{45} The US imports from Japan in the 1980s greatly exceeded exports which resulted in huge trade deficit.\textsuperscript{46}

Moreover in the 1980s the US dollar had soared in terms of Yen which made US export to Japan more expensive and imports from Japan cheaper. This development led to increase in US trade deficit.

\textsuperscript{45} USA, Congress, Joint Economic Committee on International Economics, \textit{Hearings on Impact of Debt Crisis on US Economy}, 99\textsuperscript{th} Congress, 1\textsuperscript{st} Session, (Washington DC: USGPO, 1982) p.265

with Japan. The Japanese government announced a breathtaking trade surplus of $101 billion for the fiscal year 1987. On the other hand American trade deficit climbed to an unprecedented $167 billion of which nearly $58 billion was with Japan.\textsuperscript{47}

As the trade imbalance favoured Japan, the economic implications of US-Japan security relations become more pronounced and attracted greater attention from the US Congress. Debates in the US Congress over the wisdom of continuing security umbrella for Japan, as experts noted, offered insights into a significant issue namely the degree to which US should subsidies the economic growth of a country that increasingly could rely on its own capability.

The fundamental Congressional concern was Japan's inadequate defense spending. Japan's defense budget had been constrained throughout the postwar years due to various reasons (for detail see fourth chapter). Till 1985 the Japanese defense budget was less than 1\% of GNP. One school of thought in the US who attempted to compare the defense spending of the US and Japan observed that the US had spent far more on military than had Japan and at least part of that differential constituted a lucrative financial subsidy to the Japanese economy.\textsuperscript{48} From the perspective of this school, from 1981 to 1994 the US spent $3.5 trillion on defense or $14,000 per capita.


\textsuperscript{48} This school is represented by several military analysts, economists, bankers and government officials. The US-Japan security analysts like Ted Galen Carpenter, Leonard Sullivan, the economists like Huge Patrick and Henry Rosovsky, Investment Bankers like Ernest Oppenheimer, Government Officials like Defense Secretary Weinberger etc. They showed the difference in US-Japan defense spending and demanded the increase in Japanese defense spending.
By contrast it was estimated that Japan devoted about $2,500 per capita to that task. The $11,500 per capita difference constituted a $1.4 trillion financial advantage to Japan.\footnote{Ted Galen Carpenter, “Paternalism and Dependence: The US-Japanese Security Relationship Policy Analysis, No.244, 1\textsuperscript{st} November 1995 Internet edition:http://www.cato.org/pubs/pa/pa244.htm.} They argued that these funds represented a form of free financing which was channeled into the creation of superior Japanese products and state of art manufacturing facilities. They further argued that Washington subsidized Japan’s defense at the expense of American tax payers. That subsidy was a powerful incentive for the Japanese to continue free ride on the US security guarantee.

Such studies and observations were instrumental in consolidating Congressional belief that Japan was getting free ride on US security guarantee. The US Congress was convinced that Japan spent much less than it should have on defense. Many Congressmen argued that as long as Japan was unwilling to contribute materially to collective security of its neighbors, there was no justification for offering comprehensive security guarantee for Japan.\footnote{These Congressional arguments and demands were expressed during the various Congressional hearings on US-Japan relations in the 1980s. For example US Congress, House of Representatives, Committee on Foreign Affairs, Sub-committee on Asian and Pacific Affairs. Hearing on US-Japan Relations, 97\textsuperscript{th} Congress, 2\textsuperscript{nd} Session (Washington DC:USGPO,1982).}

The overall recession in US economy and serious budgetary crisis added fuel to Congressional anger. Experts noted that the Congressional criticism and anger had been based on three fundamental assumptions

Firstly, Japan has a free ride on defense, enabling the country to focus on economic development and expanded trade markets at the expense of the US, its principal protector and benefitter.
Secondly, Japan has pursued defense research, development and production in order to further its domestic economic goals, including the development of high tech industries, often at the economic expense of the United States. Finally, Japan has utilized technology from US defense systems to develop commercial spin offs and import substitutes for the original imported military system.51

