Chapter 6

Japan's Place in the World

I. Introduction

In the 1990s, when the international order was in flux following the end of the cold war, the Japanese experienced a number of international crises: the Persian Gulf War, the North Korean nuclear and missile crises, controversy over U.S. military bases in Okinawa, Chinese saber rattling in the Strait of Taiwan, and so forth. All this made many Japanese realize that they could no longer get by with the attitude that had prevailed throughout the post–World War II period: Because the United States, the United Nations, or some other external force would uphold the international order, it would be best for Japan, having transgressed in the past, to refrain from international involvement.

Even if there could be no doubt that a new response was necessary, what kind of foreign policy guidance was required? Considerable oscillation in perceptions of the direction of Japanese foreign policy was seen. On one hand, in the first half of the 1990s, during U.S. President Bill Clinton's first term, the United States stepped up pressure on Japan in the context of bilateral economic friction. With summit talks threatening to break down, Japanese bureaucrats and business leaders, weary of the difficulties posed by relations with the United States, were tempted to seek solace in Asia, Japan's cultural home—that is, to jettison America for Asia. On the other hand, in view of Chinese and North Korean missile tests, clearly it would not be easy to find refuge in Asia. There was a growing body of opinion that Japan should overcome its postwar taboo and consider ways and means of defending the homeland against crises in neighboring countries. Thus, resurgent nationalism was seen as another current.

This does not mean that the crises of the 1990s heightened the Japanese people's security-related fears, prompting them to adopt a more proactive stance toward international issues. Public concern was focused overwhelmingly on the protracted recession. People felt a deep sense of loss, and for most people the priority was to shore up the immediate domestic environment rather than look outward. At a time of fiscal stringency, sentiment for holding down externally related spending, whether the defense budget or the Official Development Assistance (ODA) budget, far outweighed that for increasing outlays. All in all, an inward-looking mood prevailed.

Given these circumstances, we believe that Japan should adopt the following basic viewpoints as it enters the twenty-first century. First, for a country such as Japan, for which survival and prosperity depend on international peace and a free international economic order, losing its enthusiasm for international involvement and becoming inward looking is all but suicidal. Japan must rebuild itself while knowing the world, associating with the world, and engaging with the world. This is not an age that permits isolationism. We must not lapse into a cramped mentality. In this age of globalization, we need to resurrect the method that worked for early modern Japan—new domestic construction resulting from knowledge of the outside world.

Second, it is immature to think of diplomacy in rigid either/or terms. It is especially inappropriate when, as in the post–cold war period, the bipolar order has disappeared and diversity and flux are the salient features of the world situation. The post–cold war norm for countries is multifaceted partnerships. The answer is not America *or* Asia, let alone *from* America *to* Asia. The meaningful answer is to build creative relationships with Asia while continuing to use the Japan-U.S. relationship as an invaluable asset. Regional cooperation and integration are advancing in various parts of the

world, but historically Japan has been unable to build mature, mutually beneficial relations with its neighbors. We believe that neighborly relations (*rinko*) will be a major challenge in the new century.

Third, external relations today are not only multifaceted but also multilayered. In addition to the sum total of bilateral relationships, there are frameworks of multilateral regional cooperation, as well as various global systems. In this time of multilayered international systems, pluralistic national interests can be satisfied only by skillfully distinguishing among and using various levels rather than singling out and concentrating on a particular level. Security, too, is a multilayered issue. It makes sense for Japan to overcome the constraints of the postwar period and address security issues itself—not because the Japanese are goaded by nationalism but because the special circumstances of the postwar and cold war periods are no longer relevant, making the effort to deal with one's own security the natural thing to do. It is a fallacy to think that this means belittling or hollowing out the Japan-U.S. alliance. Even in the post–cold war period, the power of the United States has played a signal role in defusing major security crises. Nor must we forget the need to uphold and strengthen the U.N.-led international security system consisting of various treaties and other instruments. In short, security calls for initiatives on three levels: self-help efforts, alliances and friendships, and the international system. We should not concentrate on one level to the exclusion of the others but rather take a balanced approach, including the self-help efforts that have so far been especially inadequate. Twenty-first-century Japan will, we believe, require security-related efforts based on healthy international cooperation.

