CHAPTER I

Japan's Foreign Policy Towards Post-War Asia
JAPAN'S FOREIGN POLICY TOWARDS POST-WAR ASIA

The Japanese archipelago, lying off the eastern coast of the Asian continent stretches in a narrow area 3,800 kilometres long. Its total area of 3,77,815 square kilometres is slightly larger than the United Kingdom but only about one ninth the size of India and one twenty-fifth that of the United States. The Japanese archipelago was first inhabited more than 1,00,000 years ago when it still comprised part of the continental Asian land mass. Agriculture, primarily rice planting and metal working were introduced from the Asian continent around 300 B.C. Gradually, the small states were united and by the fourth century political authority was centralized when Yamato ruled the nation. The period from the fourth century onwards saw the introduction of the Chinese culture including confucianism and Buddhism. Buddhism was introduced in 538 B.C. from India.

Japan comprises a curved chain of more than 3,000 islands. Four large and main islands, named (from North to South) Hokkaido, Honshu, Shikoku and Kyushu,
account for about ninety-eight percent of the land area. A resource-poor country, Japan has very limited arable area not exceeding seventeen percent. Her Physical isolation the Asian mainland has enabled her to develop her own culture and without being completely overshadowed and engulfed by the Chinese civilization and her insularity also provided her security against external threats. The abundance of mountains and the lack of intercourse with outsiders have made the Japanese people clannish and strictly in ward looking. Japan's swift streams have proved of immense benefit to her industry, while her agricultural poverty and the dearth of iron ore have been vital factors in shaping her foreign policy.

To understand Japan's foreign policy in the perspective of post-war Asia, it is necessary first to have a look at her turbulent past and the impact it has had on the Japanese society. Three sets of events, in particular, appear to have exerted decisive influence:

(1) The self-imposed policy of isolation
(2) The developments leading to the Meiji Restoration and emergence of Japan as a modern power and
(3) the defeat of Japan in the second World War and her occupation by the U.S. Armed Forces.
The first event occurred in 1637 when the Tokugawa Shogun, Iyeyasu, closed Japan to foreign inter-course and began an era which was not to end until the "hermit" nation's doors were forcibly opened in 1853-54 by Commodore Perry. Japan managed to pursue a self-imposed policy of isolation for more than two hundred years, allowing only the Dutch and the Chinese to carry on trade at Nagasaki while forbidding her own nationals to set foot on foreign soil. This isolationism was motivated by the fear of foreign cultural influences and European aggression.

The isolation its policy of the Tokugawa regime was, no doubt, responsible for the nation lagging behind. But on the other side this regime gave the Japanese people a sense of discipline, a sense of unity and, above all, a strong feeling of nationalism which proved an asset at the time of transition to the Meiji period (1868-1912). As Sir G. Sanson remarks, "Tokugawa society was a mature and static feudalism in which the virtues of obedience and loyalty were prized beyond all others". 1 Ultimately,

this policy of national isolation led to political, economic and social exclusivism and stagnation.

In the middle of the 19th century "powerful, well-organized and ruthless western nations, armed with tools and weapons forged in the industrial revolution were engaged either in imposing their will on the weaker lands of Asia and Africa or in reducing them outright to colonies and dependencies". 2 Japan also felt the bite of Western arms when American Warships under the command of commodore perry steamed into Yedo (TOKYO) in 1853-54 and compelled her to open its doors to foreign trade. It was yet another significant event which led to civil war for a few years culminating in the downfall of the Tokugawa regime and Meiji Restoration which in turn was destined to change the course of Japanese foreign policy.

Thus in Japanese history a new era began early in January 1868, when the young emperor officially assumed direct control of the state which event came to be known as the "Meiji Restoration". The Meiji Restoration is regarded as the starting point of modernization of Japan. The circumstances in which Japan's modernization had its beginning were to have major influence not only on Japanese society, economy and the psychological makeup of her people but also on Japan's foreign policy. The new regime had been deeply impressed by the helplessness of the earlier Tokugawa regime in the face of western military powers, and the humiliation they had to suffer because of their military weakness. Obviously, they were eager to create a Japan capable of holding her own in the modern world. Outrightly they thought firstly in terms of military might, but soon realized the heart of problem that to achieve military might Japan essentially required an economic, social and intellectual renovation. The Restoration government therefore adopted a series of vigorous policies aimed at achieving rapid modernization, comprised of measures whose goal was epitomized by such slogans as "Rich country, strong army" and "Increase production, promote industry". Keeping in mind the past

images of humiliation caused by military and economic weakness of the Tokugawa regime the Meiji government made concerted efforts to make Japan a powerful modern state capable of meeting any challenge in the future. Thus, Japan emerged not only as the first Asian country which banished illiteracy from the nation entirely but also became an industrial and military giant of the modern world by the end of the nineteenth century. "Japan astonished the world by increasing her exports in midst of the depression and the future looked bright for the Japanese". 4 Sir G. Sansom points out, "The main causes of Japan's spectacular economic advance were her disciplined and diligent manpower, their simple standard of living and the attention paid by the government to the development of industry and trade in the national interest." 5