Perusing this logic, Congress stepped up its efforts to pressure the Pentagon into demanding that NATO members and Japan make a greater contribution to the common defense. It also created a Congressional Burden Sharing Panel to investigate US strategic planning and allied contributions to its effectiveness. With the establishment of Congressional Burden Sharing Panel, the department of defense had been required to submit annual reports to the Congress on its estimation of allied contribution to the common defense.52

Congress barred the Pentagon from spending $91 million to expand the base at Ras Banas on Egypt’s Red Sea coast until the administration certified that the NATO allies and Japan would offset some of the cost of US efforts to defend the Persian Gulf. Representative Robert C. McEwen,(R-NY) ranking minority member of the House Appropriations Military construction subcommittee, while commenting on Carter administration’s pledge to unilaterally protect Western oil supplies coming from the Persian Gulf said


52 After the creation of Burden sharing panel in 1980, annual hearings were conducted on the reports submitted by the secretary of Defense for example see US Congress House of Representatives, Committee on Armed Services, Hearings before Defense Burden Sharing with Japan Panel; 100th Congress, 1st Session (Washington DC:USGPO,1988).
"It seems imperative that these other nations be convinced that they should assume a fair share of this burden. If withholding funds is the only way that we can gain their attention, then so be it".53

In 1981, 68 Congressmen signed a letter urging Japan to abandon its artificial one percent GNP ceiling on defense expenditure. In the same year Senator Carl Levin (D-Mich) a member of the Senate Armed Services Committee and Representative Clement Zablocki introduced resolutions calling on Japan to increase its defense expenditures to at least 1 percent of its GNP.54 The resolution was one of the strongest formal expressions of Congressional dissatisfaction with the Japanese defense efforts. Senator Carl Levin who was the main sponsor of the resolution said

"an American gripped by 10.8% unemployment and staggering federal deficits will remain unconvinced when the Japanese government pleads that its won debt financing situation problems present increased defense investments".

He further said "despite their strong economy, the Japanese have shirked some of their defense responsibilities to themselves and to the US". The resolution introduced by Carl Levin and Clement Zablocki included two key statements.

First, Japan should immediately increase its annual defense expenditures to the levels required for its forces to deploy fully by 1990 an effective conventional self defense capability, including the capability to carry out its policy announced by the prime minister in May 1981 of defending its sea lanes of communication. Secondly, Japan should assume a significantly larger share of the total annual overall operating costs of the US forces in Japan and should contribute to meeting the US costs currently incurred in Japan for operations, maintenance, repair and overhaul of US ships and aircraft operating in Japan's security interests in the Pacific Ocean system.55

The bipartisan coalitions on the House and Senate Armed services committees and Defense Appropriation Subcommittees

55 Ibid. 166.
become increasingly insistent that Japan and US allies in Europe pay more of the cost of protecting their own security.

A slew of proposals calling defense burden sharing with Japan began to appear on Congressional floor, Senator Jesse Helms (Rep-N.C.) proposed an amendment to renegotiate the US-Japan security treaty to make it a reciprocal arrangement. Stephan Neal(D-N.C) proposed a bill calling on Japan to share in the burden by paying a 2% security tax to the United States, Senator from Utah, Orrian Hatch evolved a concept of Pacific Assembly to counter the threat posed to Japan and the West from the rapidly expanding Soviet power Democrat David Bowen noted that Japan was the only nation capable of expanding military strength to the point of making a really substantive contribution towards restoring the balance of power once America had in Asia Pacific.56

It is significant to note that despite continuous Congressional criticism on inadequate Japanese defense expenditure, there were some Congressmen who were satisfied with Japanese defense efforts, for instance Senator John Glenn, Chairman of the Senate Subcommittee on East Asian and Pacific Affairs while commenting on US Arms Control and Disarmament Agency's report on Japanese military efforts said

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I would be certainly agree that it would be neither in the Japanese interest, nor in our interest, for Japan to embark on a sudden massive buildup of its military forces.  

The burden sharing issue had been exacerbated by disagreements on a number of economic issues including huge Japanese trade surpluses and trade conflicts. For many Congressional leaders Japan was running up a huge trade surplus through questionable tactics such as engaging unfair trade practices, targeting the US industries for annihilation, dumping products in an open American market and closing the Japanese market to outsiders through a variety of non-tariff barriers. This Congressional grievance against Tokyo was expressed by Representative Aspin in The New York Times. He said,

"we are putting so much of our capital and our scientific and technical resources into defense, whereas they are putting their into Sonys and Toyotas and beating the bejesus out of us in the domestic market".