Strengthening security-related efforts does not mean that Japan will give primary importance to the military. The overwhelming weight will continue to be on the civilian sector, with the emphasis on the economy. This sector is Japan's forte and the one in which it can best contribute to the international community. A Japan that plays a global role will be a staunchly civilian power.

Strengthening systems of international cooperation and building a more prosperous and peaceful international community are the basis of Japan's existence and welfare. It is hard to see this in terms of specific Japanese national interests, but it constitutes the broad foundation for the national interest. We advocate contributing to the formation of what we call enlightened national interest.

II. The Legacy of the Twentieth Century: Freedom, Democracy, and the Japan-U.S. Alliance

In addressing Japan's goals for the twenty-first century, we should First assess the legacy of the twentieth century because the future does not spring from nothing but grows out of the past and the present. To say that we can freely build the future, ignoring the constraints of the past and the present, is disingenuous and is liable to lead us to deceive both ourselves and others. Acknowledging the past for what it was and confirming what we actually were is the starting point for everything.

Of course, being constrained by the past and being ruled by the past are not identical. What we were in the past and what we are now are not identical. Our present identity is the product of our evaluation and distillation of our historical experience. The past that we affirm is the identity that we continue to confirm, whereas the past that we condemn is the identity that we try to slough off. The weight of historical continuity is great, but at the same time it is true in every age that it is people who shape history; their perceptions and will constitute important historical factors.

The big problem with Japanese history is that both its splendid achievements and its infamous episodes have unfolded without adequate public awareness. In determining our course in the twenty-first century, we would like to begin by reviewing the path the nation has taken so far and identifying the assets that should be preserved, the liabilities that should be discarded, the things that should be revived and utilized, and the flaws that need to be fixed. Of course, we cannot go into a deep discussion of history here, but we would like to briefly survey the assets and liabilities of Japan's early modern (prewar) and postwar history.

1. Early modern (prewar) Japan

(1) Assets

On the positive side of the history of prewar Japan was successful modernization. This was a great achievement in terms of world history. Nineteenth-century Western civilization, having gone through the Industrial Revolution, became extremely powerful, and the Western powers seemed well on their way to dominating the entire globe as the world's only major players. In the nineteenth century, Western civilization was synonymous with the world. Emerging from the ranks of non-Western countries, Japan dedicated itself to modernization in the latter half of the century. By the early twentieth century, Japan had become an industrialized power and triumphed in the Russo-Japanese War (1904–1905). This was proof that with sufficient application any nation could acquire the affluence and strength that had been regarded as the monopoly of Western civilization. Although learning a great deal from Chinese civilization since ancient times, Japan had used the sea that buffered it from the Asian continent to protect its independence and created a distinctive Japanese culture. Its prior experience of contact with a powerful civilization was one important reason the Far Eastern country of Japan succeeded in modernizing. This experience facilitated Japan's diligent study of the secrets of the power of Western civilization and its use of the knowledge gained to assimilate this external civilization.

(2) Liabilities

What, then, was the negative side of prewar Japan's history? It was imperial Japan's inability to control its power through political wisdom despite having successfully modernized. Honest and multifaceted study of the events leading up to World War II by historians both within and outside Japan continues to be necessary. Nevertheless, it cannot be denied that while proclaiming the causes of Asian liberation from Western rule and the Greater East Asia Co-Prosperity Sphere, Japan forced its self-serving goals and order on surrounding countries, pursued aggrandizement of the Japanese empire at huge cost to other countries, and brought war and calamity to the Asia-Pacific region. This was a gross and lamentable folly of early modern Japanese history.