The emergence of the first world war in Europe gave a golden opportunity for the expansion of Japanese economic and political empire in Asia which

brought her a status of major power in the modern world. Japan participated in the peace conference held at Versailles in 1919 as one of the military and industrial giant of the modern world and acquired recognition as one of the "Big Five" of the international order. This speedy emergence of Japan as modern economic and military might gave a boost to her imperialistic ambition to become a leader of Asia, ultimately culminated in a heavy attack on the American naval base at Pearl Harbor on 7th December, 1941, without a prior declaration of war that involved both Japan and America in the Second world war which had already started in 1939. But this Japanese attack on Pearl Harbour proved as a bane for her might because it invited a strong American Army, Navy and airforce against her which ruined Japanese power by dropping two atom bombs on August 6 and 9, wiping out the Japanese cities Hiroshima and Nagasaki. The erstwhile powerful empire saw its abysmal cataclysm and had no way except to surrender unconditionally before Allied powers on 14th August, 1945. The Emperor himself announced the news of Japan's surrender on the radio on 15th August, 1945 as "Let one entire nation continue as one family from generation to generation mindful of the long road before it. Unite your total strength to be devoted to the construction
Thus the second world war came to an end with the defeat of an economically and politically powerful empire which brought Japan for the first time in her long history under foreign occupation or allied occupation which was the last significant event, altered the entire course of Japan's foreign policy in the post war Asia.

Post War Japan came under the administration of the Allied Powers (virtually, the U.S.A.) and on 6th September, 1945, General Douglas MacArthur received his official designation as the Supreme Commander for the Allied Powers. It was the first Japanese defeat which left her under American occupation, which wrote a remarkable chapter in the history of Japan by introducing so many reforms with cooperation of the Emperor on her soil. General MacArthur took various steps to promote democratization and disbanded imperial armed forces and tried to mitigate militarism. The Japanese extended their full cooperation to these reformatory steps of MacArthur by realizing rightly that it was almost impossible to Japan to reemerge as a major military power in the modern nuclear world with its geographical limitations. At the same time, the very survival of Japan

was at stake due to abysmal economic fiasco gifted by war and there was no other way before her except to believe in the principle of interdependence, mutual trust, cooperation and peace. The world saw for the first time a unique type of relationships between the victor and the vanquished when America bore all pain to make the economic recovery of Japan while Japanese responded with surprising cooperation to Americans in spite of the fact that America was mainly responsible for their calamity. "Under the guidance of the Emperor, Japan accepted her defeat in such a way that she earned the title of the "World's Worst Winner; Best Loser".  

The changing trends in the global situation at the time of Japanese recovery, of course, gave a new shape to Japan's future. As soon as the war ended the entire gamut of the international relations was engulfed by a new kind of war termed as 'Cold War'. The Union of Soviet Socialist Republic emerged as another super power of the world after the America in the end of the second World War. The Cold war virtually divided almost the whole world into two camps known as western camp under

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7. Ibid., p.102.
the leadership of America and communist camp under
the leadership of Soviet Union. The emergence of China
in Asia as a Communist State in 1949 under the leader-
ship of Mao alarmed Western Powers about the increasing
strength of communism and this development shifted the
theatre of Cold war from Europe to Asia. Just after a
year North-Korea backed up by Communist regime of Soviet
Union and People's Republic of China attacked on South
Korea popularly known as pro-Western country. This was
the most important event which had its vital impact in
shaping Japan's foreign policy in later years. Though,
Japanese, after the war began to hate war and had deep
longing for peace at any cost (showed by their acceptance
of renouncing war article IX) got themselves quite failed
to forget the growing threat of 'red expansionism' or
communism due to her geographical location near U.S.S.R.
and China. This fear of Japan ultimately culminated into
a treaty of mutual peace and security with the United
States, which provided an American commitment for Japanese
protection from the outside threat and the continuance of
American bases in Japan. Infact, America under the pressure
of global circumstances wanted to cultivate Japan as a
counter weight of communist powers so red expansionism could
be curbed and coped up with full might.
Thus Americans revolutionized the steps of Japanese recovery and Japanese with full enthusiasm, drudgery and dedication translated these steps in the glorious success. It was at this time on September 8, 1951, in San Francisco, 49 countries signed a peace treaty with Japan. The Japan and U.S. security treaty was signed on the same day but both treaties took effect on April 28, 1952. Japan, thus regained its independence and made progress in economic reconstruction. Though American occupation aided and played an important role in the transformation of Japan but, no doubt, Japanese themselves deserve most of the credit for what they have gained in post war years.