The Congressional concerns over US trade deficit with Japan and unfair Japanese trade practices were also expressed during the Congressional debate on proposed sale of US Aegis weapons and radar system to Japan. The Department of Defense while negotiating deal with Japan on sell on US made Aegis radar and weapons systems did not include in the deal the US hulls designed to carry the Aegis system. During senate debates on Department of Defense


Appropriation Bill FY 1989, Senator Johnsten strongly criticized the negotiation. He moved a motion to Senate table which maintained that:

The Aegis rader and weapon system represents our most advanced technology. Incorporating the system into hulls is most critical aspect of this technology. By allowing Japanese to incorporate their own ships into the Aegis system, we are giving them a free opportunity to examine and copy our most important technological advances. Secondly, failure to sell Japanese our hulls will costs American jobs and will do nothing to improve our trade deficit ---- when we are faced with a growing trade deficit with Japan. In the light of our trading position with Japanese, why are we spending such a disproportionate amount to protect Japan?.... Japan should be more active and share defence burden with the US59

The Republican Senators like Cocharan, Cohen, Helms, McClure, Stevens, Weicker, Willson also supported the motion. This debate in Senate communicates an over all anti Japanese sentiment of Congress. In particular the Republicans argued forcefully that the Japanese needed to be questioned about their lack of fair trade practices and minimal defense spending. Echoes of this sentiments were also coming from the Democratic camp.

The US Congress made trade legislation its highest priority and initiated several protectionist measures against Japan. The first reflection of this came through Gephardt Amendment which was passed by the House of Representatives in May 1987. The Amendment set specific targets for reducing the US trade deficits with trade surplus countries through the elimination of their trade barriers and

practices. The amendment also asked for limiting Presidential discretion to negotiate trade issues.\textsuperscript{60}

The Congressional anxieties and anger over alleged unfair trade practices of Japanese industries multiplied with the emergence of several scholars, economists and even government reports who noted how Japan exploited generous US trade policies of economical military for its own economic development.\textsuperscript{61} Theodore White, in an emotional article in \textit{New York Times Magazine} noted that the basic aim of Japanese economic development was to “de-industrialize America and to win the war of the pacific through unfair economic tactics”.\textsuperscript{62} Karl Klolfenson in his article in \textit{Foreign Affairs} contented that the Japanese business and government alliance was systematically undermining Western industries through adverse trade.\textsuperscript{63}

The continuous Congressional pressure on executive to initiate tough measures against unfair trade practices of Japan culminated into the Bush administrations announcement of Super 301 determination on 25\textsuperscript{th} May 1989. The announcement was made according to the provisions of Trade and Competitiveness Act of 1988. The Trade and Competitiveness Act of 1988 contained an enormous variety of measures aimed at protecting domestic market and forcing


open markets abroad. The Super 301 provision of the Act is analyzed as

The most recent and prominent US unilateral response to the perceived inadequacy of multilateral rules to settle disputes involving unfair trade practices. Super 301 requires the executive branch to identify major foreign trade barriers and then to initiate investigations under section 301 authority. By requiring the Executive Branch to establish priorities for reducing trade barriers, combined with statutory criteria that guide the choice of practices and countries to be identified, Super 301 provides a more activist process of opening foreign markets to US exports.64

Japan was cited under Super 301 along with India and Brazil for its "exclusionary government procurement policies on satellites and Super Computers and for its restrictive standards and technical barriers on forest products". Super 301 as argued by a specialist on trade relations, not only reflected Congressional sentiments that section 301 had been underutilized by the past administrations, but also frustration with the US trade deficit.65

In addition to Super 301, the Bush administration announced a separate initiative to negotiate with Japan for the reductions of major structural barriers to imports which become known as structural impediments Initiative.66

The Bush administrations initiative invoked mixed reaction in the Congress67. A number of members of Congress with key trade


65. Reymond, J. Ahearn, Specialist in Trade Relations is one of the authors of CRS Report for Congress on Super 301 action no.64, pp.10.