Viewed in terms of today's sensibilities, imperial Japan's attempt to expand at the cost of surrounding peoples can never be sanctioned and is hard even to understand. Nevertheless, it remains a universal truth now as in the past that there is a danger of inviting such a tendency whenever the logic of naked power politics is applied to international crises. Moreover, it has never been easy for Japan to redefine the national interest from a broad viewpoint on the basis of changes in the international environment. Unlike U.S. society, which has a system of attempting to redefine the national interest every time there is a presidential election, Japanese society has a marked predilection for stability and continuity. Even when the environment changes, there is a tendency to work even harder to apply methods that were successful in the past. Ineptitude in formulating national strategy, together with a political culture that favored vested interests and demands for internal harmony over rational decision making, helped embroil Japan in a self-destructive war. Indeed, these problems are not necessarily a thing of the past for Japanese politics.

2. Postwar Japan

(1) Assets

Peaceful development (rebirth as an economic state): One of postwar Japan's praiseworthy aspects is the way it put war behind it and beat swords into plowshares, pursuing the path of peaceful

development and succeeding in recreating itself as an economic state. Japan's postwar pacifism has often been seen as something imposed by the victor, but that is only part of the truth. When, during the Korean War, the United States pressed Japan to rearm swiftly, the government of Prime Minister Shigeru Yoshida did not succumb; backed by the people's widespread desire for peace, the government chose instead to make economic reconstruction the first priority. In subsequent years, this choice was supported by the will of both the elites and the general populace. In the 1960s, Japan achieved rapid growth, eventually becoming one of the three poles of the world's developed economic sphere.

Freedom, democracy, and the Japan-U.S. alliance: Clearly, what supported postwar Japan's development as an economic state more than anything else was the free international economic order. In the prewar period, Japan first developed light industry and then heavy industry while struggling with a dearth of resources and markets. In the postwar period, the boon of the free trade system built under U.S. leadership enabled Japan to soar.

Democracy in Japan advanced in fits and starts in the prewar period, was given a decisive direction by Occupation reforms, and subsequently became firmly established. Workers' rights led to annual pay rises. That, together with land reforms and subsequent income maintenance policies directed to the agricultural sector, brought about a general rise in living standards. This development had the effect of increasing domestic purchasing power, and the expansion of domestic markets, along with a high savings rate, technology transfers, and a high level of education, allowed rapid domestic demand–led growth in the 1960s and enhanced the international competitiveness of Japanese goods.

What guaranteed postwar Japan's security, enabled it to participate in the free international economic order and prosper, and supported the development of democracy was the friendly relationship with the United States, the core of which was the Japan-U.S. alliance. There had been a fruitful alliance with Britain and a cooperative relationship with the United States allowing freedom and pluralism and supporting the international order before World War II as well, but the postwar Japan-U.S. relationship was deeper and more comprehensive, extending to security, economic matters, politics, and culture. It went further than underpinning Japan's security during the cold war and enabling the historically rare achievement of the reversion of Okinawa. It also linked Japan to the international economic order and led to the vision of global partnership.

In general, the Japan-U.S. alliance has deterred both countries from going too far or not far enough and has steered them toward cooperative and stable behavior. For example, dealing with the crisis on the Korean Peninsula in the 1990s made the functions of the alliance clearer and strengthened the tripartite framework including South Korea. The crisis can be said to have shown the promise of using the alliance as the key to preserving regional stability rather than as a belligerent and expansionist force. It is possible that the alliance will fulfill a stabilizing function in the Asia-Pacific region in the face of the various upheavals that may accompany rapid changes in the future, and supporting this view are Japan's not inconsiderable contributions to the international community.

(2) Liabilities

A diminished sense of international responsibility and decisiveness: Postwar Japan also has had some unfortunate traits. Its emphasis on the economy yielded great fruit, but reliance on the United States to uphold Japan's security and the international order became an ingrained habit during the cold war, diminishing both Japan's sense of responsibility regarding its international role and its ability to make decisions for itself. The weaknesses inherent in the way Japan allowed precedent to guide policy rather than form its own big picture of the nation's direction were exposed during the crises of the 1990s. Precisely because of postwar Japan's economic success, vested interests grew and became entrenched. Since the end of the cold war, the environment has changed dramatically, requiring changes in both Japan's society and its politics and diplomacy. Redefining the national interest on the basis of overall national strategy is considered necessary.