After independence in 1952 Japanese government gave priorities for her recovery from the losses of World War II and for the building of an economic strength with active cooperation of United States. In order to nurture Japan, a stable and a prospering democracy U.S.A. provided opportunity to Japan region access to world market and raw materials. Japan has achieved a remarkable record of recovery rising from the ashes of defeat in 1945 and has emerged an economic power in the world community.

This surprising economic growth of Japan have had its deep impact on Japan's foreign policy. Now Japan's
economic influence is not only confined to Asia rather it has alarmed almost entire world. The Japan an economic giant of the modern world may use its economic might as the diplomatic tool to maintain her influence and hegemony in international relations.

In February 1989 Prime Minister Chatichai Choonhavan of Thailand said "The world economic war is over, Japan has won."

Thus, this historic economic resurgence of Japan which has made her one of the most powerful economic giant of the modern world, will have its own paramount role in shaping the future of the Asia in particular and the world in general.

Japan, the place of rising sun, is a country of several islands grouped together. At one end it touches the Russian territory on the West and American borders on the East. This geographical situation of Japan has given her a strategic significance due to the fact of which Japan has played an effective role in the Asian affairs.

As soon as Japan emerged a major power in the beginning of the twentieth century, she began to give utmost importance to this region. The catchy slogans like "Asia for Asians" and "Greater East Asian coprosperity zone" aired by Japanese leadership in the beginning when they recognised Japan as an 'Asian roof' which will protect them against the Western 'imperialist rain'. In other words Asian people meekly considered Japan as their 'guard' against foreign threat. But soon they realised that over ambitious Japan wanted to cultivate herself as their 'Master' rather than their 'Guard'. Despite the fact that this over ambitious and imperialist design of Japan was largely responsible in breaking down the shackles of Western colonialism in almost entire Asia, even, after this, public opinion in this continent turned severely against her, due to their unprecedented devastation caused by Japan during the Second World War. Of course, the strong sense of nationalism, racial equality and confidence among Asian was the by product of Japanese victory over European powers, such as Japanese forces defeated Russia in 1904-5. "We may say that it was Japan which started the revolution in 1941-42 which swept over Asia and has changed today the very nature of world
politics. With the war cry 'Asia for Asians' Japanese forces over-ran French Indo-China, British Malaya and Burma and Dutch Indonesia. The tide of Japanese advance rolled to the eastern gate of India. The surrender of British army at Singapore dealt a staggering blow to the European hold on Asia and the position could not be retrieved. Whatever might have been the mistakes committed by the Japanese militarist in the countries they 'liberated', the Vietnamese, the Indonesians and the Burmese would not accept again their former European masters. 'The propaganda of 'Asia for the Asiatics' was not silenced by Japan's defeat in war. what Japan did so successfully was to destroy the 19th century structure of colonial empire in Asia'.

But the second world war ended in Japanese defeat which brought her under the foreign rule. Japan's pre-war deeds have had deep impact on the Japan's foreign policy particularly in the context of Asia.

After the Second World War, a number of new and independent nations emerged in the Asian continent due to the collapse of Western imperialist might in this region. But soon these nations were involved in the Cold War structure and virtually divided into two blocks known as

9. Chatterji, op. cit., p.102
communist and non-communist one. Japan, which was already under the American occupation could also regain her independence in 1952 and became an important ally of the U.S.A. The San Francisco Peace Treaty brought an end of Allied occupation and opened a new age in Japan's approach to the external world. But the unprecedented catastrophe of the Second World War had left deep wounds in the minds of the people who kept on harbouring doubts about the Japan's honesty and decility. "New Zealand and Australia shared the fears of other Pacific states that Japan might, even without violating the treaty terms, rearm and become a menace again in the Far East.\(^1^0\) It was seen at the time when the Japanese Premier Yoshida attempted to clear these doubts before peace treaty by saying that the "Japan of today is no longer the Japan of Yesterday, we will not fail your expectations of us as a new nation.\(^1^1\)

Since the emergence of Japan as a modern polity, Japanese leadership has shown more interest in East and Southeast Asia due to an immense importance of the these regions to Japan. In comparison to these region, Japan was least concerned with rest of the Asian parts in the

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\(^{11}\) Ibid., p.157.
pre-war as well as in the Post-war period. This over-interest of Japan in the East and South East Asia stirred her for an unprecedented and widespread ruin of these regions which suffered most in Asia during the second world war. It was the main reason that East Asian and southeast Asian countries with their sense of insecurity reacted in a very of Allied occupation in 1952. Even the San Fransisco Peace Treaty (concluded by 48 nations with Japan on September 8, 1951) was failed in mitigating the sense of fear and insecurity of East Asian and sougheast Asian nations.