67. The positive and negative reactions made by several Congressmen are explained in detail in CRS Report for Congress Super 301 action against Japan, India and Brazil, no.38 pp.101-15.
committee assignments praised the decision. Senator John Danforth (R-MO) a principal co-sponsor of the Super 301 provision stated that Super 301 was clearly written with Japan in mind and was intended to apply a long range, consistent efforts to open markets in Japan. Congressman Dan Rostenkouski, Chairman of the House Ways and Means Committee said:

"I believe that this is a positive step towards dismantling foreign trade barriers that adversely affect US interests. Congressman Sam Gibbons, Chairman of the House Ways and Means Sub-committee on Trade maintain that the determination represented a wise course and middle ground between toughness and making it clear that we are not out there to bully".68

Several members of the Congress were also critical of the determination. Congressman Richard Gephardt (D-MO) argued that the Bush determination did not go far enough. He commented “The President has cared more about offending the tender sensibilities of our foreign allies than about protecting American trade interests.” Similarly, Senator John Rockefeller (D-WVA) charged that the administrations decision to designate only three countries and six trading practices under Super 301 gutted Congress intentions to create a stronger trade law.

Despite Partisan politic in Congress as the whole, the Congress was intent on punishing Japan based on its perception of disadvantage of the American interests. This across the party line consensus was witnessed during Congressional debate on Nuclear Cooperation Agreement of 1987 between US and Japan. The agreement provided for the sale of US uranium and uranium

68 Ibid. p. 116.
enriched supplies and services to Japan for 30 years.\(^69\) By opposing the agreement, in fact Congress wanted to bash Japanese trade. The Senate Resolution 241 disapproved the proposed agreement on the ground of danger involved in transporting highly radioactive plutonium. The Senate Foreign Relations Committee while rejecting the agreement concluded that the treaty was inconsistent with US laws. Out of 53 Senators who oppose the agreement 33 were Republican.\(^70\)

During the same time the long Congressional anxieties over economic and competitive implications of technology transfer in bilateral defense programme became severe with the Japanese decision to design and build their own Jet Fighter namely FSX project. The FSX debate in Congress represented the high water mark of political attention to the economic aspects of security relationship.\(^71\) Congress viewed this plan as an effort by Japan to build up a more competitive aircraft industry. In fact the Congress was seriously concerned about the forces of techno-nationalism in Japan\(^72\) who strongly favoured development of Japan's independent aerospace industry. These forces argued that Japan should move forward in


\(^{72}\) Gorge Packard has used the term Techno Nationalism while analyzing FSX incident in his article "The Coming US-Japan Crisis" *Foreign Affairs*, Vol. 66. No.2 winter 87-88, pp. 356-357.
every area of high technology regardless of American displeasure. Senator John Danforth (F-MO) a leading voice against FSX project advocated tough trade measures against Japan.\text{\footnote{Ibid p. 356.}} Senator John D, Rockefeller (D-WVA) warned the administration that economic interest should not be undermined while maintaining security relations. He argued that “Never before in history has our principal economic competitor also been one of our closest political and military allies. We must determine how to co-operate defense while also maintaining our economy security”.\text{\footnote{Congressional Quarterly Almanac, FSX Deal, 100\textsuperscript{th} Congress, 2\textsuperscript{nd} Session< 1988 (Washington DC: CQ Inc., 1989) p. 548}} Congressional criticism over FSX project intensified with the violation of COCOM regulation (Co-coordinating Committee for Multilateral Export Control) by Toshiba Machine Company of Japan.\text{\footnote{George Packard has narrated in detail the Congressional anger over Toshiba incident in the Coming US-Japan Crisis, no. 60 pp. 348-350.}} The Toshiba Machine Company sold 8 Computers guided multiaxia military machines to the Soviet Union. The equipment permitted the Soviets to mass-produce the more silent propeller for their submarines. As estimated by one Pentagon official it cost the United States some $30 billion to regain the technological superiority lost in the illegal sale. On 2\textsuperscript{nd} July, 1987, nine members of the US Congress smashed a small Toshiba radio with sledgehammers at a Press Conference on Capital Hill to express their anger. The Congressional anger over Toshiba and FSX issue forced the Reagan administration to put pressure on Japan to respond positively. After much agonizing and pressure from Washington the Japanese Defense
Minister Yuko Kurihara announced on 2nd October 1987 that Japan would use either the General Dynamics Corporations F16 or McDonnell Douglas Corporations F15 as the basic model with some modifications for 100 aircraft to be sold in the 1990s. Subsequently, Pentagon negotiated an agreement with Japanese government in which United States General Dynamic Corporation would help Mitsubishi Heavy Industries of Japan to modify the US F16 fighter plane to produce FSX Jet Fighter. The entire FSX programme from research to development and production was likely span to over 15 years with an official programme cost of $15 to 20 billion. The licensing agreement ensured that at least $1 billion and several thousand jobs came to the United States.