Relations with Asia: Another problem is that relations between Japan and other Asian countries, particularly neighboring countries, have not attained sufficient depth. Toward the end of the 1970s, Japan began contributing to East Asia's economic development through trade, direct investment, ODA, and so forth. The development of a plus-sum pattern of growth for both Japan and other Asian countries rather than Japan's past initiatives—first repudiation of Asia in favor of the West, then the zero-sum pattern of self-aggrandizement at Asia's expense—is praiseworthy. Nevertheless, more than half a century since the end of World War II, exchange with China, South Korea, and other neighboring countries cannot be said to be deep enough, nor have regional cooperation frameworks been adequately institutionalized.

(3) Assets and challenges for the twenty-first century

In conclusion, the twenty-first-century challenges for Japan are on one hand to uphold its twentieth-century assets: freedom, democracy, and the Japan-U.S. alliance. On the other hand, it must also expand still-inadequate cooperation with Asia, enhance the sense of responsibility toward the international community, rediscover the ability to make its own decisions, and take part in building international systems.

III. Twenty-First-Century Challenges

1. Enlightened national interest

(1) A proposal for enlightened national interest

A country's needs in international forums are generally termed its national interest. Prewar Japan was ruined by neglecting to redefine its national interest even when the international environment changed dramatically, clinging instead to policies that had been successful in the past. To avoid the danger of rushing ahead blindly, it is important to have an accurate awareness of what one wants and act in the knowledge of its international political implications. Given the massive changes in the international environment since the end of the cold war, Japan must not shirk the task of redefining its national interest.

External policies that do not benefit the people are unsustainable domestically. Meanwhile, the unilateral pursuit of a country's own national interest is unsustainable internationally. What is important is pursuit of an enlightened national interest. This strategy means taking a long-term, indirect approach to satisfying a country's own needs by increasing the number of friendly countries and improving the international environment on the basis of "mutuality," which also respects other countries' interests. It is a way of benefiting both one's own country and other countries by contributing to the international public good through maintaining and strengthening the international economic system and the international order and helping developing countries grow, as opposed to the rigid pursuit of national interest that forces both one's own country and others constantly to make zero-sum, either/or choices. Unless it endorses a view of the national interest that incorporates international interests in a relaxed manner, twenty-first-century Japan cannot have an expansive diplomatic horizon.

States are too small to handle such global problems as the world environment and too big to handle the special and immediate problems of regions and individuals. With globalization, the borderless economy is advancing; transnational flows of people, money, and goods are accelerating. Meanwhile, various nonstate actors have emerged both at home and abroad and are engaging in meaningful activities. Today's government, which bases its legitimacy on the principles of freedom and democracy, needs to value civil society—nongovernmental organizations (NGOs), nonprofit organizations, and

other civil organizations both at home and abroad—support its growth, and aim to become trimmer by delegating public business to responsible civil organizations as far as possible while building cooperative relationships with them.

Who, though, bears the ultimate responsibility for social governance as a whole? The government, elected by the people and monopolizing powers of enforcement and taxation, cannot escape that responsibility. Although gaining the participation and cooperation of many civil organizations and drawing on their wisdom and experience in the quest for cooperative, pluralistic governance, the government must not abandon its responsibility to coordinate and integrate them. Otherwise, society and the people will simply pursue their own interests and risk drifting with no one at the helm. The national interest is the public interest as a totality, or the expression of this when seen from above—a necessary perspective if a society is not to lose sight of overall rationality in the tangle of discrete interests.

(2) A national interest open to the people

We wish to emphasize that an enlightened national interest is a national interest open to the people. For one thing, seen broadly and in terms of actual content, an enlightened national interest means policies to fulfill national needs. For another thing, it means that when the national interest is defined there is feedback from the public, information and perceptions are shared with the public, and the public participates in various ways in policy decisions. It is not in the people's interest to have almost no idea where they are headed.