Consistent efforts were made by the Japanese leadership in the post-war years to promote Japan's good relations with East Asian countries particularly with Korea and China which are very important to Japan from their geographical point of view.

As in the pre-war period, the Japanese leadership always advocated that Tokyo must capture the Korean peninsula in order to protect Japanese integrity and her economic and political empire in the Asian continent because this peninsula was the most clear and suitable route for foreign aggression on the Japanese islands. In post-war years when the Korean peninsula was divided into South Korea and North
Korean, Japan recognized south korea and renewed its efforts to improve her ties with South Korea and had no official dealings with north Korea. But relations between the south Korea and Japan remain strained because of the colonial experience left a legacy of deep doubts between the two countries. "Memory of the Past governed personal and official attitudes on both sides, and the legacy colonialism got in the way of rapid settlement of difficulties." The doubts, in the minds of the Korean people that Japan may try again to maintain her hegemony in their country, were later strengthened by President of South Korea Syngman Rhee for his own political interests and remained as the wall between the two nations good relations. "In 1957 the London Times questioned whether Rhee could accept the possibility of a fair settlement with Japan, whose people" he had persistently denounced as untrustworthy and incorrigibly aggressive." "In December 1955, the well known Japanese Christian leader, Toyohiko Kagawa, made an eloquent appeal in an open letter to President Rhee, which was printed widely in the Japanese press Kagawa wrote:

"As Saul tried to kill David, the Japanese tortured Your Excellency and oppressed your people. In the name of Christ I apologize to your Excellency, and appealing to your Christian conscience, beg for your forgiveness. Forgive like the Lord who forgave his enemies on the cross and bring permanent peace between Great Korea and Japan".

Pressing his appeal, Kagawa drew examples from American history:

"There was a time when the United States was a colony of Great Britain. Angered by Britain's oppression of the colonies, George Washington stood up and fought against England to achieve today's independence. However, at present old hatreds are forgotten.... I wish the relationship between Great Korea and Japan would be like this."

In spite of U.S. role as a mediator the relationship of South Korea and Japan kept on rolling in old drums until

Rhee had fallen from power in 1950. Rhee's departure opened a new era of healthy relations between the two countries when they signed a treaty on June 22, 1965 that settled the reparation question which was a major dispute between the two. In this treaty, "Japan pledged to extend $ 500 million in government aid. Of this, $ 300 million was in outright grants and $ 200 million in twenty years loans at 3.5 per cent interest, with a seven years moratorium on repayment. The loans were to be extended through the new oversees Economic Cooperation Fund. In addition the Japanese government agreed to facilitate private credits of another $ 300 million to South Koreans. All this compensation was made in a form that stressed economic cooperation, not reparations, a word already distasteful enough to the Japanese public and impossible to stomach where Korea was concerned. 15

By the end of the decade, economic relations between the two countries could improve to a pleasant point. "The cumulative total of investments in South Korea, which was only about $ 15 M. by the end of 1969 fiscal year, had already reached $ 47 M. by July 1970 and $ 650 million by March

15. Ibid, p. 113.
1973, with the Japanese investment inflow at nearly $103 million in the first quarter of 1973 alone. 16 Though South Korea has been one of the important recipient of Japan's economic assistance but their relations were not free from the Chill as well. But Japan, in fact, could come closer to South Korea under the leadership of former Japanese Prime Minister Nakasone who always kept Japan's global role in his mind and improved relations with South Korea at faster pace by convincing president Chun. "When Nakasone became Prime Minister, he soon established a personal relationship with President Chun and a compromise settlement of the aid question was reached. Japan agreed to provide $1.85 billion in yen credits over a seven year period as well as $2.15 billion in non-concessional credits. 17 Now the maturity of their cardinal relations can be easily seen in their fast improving trade relations. "Two way trade between Japan and Korea reached $27 billion in 1988, a forty fold increase over the last two decades that made Korea Japan's second most important trading partner after the United States". 18

China, another important country to Japan in East Asia, emerged a communist country in post-war years yielded so many diplomatic delicacies because of being an ally of U.S.A. Japan, in the pre-war period spent large amounts in Manchuria and tried to control the commerce of China and even desired to have good commercial relations with China due to her richness in resources and vast market. But due to the emergence of cold war and virtually under the pressure of America, Japan recognized Nationalist China (under Chiang Kai Shek) as legitimate entity and concluded a separate peace treaty with Taiwan in April 1952 which caused envy to China. "Premier Yoshida in a letter to secretary of State Dulles insisted that Japan wished ultimately to recognize Peking and to have normal relations with that regime. Yoshida meant to leave the future open; but the treaty had the effect of acknowledging the legitimacy of the Chinese Nationalist regime as the government of China and made a peace treaty with Peking impossible". 19 Though, their unofficial trade was continued due to their historical and cultural affinity but official relations between the two countries could not be resumed for almost two decades, the revolutionary economic progress of Japan in 1960s and the