However the US Congress was not happy with the agreement. Several Congressmen expressed reservations. Republican Senator Jesse Helms, N.C. called the agreement a "Trojan horse" with which the Japanese engineers could exploit General Dynamics experience in "System Integration", the science of fitting together the thousand of components and processes that go into producing a sophisticated airline." House Democrat Mel Levine (Calif) in the testimony to the House Energy and Commerce Subcommittee on Commerce, Consumer Production and Competitiveness said "Japan has a long history of using co-production and co-development ventures to acquire US

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technology which allows them then a leapfrog... and rapidly became major competitors with their American counterparts.\textsuperscript{79}

The Senate Armed Service Committee in its Fiscal 1989 Authorization Bill added a provision requiring the Secretary of Defense to consult with the Secretary of Commerce in negotiating the final terms. The Committee also declared that no technical data on F-16 production should be transferred to Japan until an agreement was concluded that would assure US firm of a significant share of the development and production work for the FSX. Conservative Republican Senators objected that the commerce and the Trade Office had been excluded from the FSX negotiation and demanded that no final action on the technology transfer be taken until the FSX was reviewed by the Dept. of Energy, Defense and State Department, the trade representative, and the Office of the White House Science Advisor.\textsuperscript{80}

\textbf{CONGRESS AND DEFENCE BURDEN SHARING : 1990s}

In the 1990s the Congressional debates on US-Japan security relations were mostly occupied by three interconnected issues. Firstly, the US trade deficit with Japan secondly, sharing cost of

\textsuperscript{79} Ibid p. 548.
\textsuperscript{80} Ibid p. 549.
American troops and bases in Japan and finally sharing defence technology with Japan.\textsuperscript{81}

Unfortunately, in the 1970s strained economic relations due to trade deficit and Japanese trade practices repeated itself in the 1990s. The security issue, once again, became the focus of Congressional debates. However it is interesting to note that unlike 1970s, in the 1990s Congress seemed to be divided on linking trade issues with security matters. Some in Congress were inclined to press Japan harder on trade, while others supported Clinton government’s efforts to give high priority to security cooperation with Japan.\textsuperscript{82}

The US trade deficit with Japan peaked at $65.7 billion in the early 1990s.\textsuperscript{83} Initially the Clinton Administration gave high


\textsuperscript{83} Ibid.
priority in reducing trade deficit with Japan and pressed hard for changes in Japanese economic practices.\textsuperscript{84} In July 1993 an agreement was negotiated with Japan on a framework for resolving trade disputes which is popularly known as \textit{"The United States Japan Framework for a New Economic Partnership"}. The Clinton Administration's economic initiatives were clear response to the strong Congressional demand to open Japanese markets for US goods and services. The Congress was highly critical about Japanese government's regulations and private company business practices which were preventing US goods particularly cars from getting a largest share of the Japanese domestic market.\textsuperscript{85}

The increased trade deficit with Japan and Japanese trade practices fuelled further Congressional voices against the huge cost the US was bearing in protecting Japan by deploying troops there and by bearing most of the expenditure for their maintenance. By 1990s the total cost of basing US forces in Japan had reached more than $7 billion. Congresswomen Patricia Schroder (D-Colo) while commenting on the deployment of American aircraft carrier “Independence” with 5,300 personnel for protecting Japan, argued “Why do we have to spend all these dollars to defend a rich country that is an economic competitor?”\textsuperscript{86}

\textsuperscript{84} For Clinton's Economic Policies see US Congress Senate Address by President Clinton on Economic Policy Towards East Asia, 102\textsuperscript{nd} Congress, 1\textsuperscript{st} Session. Congressional Records Index Vol. 139 Part 23, 5\textsuperscript{th} January 1993 to 25\textsuperscript{th} January 1994 p 16587.