For example, one of the government's most important duties is to deal with large-scale disasters and crimes that citizens cannot handle on their own and with threats from external enemies. In times of crisis, the government, because of its overriding imperative of upholding national security, must direct all its forces to respond resolutely even if this means suspending normal rules. Crisis management inevitably entails a concentration of powers because of the gravity of the situation and the need for swift action. Even so, the understanding and cooperation of citizens are essential, and in the end disclosing information and perceptions to citizens enables society as a whole to respond effectively. In the case of the Great Hanshin-Awaji Earthquake of January 1995, which caused such great damage, more citizens could have made themselves safer through their own efforts if information on the possibility of a major earthquake and measures for dealing with such an eventuality had been provided in advance. Crisis management also means enforcement of traffic controls and other measures. If such enforcement is to be effective, in addition to making public legal decisions, clearly apprising local residents of the situation and seeking private-sector cooperation is an effective way of tapping the great latent strength of the people. The activities of the million-plus volunteers after the Great Hanshin-Awaji Earthquake suggest the potential of this new horizon. Along with an open debate regarding the enactment of legislation covering emergencies, there is an urgent need to put in place an effective crisis management system that includes the mobilization of expert groups.

It is not uncommon for the national interest to conflict with partial interests (special interests of industries and groups, local interests, individual interests, and so on). As the Constitution of Japan demonstrates, personal rights may be restricted for the sake of the public welfare. When necessary, the state exacts a certain price to further the public interest. When the price affects an interest group with great political power, such as an industry, it becomes exorbitant, and few if any will endure it in silence. To consider carefully what benefits are fair in the light of overall rationality, political leadership that is open to the public and gains the participation of public intellectuals who have a sense of responsibility toward public issues and a broad perspective is essential.

The rape of a schoolgirl in Okinawa by U.S. servicemen in September 1995 brought into sharp relief the conflict between the national interest and the local interest regarding maintenance of the Japan-U.S. security arrangements. The Japan-U.S. Security Treaty is the most important instrument guaranteeing the security of Japan as a whole, which is why U.S. military bases in Okinawa are essential. At the

same time, this concentration of bases imposes a heavy burden on Okinawa in terms of residents' safety and environment. Okinawa demonstrates Japan's cultural diversity better than any other region. It shares Japan's history while maintaining a distinctive character, and tens of thousands of its people were killed when it became a battleground at the end of World War II. In addition to the tragedy of having been the only scene of battle on Japanese soil, after the war Okinawa was severed from the rest of the nation, remaining under U.S. military rule after the end of the Occupation and becoming an island of military bases. After Okinawa's reversion to Japan in 1972, it became home to three-fourths of the U.S. bases in Japan as bases on the main islands were consolidated. The Japanese people must not be ignorant of Okinawa's special status in supporting the security of Japan and of the Asia-Pacific region, bearing the heavy burden of bases on top of its historical suffering. It is natural to make concerted efforts to promote Okinawa's long-term development as well as strive to consolidate bases there. In a democratic world, not losing sight of regional fairness helps build domestic and international credibility.

2. Neighborly relations (*rinko*): Cooperation with Asian neighbors

(1) A proposal for neighborly relations

As regional integration and cooperation proceed in Europe and elsewhere, Northeast Asia is the last region to remain locked in the icy grip of the cold war. That is not the region's only problem. It has been seamed by underground fault lines, not only the fault line of the cold war that once divided the world into Eastern and Western blocs but also the North-South fault line separating rich and poor. There have also been numerous fault lines of geography and history that have made it difficult to reconcile the past and the future.

Nevertheless, focusing on the region's common interests, working together to energize a spirit of cooperation, and alleviating the region's deep fissures and conflicts are essential for the region's development in the new century and are also in Japan's national interest. Constructive relations with neighboring countries—countries with which Japan has a long history of exchange and a more recent history of colonial rule and invasion, countries that are important trading partners and with which Japan enjoys large mutual flows of people—will be a valuable spiritual and tangible foundation for the Japanese people in the twenty-first century. As market economies take hold in Asia and various countries achieve economic growth, democracy will gradually come to be more widely shared while cultural diversity is maintained. Japan should articulate this direction and actively promote the dramatic expansion and strengthening of relations with neighboring countries (*rinko*).