19. Lawrence, op. cit., pp. 74-75.
attractions of the vast market of China, renewed Japan's enthusiasm and eagerness to give a new thrust to their relations. On the other hand China was also interested in getting economic and technological assistance from Japan in order to modernize itself. In the meantime, the cold war between America and China came to end due to the shrewd diplomacy of Henry Kissinger, Secretary of State. The process of 'Detente' between America and China soon saw the visit of U.S. President Nixon to Peking in 1972. Thus, Japan, for the first time in the post-war years could get an opportunity to revive her relations with China by recognizing it in 1972 which was the major conflicting issue between the two nations. Since the process of normalization started in 1972, both countries have shown fast growing pace of their economic relations and finally Japan and the People's Republic of China concluded a Treaty of Peace and Friendship in 1978. Since then both countries have displayed their over-enthusiastic interest in improving their diplomatic and economic ties. Now China has taken a very significant place in Japanese foreign economic policy similarly, Japan looms large in Chinese foreign economic policy. "Trade levels now range between $9 and $10 billion annually, Japan is committed through private and official means to assisting China in its modernization efforts. Japan provides China with much needed
capital and technology, while China supplies Japan oil, coal and other materials. Since 1979 Tokyo has designated China as a priority aid-recipient and has allocated about $3.5 billion in yen credits mainly for rail road and port construction projects. Loans were also made for a petrochemical project at Daging and an iron mill at Baoshan In addition, Tokyo has funded by grant-aid a thousand bed hospital in Beijing as a symbol of Sino-Japanese friendship and is involved in a major agricultural technical assistance project in Northeast China. In 1982 China became the top recipient of Japan’s bilateral ODA.20

In last years, the U.S.S.R. under the leadership of Gorbachev had also adopted a soft attitude towards Japan. Gorbachev in his Vladivostok speech on 28 July 1986 recognized Japan "as a Power of paramount importance" and in Beijing on 17 May 1989, he expressed Soviet Union's "Keen interest" in developing close relations with Japan 21. This development had further encouraged China to develop stronger ties with Japan. China seems to be keener to come close to Japan, Keeping in mind Russia’s overtures of wooing it even under the leadership of BMS Yeltsin Li Peng Prime Minister of China visited

Japan and received warm welcome there. Japan has now become a big source of technology to China, and the latter has emerged as the largest trading partner of Japan after Hong Kong. In August 1988 Takeshita Pledged a package of soft loans and other assistance for 1990 through 1995 totaling 810 billion yen ( $ 6.3 billion in 1988 dollars). Now Sino-Japanese relations are not only stronger in economic field but overall relations are fast getting matured. In 1987, 418,000 Japanese visited China and 73,000 Chinese visited Japan figures that are 18 times higher than 10 years ago. In comparison, 315,000 Americans visited China in 1987.

Japan's relations with Taiwan during post-war years remain very close. The most important factor in their good relations was Japan's recognition of Taiwan regime as the legitimate government of China. Only in 1972, Taiwan threatened to severe diplomatic relations with Japan when Japan recognized People's Republic of China but soon agreed to a new situation in which Japan and Taiwan exchanged "unofficial" missions and continued their trade. Both the

22. Ibid, p. 4.
24. Ibid., p. 135.
countries are in close contact with each other and further strengthening their ties.

The economic miracle has urged Japan to play a more important role in East Asia. Japan has already started to spread its influence in this region by using economic aid as a diplomatic tool which is clearly seen in its approach to its neighbours in East Asia. Though Japan's relations with its East Asian neighbours are displaying good progress, suspicion and bitterness towards Japan has been a major legacy of World War II. A clear indication of this was seen in September 1984 South Korean President Chun Doo Hwan's first visit to Tokyo. Emperor Hirohito had to give a carefully ruler of Korea in the decades before the Second World War. In 1986 Japan's newly appointed Education Minister, Msayuki Fujio, was forced to resign because of Chinese and Korean protests over his support for revisionist school history text books and his ill-considered remarks implying Korean complicity in Japan's 1910 annexation of the country. Prime Minister Nakasone publicity apologized for the incident. More recently in May 1988, another right-wing Minister, Sisuke Okuno, was forced to resign for remarks that sought

to whitewash Japan's responsibility for the outbreak of war with China in 1937. Though 45 years have elapsed since World War II but South Korea still forbids the showing of Japanese films in the country.