\textsuperscript{85} For Congressional concerns on Japanese trade barriers see US Congress, Senate, Senate Resolution 245: Japanese Trade Barriers, 102\textsuperscript{nd} Congress, II\textsuperscript{nd} Session Congressional Records Index Vol. 138 Part 24 3 January 1992-5\textsuperscript{th} January 1993, p. 128.

\textsuperscript{86} The reference is cited in Richard Holbrooke, “Japan and the United States: Ending the Unequal Partnership” Foreign Affairs 1992 p. 49.

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During the various Congressional hearings on the Department of Defence Appropriations for US overseas regional security forces, strong demands were made by some Congressmen that unless Japan provided all direct cost of US forces deployed in Japan the US must reduce its force by 5000 each year. In 1995, the US and Japan signed a Special Measure Agreement which allowed for host nation cost sharing programme for next 5 years. In his testimony before the 105th Congress the Assistant Secretary of State for East Asian and Pacific Affairs stated that Japanese direct financial support for US forces amounted to $5 billion annually.

The US technology transfer to Japan was another area hotly debated in the Congress in the 1990s. The US had earlier transferred military equipment and technology to Japan through several means including military assistance programmes, co-production, co-development and company to company licensed production. In fact, evidence points to the fact that the US helped Japanese electronics

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industries through radio licensing and production. Spin-offs from the radio industry contributed to Japanese economic development.\(^{89}\) Except military assistance programme, which ended in 1964, all other technology transfer programmes were continued throughout the Cold War years. The basic objective behind the technology transfer was to assist Japan in becoming a reasonably self-sustaining economy capable of modest self-defense capability.

However, with the Japanese economic growth and alleged unfair trade practices, the US Congress began to blame that Japan had exploited US generous technology transfer programme for its economic development.\(^{90}\) In the 1990s Congressional criticism became intense with the emergence of literature by some scholars who demonstrated how Japan exploited US military technology for its commercial growth.\(^{91}\) Some scholars have pointed out that


Japanese success in technology absorption, dual use applications and spin offs of defense related technologies for commercial purposes. They blamed Japan for its policy of domestic defense production and cooperation programmes for the sole purpose of its own economic development and gain. Yet another report by the Defense Task Force at National Research Council published in 1995 represented the most penetrating criticism of the US technology transfer programmes to Japan. The report revealed that the defense had been used essentially as an excuse by Japan to draw technology from US for the purpose of its own economic development.\footnote{National Research Council, Defense Task Force, Report on Maximising US interests in Science and Technology Relations with Japan (Washington DC: National Academy Press, 1995) The reference is cited in Michael Chinworth Defense Economic Linkages No.51.} Such findings impacted the Congressional scrutiny and perceptions further.

The Congressional debate on US technology transfer to Japan based itself on two assumptions. Firstly, Japanese defense research, development and production was the result of US technological assistance to Japan. Therefore Japan should reciprocate by unconditional technology transfer to US in specific areas. Secondly Japan had utilized technology from defense system to develop commercial spinoffs. Hence the Congress urged that the Japanese be pressurised for reciprocal technology transfer in the areas such as laser optic, microelectronic devices, ferrite paints and fine ceramic,
all of which Japan made for civilian purposes but the US viewed vital for its defense capabilities.\textsuperscript{93}

Thus, the basic linkage between economics and security which has brought on the Congressional scrutiny over America’s Japan policy, proved to be enduring. Even as the nineties drew to a close, and recession was beginning to loom over Japan, the Congressional inputs into US Japan defense cooperation remained salient.

\textsuperscript{93} For US allegations and demands in the area of technology transfer from Japan see special section titled “Japan’s Challenges to US in technology development” in Anthony Difilippo \textit{Cracks in Alliance: Science Technology and Evolution of US-Japan Relations} (Aldershot: Ashgate Publishers) pp. 226-270.