Fortunately, conditions are changing fast. The industrialization of one East Asian country after another in the last quarter-century has cultivated a certain shared experience among many East Asian countries and between Japan and other Asian countries. A long-term trend of shifting from authoritarian regimes to democratization has been observed in many countries, albeit with time lags and setbacks. The repercussions of the East Asian economic crisis have not altered this trend. At a time when Japan is building its own credibility in Asia—partly because the Japanese government provided aid despite Japan's own fiscal crisis and partly because many Japanese companies operating in East Asia stood firm, sharing the pain rather than pulling out—it would be highly significant to put neighborly relations on a firm footing.

(2) Overcoming obstacles and promoting popular exchange

What obstacles need to be overcome in building relations between Japan and neighboring countries that are suited to the twenty-first century? One obstacle is conflicts that arise because of geographical proximity, that is, territorial problems. Territory is a core element of a state, and every country must

take a firm attitude with regard to territory. At the same time, it is inappropriate to lose sight of common interests because of territorial concerns. The parties concerned need to take a calm approach so that territorial problems do not hinder the healthy growth of bilateral or regional multilateral relations. We hope that Japan will make clear its stance that peaceful resolution of territorial problems is the only option and will strive to make this basic policy the shared perception of East Asian countries, which have a number of territorial problems. Although considering conflict resolution with the participation of third parties in the long term, for the time being calm wisdom is important.

Another obstacle that needs to be overcome is differences in ideology and perception. It is natural for countries with different cultures and histories to have divergent views of the state and the world. This diversity should be welcomed. It is necessary, however, to keep ideological conflict to a manageable level so as not to jeopardize the coexistence of the people of different countries who should promote neighborly relations, while identifying common regional interests through dialogue and mutual understanding.

Differing perceptions of history have long been a political problem for Japan, especially vis-à-vis China and South Korea. It is essential to promote steady, dispassionate scholarly research as a basis for common understanding. We hope that accumulated intellectual exchange centered on researchers will show the way to a common future.

Ideological differences cannot be overcome by government-level efforts alone; broad-based exchange on the social level plays a large part in diminishing such differences by bringing about changes in attitudes. Fortunately, relations between the governments of Japan and South Korea are growing closer, including joint work on a free trade agreement. It is important to make efforts to translate the Japan–South Korea partnership based on trust between government leaders to the popular level in both countries, taking advantage of the cohosting of the 2002 World Cup soccer tournament and other opportunities. Setting up shuttle flights so that movement between the two countries becomes almost as routine as domestic travel, as well as encouraging and expanding opportunities for learning one another's languages, can lead to even more constructive relations between Japanese and Koreans.

The main determinants of East Asia's long-term future are China and the evolution of Japan-China relations. The greatest concern for surrounding countries, including Japan, is whether China will sustain stable growth on the basis of its "reform and open door" policies and turn toward democratization. While assisting China's own efforts in this regard, it is desirable to cultivate a climate in which China can adopt a policy of resolving the all-important Taiwan problem strictly by peaceful means. There is a tendency to emphasize the competitive aspects of Japan and China, as two great East Asian powers of different types, but formation of a new framework for cooperation is in the national interest of both. If the two nations are hostile, East Asia will enter a political ice age and Asia as a whole may be adversely affected. But if they expand cooperation based on a broad perspective despite their problems, East Asia can become a vibrant region. China for its part appreciates the role of Japanese diplomacy in improving China's international relations after the June 1989 Tiananmen Square incident and, more recently, in a climate of worsening China-U.S. relations, as well as Japan's economic assistance. In addition to government-to-government relations, study of each other's languages and exchange on a popular level—between companies, students, local governments, nongovernmental organizations, and so forth—should be promoted.