The Southeast Asian region is the most important region to Japan's economic and political interests in Asia. Keeping in mind the vital significance of this region to its objectives the Japanese leadership has tried to keep political, economic and cultural hegemony of Japan over this region in the prewar period as well as in the post-war period. As pointed out by Wanaudi, this is true first, because more than 80% of Japan's energy and 60% of its raw material requirements pass through southeast Asia. Second, Southeast Asia itself is important to Japan as a market, a source of raw materials and food stuffs, and as a field of investments. The Japanese leadership in its foreign policy always gave priority for maintaining good relations with southeast Asian nations and particularly since 1952 the Japanese diplomats have shown renewed interest in this region as a trading partner, a source of raw materials and a place for political influence. Thus, right from its independence, Japan has been making overtures to

26. Ibid., p. 558.


Woo South-east Asian countries which still abhor Japan's atrocious role during the second world war which had left deep scars and suspicions in Southeast Asia. It was the reason that countries of Southeast Asia like Philippines, Indonesia, Vietnam and Burma strongly opposed the San Francisco Peace Treaty. These countries manifested their reactions in their demand for reparations and territorial security. The Philippines and Indonesia initialled the treaty but refused to ratify it until reparations agreements satisfying their claims were reached.²⁹ Though Japan started talks with these countries on the question of reparations as early as in 1951 but without positive results because of the stiff stand of both Parties. Ultimately Japan could reach to a point of solution on the question of reparations with Burma in 1954 which also led to agreements with Philippines (1956), Indonesia (1958) and Vietnam (1959). A Burmese delegation arrived in Tokyo in the Summer of 1954 and within three months signed a reparations agreement that was ratified by both countries in the spring of 1955.³⁰ Reparation agreement for Philippine came on April 27, 1956, was ratified by the Diet on June 4 and by the Philippine Senate on July 10.

²⁹ Lawrence, op. cit., p. 16.
³⁰ Ibid., p. 22.
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<th>Average Annual payment</th>
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<th>Remarks</th>
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Source: Yoichi Itagaki, "Reparations and Southeast Asia", Japan Quarterly, 1959, p.441.
It went into effect on July 23, and diplomatic relations were restored. Reparations for Indonesia were not settled until 1958, when the amount was set at $223 million over twelve years, plus $400 million in private loans and investments. In addition, a trade debt to Japan of $117 million which had been deliberately unpaid for years, was cancelled. Finally in May 1959, a small reparations agreement was signed with South Vietnam, to be used almost entirely for construction of a hydroelectric project on the Da Ninh River. Other agreements in lieu of reparations were later made with Laos and Cambodia.

The reparations payments which Japan had agreed to make to the four claimant countries are as follow.

31. Ibid., p. 25.
33. Itagaki Yoichi, "Reparations and Southeast Asia". Japan Quarterly, 1959, p. 441.
After getting rid of the major issue of reparations, Japan started expanding its economic ties and trade relations in Southeast Asia, particularly with ASEAN countries (The Philippines, Malaysia, Singapore, Thailand and Indonesia). Japan emerged soon as the preeminent partner of the south east Asian nations particularly the ASEAN states because her economic miracle had made Japan their main trading partner and their biggest source of the economic and technological assistance. Nevertheless, approximately 83% of Japan's development aid was directed to the developing Asian region and about 67% to Southeast Asia in 1969.\(^\text{34}\) In a very short span of time Japan emerged as one of the most powerful trading partner in the southeast Asian region. By the late 1960s, Japan was the leading investor, aid-donor and trading partner of Southeast Asia and his preeminent position was further strengthened during the decade of the 1970s.\(^\text{35}\)


<table>
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<tr>
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<td>493</td>
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<td>Singapore</td>
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<td>1467</td>
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<td>1764</td>
<td>4379</td>
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<td>Thailand</td>
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<td>849</td>
<td>2390</td>
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<tr>
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<td>218</td>
<td>51</td>
<td>269</td>
<td>169</td>
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<td><strong>Total</strong></td>
<td>15,737</td>
<td>13,758</td>
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<td>+1,979</td>
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Source: International Monetary Fund, *Direction of Trade Year Book* 1979.

The formation of many regional organizations and their wide scope of activities further made Japan's relations with southeast Asian countries stronger cordial and ever growing. Such organizations are the Asian productivity organization, the Asian Development Bank etc. The importance of Japan and the Southeast Asian nations to each
other was recently manifested with ASEAN where the member countries are now placing great hope on the role Japan can play to increase cooperation between ASEAN, the international world, and other regional organization.36