(3) Frameworks for East Asian multilateral cooperation

Although friendly bilateral relations are the foundation of cooperation among East Asian countries, the formation of overarching regional frameworks is desirable. In some cases, consultation over knotty bilateral problems is facilitated by the presence of a third party. There are also many problems, such as cross-border pollution, that are impossible, in principle, to deal with on a bilateral basis. Generally speaking, cooperation is the guiding principle of multilateral conferences, and participating countries

are under natural pressure to cooperate as far as possible. As has been observed in Europe and in the Association of Southeast Asian Nations (ASEAN), the more regional cooperation advances, the more aware countries become of the merits of being at peace with one another and the more they realize how much greater an international influence and role they have together than any of them could have had separately. It is important to combine such multilateral relationships with bilateral relationships.

Northeast Asian security cooperation: The actors surrounding the Democratic People's Republic of Korea include the United States, the only military superpower, and the regional powers Japan, China, South Korea, and Russia. All hope for a transition to a peaceful arrangement for North Korea. A stable framework is beginning to appear in the region, thanks to the dramatic improvement in relations between Japan and South Korea since the autumn of 1998 and the agreement of Japan, South Korea, and the United States to adopt a comprehensive policy toward North Korea after it launched a missile that overflew Japan in August of that year. North Korea likes to negotiate bilaterally and is reluctant to participate in international talks involving the two Koreas plus Japan, China, Russia, and the United States. But if North Korea's relations with Japan, South Korea, and the United States advance, guarantees among the powers around North Korea will become necessary, and there could be a conference on Northeast Asian security. Such a conference would focus the attention of the countries in the region on confidence building and cooperation, transcending the cold war framework. To establish regional security, Russia is important as well as Japan, China, South Korea, and the United States. Although Russia continues to suffer political instability because of the difficulties associated with its transition to a new political system and a market economy, it remains a major power. From the viewpoint of long-term Japan-Russia relations, the formation of substantive ties between Russia's Far East and Japan, centered on economic exchange, are essential, and Japan-Russia cooperation in building a regional order is also desirable.

ASEAN+3: Summit meetings of the 10 members of ASEAN plus Japan, China, and South Korea (ASEAN+3) are, in effect, East Asian summits. Some years ago, Malaysian Prime Minister Mahathir bin Mohammed's initiative of an East Asian Economic Caucus that would exclude Western nations was frustrated by U.S. opposition. Now, however, a grouping with the same members has emerged as an expansion of an open ASEAN. It is important to nurture this grouping as a regional cooperation framework that is not anti-American, anti-Western, or anti-globalist. There are many problems in the region that can be resolved through regional cooperation. Various fissures have hindered such cooperation, but it is strange that there is still no regional cooperation framework as we approach the twenty-first century. The proposal of an Asian Monetary Fund at the time of the East Asian economic crisis was aborted due to Chinese and U.S. opposition, but it is an idea worth revisiting in due course. At that time, it would be advisable to consider inviting the United States and the European Union to take part.

The possibility of a free trade agreement (FTA) in the region is also looking more promising. In view of East Asia's diversity, it will not be easy to achieve the ultimate goal of a comprehensive FTA, but the very process of trying will be significant in that it will strengthen a sense of community. In addition, environmental problems on the Pacific coast of East Asia as it continues to grow economically have become grave, and earthquakes and other natural disasters frequently assault the region. Cooperation regarding civil issues such as the environment and natural disasters is an effective means of adding momentum to regional cooperation. Plans that are in the region's common interest, including programs of human-resource development and exchange already proposed by Japan, can also be incorporated gradually. If basic agreement among Japan, China, and the United States can be gained, this framework has the potential to develop into a multilateral arrangement concerned with the public interest of East Asia as a whole.

APEC: The main concern of the Asia-Pacific Economic Cooperation forum is trade liberalization in

the Asia-Pacific region, but, given the diversity of APEC's members and the constraint of loose voluntary cooperation, it has recently stalled. Of course, the significance of Asia-Pacific leaders meeting once a year is not negligible. For example, if China-U.S. relations have deteriorated because of some incident, the two countries' leaders can pave the way to improved relations by rubbing shoulders in this multilateral forum. The broad-based grouping of APEC functions as a "big tent" accommodating and ameliorating the region's varied fissures—East-West, North-South, geography and history—and is a valuable framework of post–cold war regional cooperation. The challenge is to take advantage of this forum, the broadest regional framework on earth, to identify specific common interests going beyond trade liberalization.