The end of the Vietnam war in April 1975 brought so many changes in the international relations of southeast Asia, Japan badly realized to play more significant role in this region which ultimately culminated in the "Fukuda Doctrine" of 1977 which showed, in the opinion of political analysis, a sign of Japan's desire to play an increased role in global affairs, Asian affairs and particularly economic and political affairs of Southeast Asia. In August 1977, Prime Minister Takeo Fukuda attended a Summit meeting of ASFAN, visited the five member states plus Burma, and set forth a set of goals of Japan's policy towards Southeast Asia, what has come to be called the Fukuda Doctrine had four major points: (1) Japan will not become a military Power; (2) Japan will promote "heart to heart" understanding with ASEAN Nations in all fields; (3) Japan will cooperate with ASEAN as an "equal partner" while working for stable relations with the Indochinese nations; (4)
Japan will double aid in five years, while increasing imports from and investment in Southeast Asian nations.\(^{37}\) Thus, by the declaration of this doctrine it was quite evident that Japan was intended and interested in expanding its scope of activities particularly, economic one, in this region. The countries of this region whole heartedly accepted for this new increased and more effective role of Japan. Since the end of the Vietnam war and with the growing presence of the Soviet Union in Vietnam the Japanese role of mediator between ASEAN and Vietnam has become increasingly accepted. ASEAN countries are beginning to see Japan as a supplementary source of military aid as well; some southeast Asian leaders even want Japan to send them arms.\(^{38}\)

In the mid of 1980s, sign of detente between the two super powers and the growing economic and technological might of Japan, have further strengthened the roots of Japanese ties in the Southeast Asia. Japan, now has assumed role as a regional leader in Asia but particularly it is concentrating in Southeast Asia which has got priority in


the Japanese foreign policy. Former Japanese Prime Minister Takeshita went to Manila in mid-December 1987 to attend the Association of Southeast Asian nations (ASEAN) Summit meeting where he announced the establishment of a new $2 billion ASEAN-Japan Development Fund. Japan has been consistently depending its economic interest in Southeast Asia mainly the members of the ASEAN. About two third of Japanese foreign aid is directed to Asia in which major share is sucked up by Six ASEAN countries. It is perhaps Japanese inclination to spread its hegemonial wings over this region.

Starting from reparations and continuing through technological and economic assistance Japan's relations in post-war years with Southeast Asian nations have been considerably cordial. In spite of Japanese undoubted economic hegemony and increased role in this region, Japan has been unable to mitigate the memories of her grossly and hatred role played by her during the Second World War. Therefore, suspicious and signs of fear are still persisting in this region. When the erstwhile Prime Minister Kakuei Tanaka visited the ASEAN countries in January 1974, he encountered virulent anti-Japanese demonstrations virtually wherever he went. Raul Manglapus, Foreign Minister

of the Philippines, who spent two years fighting against the Japanese during the war, replied bluntly when asked how much influence Japan has in his country: "Thus far, none." Although anti-Japanese feeling seems to be declining somewhat with one passage of time and with the growing realization that their interdependence is indispensable for their betterment stronger and closer economic relations between Japan and Southeast Asia are contributing much to their mutual well being.

West Asia could not attract Japan during the pre-war period as well as in post-war period because Japan's foreign policy could not concentrate on this region probably because of its distance from Japan. But it was the oil crisis of 1973 which ushered Japanese diplomacy in this region. The cumulative impact of a series of international crises in the 1980s that began with the Arab oil embargo in 1973 had profound effects on Japanese foreign policy. Japan played her cards shrewdly during Iraq-Iran war and succeeded in maintaining diplomatic relations with both the countries. Japan also showed keen interest in getting a peaceful solution of


Iraq-Iran through visits by the Japanese foreign Minister and other officials. Japan tried to bring the two sides together in peace. On the issue of Arab Israeli conflict, Japan took a clear position by supporting the United Nations Security Council Resolution 242 and demanded Israeli withdrawal from the occupied territories but upheld Israel's right to exist as a nation state. Infact Japan's oil dependency largely in this region, has urged Japan for not being align to any side strongly rather concentrated on a peaceful solution.

Thus, Japan which was not attaching even meager importance to West Asia began to show increasing interest in this region since the oil crisis because of its own oil needs and so Japanese relations with West Asian countries improved in later years through the Japanese import of oil and her economic and technological assistance to these countries. Japan provided economic aid to Iran, Iraq and Afghanistan for the purpose of rebuilding their war shattered economies. Stiching to the long-cherished ideal of its foreign policy in the post-war period, i.e, maintenance of of peace in general
particularly in Asia, Japan had been making all its efforts to realise it. Japan provided economic assistance to U.N. sponsored American Army, against Iraq in order to maintain peace in this region.

Though Japan could air slogans like "Asia for the Asians", or "a new order for Asia", during the pre-war period but virtually, for the Japanese leadership and diplomats the meaning of these slogans did not extend beyond East Asia and South-East Asia because of their immediate economic and political interests in these regions. Even in the post-war period when Japan re-emerged as an independent nation in 1952 after seven years of Allied occupation, her attention remained limited to the traditional zones of Japanese interest, namely East and South-east Asia. Though South Asia was not completely neglected by the Japanese leadership during the pre-war period and since 1952, Japanese foreign policy was least concerned with this region. But after becoming the economic superpower of Asia Japanese economic interest and activities which were traditionally limited to East and Southeast Asia have increasingly shifted towards South Asia. Japan has now become the leading individual donor of development for this region. In recent years, the changing trends

of global politics due to growing detent between the two superpowers have had their deep impact on the political and economic perceptions and priorities of Japan. Being a world economic power, Japan is bound to engulf the entire Asia with her increased activities. Thus, South Asia has now become significantly an important region to the Japanese economic and political interests. In spite of the above mentioned situation that attracted Japan, there are certain other factors which have enhanced Japanese interest in the region of South Asia.

Since Japan imports large quantities of its oil from the countries of the Middle East, more than 70% of which coming by Sea through the Indian Ocean. The stability and peace of the South Asian region, which includes the Indian ocean of that sea route. Thus, Japan is keener to expand her activities in this region of the globe, by providing economic assistance so that peace and stability may be maintained. As the Japanese former Prime Minister Toshiki Kaifu in his visit to South Asian countries remarked, "Peace and Stability in Asia is a matter of great concern to Japan". 44

44. Policy speech by Prime Minister Toshiki Kaifu's Speech on Japan and South Asia: In pursuit of Dialogue and Cooperation for peace and prosperity" delivered at the Parliament House, New Delhi, on April 30, 1990, p.9.
Secondly, seven of the countries in the region of South Asia (India, Bangladesh, Pakistan, Nepal, Sri Lanka, Bhutan, Maldives) are categorized as less developed countries. Of these, Bangladesh, Bhutan, Maldives and Nepal are indeed, least less developed countries. Japan is expected to play a major role in economic and technological aid to the countries of this region. As Mr. Kaifu cleared this point by saying "As a country in Asia that has endeavoured to modernise itself, we believe that Japan has a unique role to play for the promotion of development assistance."

Thirdly, the total population of this region numbers approximately one billion people, almost one fifth of all mankind. Hence, promotion of close ties between Japan and the countries of the South Asian region can be expected to contribute significantly to the attainment of the aims of Japan's Asian diplomacy, particularly to long term stabilization and strengthening of Japan's relations with the Asian countries. As Kaifu stated, "the development of this region which

is inhabited by one billion people, or one fifth of all mankind, is in itself one of the major interest of the whole world as we move closer to the twenty first century". Undoubtedly one billion population of this region is considered to have great potential in the long term.

Fourthly, the South Asian countries are having abundant natural resources. While Japan is a poor resource country, thereby, Japan and the South Asian region are interdependent. If combined, the abundant natural and human resources of the South Asia and Japan's very advanced technology may bring economic prosperity to the region and in turn, Japan's economic interest will also flourish.

Fifthly, the South Asian region is one of the cradles of world civilization. Japan desires to expand cultural exchanges in various fields, such as the arts and sport, with the countries of this region, which is one of the sources of Japan's culture. Former Prime Minister Toshiki Kaifu stated as "South Asia is a treasure trove of cultural and historical monuments.

46. Ibid., p.9.
which are also common heritage of mankind. I should also like to pursue ways in which Japan will be able to contribute its share in efforts to preserve this heritage.  

No doubt, Japan has increased her activities in the South Asia region in the recent years but she has no intention of intervening in the problems of the region. Japan does, however, have a positive attitude to supporting movements among the countries of the region for the improvement and strengthening of their cooperative relations, such as South Asian Regional Cooperation. As Former Prime Minister Toshiki Kaifu said, "I should like to pay respect to the South Asian countries which are bound by ties of history and culture, for having produced certain results in their joint efforts to achieve the purposes of SAARC such as the promotion of the welfare of the peoples, social progress and cultural development, while strictly adhering to the principles of the United Nations Charter, i.e. Sovereign equality, territorial integrity, national independence, non-use of force, all non-interference in the internal affairs of other states".

47. Ibid., p.19.
After seeing the above-mentioned view it may be concluded that expanding economic relations between Japan and the South Asian countries have an important role to play in broadening and deepening Japan's overall relations with the countries of the Asian continent. For this purpose, it is necessary to do everything possible to increase Japan's trade with the South Asian countries which are looking forward to Japanese technological and economic assistance. To understand the Japanese foreign policy in post-war period towards South Asia, it is essential to look at her bilateral relations with major countries of this region.

The changing trends in global politics due to the collapse of the U.S.S.R. as a superpower and the revolutionary growth of Japan's economic might have further widened the scope of Japanese activities in Asia.

To conclude, "for historical geographical, economic and political reasons, Japan naturally has favoured Asian countries in its allocation of aid. At
one time almost all of Japan's bilateral ODA went to Asia, but the ratio now fluctuates at around 70%. Future prospects of Japan in Asia are brighter and Asia will hope fully remain the region of high priority in Japanese foreign policy.