It is also essential to supplement APEC with other regional frameworks closer to home. The Japan-U.S. alliance already functions as the key support of regional stability. The Japan–South Korea–U.S., Japan–China–South Korea, and Japan–China–U.S. trilateral frameworks, as well as comprehensive East Asian councils such as ASEAN+3, all have a raison d'être and should be developed together, in a multilayered manner. Japan might also consider a grouping with Australia and New Zealand.

We have seen that regional cooperation has the potential to change the international political picture little by little. In regard to East Asia, it would not be at all surprising if there were major changes on the Korean Peninsula in the next ten years, and it is hard to predict the process by which China will move toward democratization. These are issues weighty enough to affect the destiny of the region and the entire world. Coping with major upheavals calls for great wisdom and cooperation. If we advance history by building frameworks for cooperation, resolving problems through dialogue rather than reaching for the sword whenever we want something or have a difference of opinion, before long Japan will have friends and companions in the neighborhood and the possibility of building a regional community will emerge. This is the kind of twenty-first century we can realize.

3. Civilian power

The term *civil* has a number of meanings. The Constitution of Japan uses the term *civilian* in the sense of "nonmilitary." In this sense, "civilian power" means a nonmilitary state, or a state where civilians are in control. Although it is not possible for a state to exist with absolutely no military elements, a country that does not give primacy to military affairs but conducts itself primarily through civilian activities, based on the principle of civilian control, is a civilian power. Then there is terminology such as *civil society*, where the emphasis is on citizens as opposed to officialdom. A country that does not operate under authoritarianism, taking the government (officialdom) to be superior to the citizenry, but rather has private-sector groups and a civil society that are fully developed and that gives full respect to its citizenry can also be called a civilian power. *Civil* can also refer to civilized attitudes and manners. The twentieth century was an age in which the process of internationalization moved forward rapidly, even while cultural diversity was maintained, and in which the global sharing of values, standards, and rules progressed; the twenty-first century will likely bring further progress in these directions. A civilized, civilian power in the coming age will be a society that is open to the world, sharing the values of respect for human beings, freedom, and democracy.

The Japan of the post–World War II period has been a civilian power almost exclusively in the sense of being a nonmilitary country focused on economic affairs. But we propose that the Japan of the period ahead play a constructive role in the international community as a civilian power in a way that encompasses all three senses given above. We will discuss three principal functions for this civilian power: (1) engagement in security affairs; (2) involvement in global systems, particularly the international economic order; and (3) cooperation with developing countries (ODA).

(1) Japan's changing shape as a civilian power

Postwar Japan maintained its status as a civilian power in the sense that it gave primacy to the nonmilitary sector. During the postwar period, there were strong opinions within Japan against both the Self-Defense Forces (SDF) and the Japan-U.S. Security Treaty; the dominant mood was one of remorse over having repeatedly conducted wars of aggression in the name of self-defense. The pacifism of this period totally rejected military activities of any sort without distinguishing among wars of aggression, wars of self-defense, and wars for the sake of international security; the argument was that military activities of any sort were liable to lead to a revival of militarism.

It is not possible, however, for people to build their lives on nonmilitarism, a negative value. The reality of postwar pacifism was provided by the country's "economism," that is, its single-minded concentration on economic affairs. In line with postwar Japan's choice to rebuild itself as a trading nation, it acceded to the General Agreement on Tariffs and Trade (GATT) in 1955, and in the 1960s it joined the International Monetary Fund (IMF) and the Organization for Economic Cooperation and Development (OECD) as one of the "three pillars" of the free world. Participation in the international economic summits among the United States, Europe, and Japan that were inaugurated in 1975 was the embodiment of Japan's global role as a country that had redeveloped as an economic state in the postwar period. Being a civilian power meant, in terms of actual content, being an economic state.

In the 1970s and 1980s, Japan realized that it must be an "all-round player" rather than just a great economic power, and it began to look for ways to play a political role. It announced concepts such as the Fukuda Doctrine (made public by Prime Minister Takeo Fukuda in 1977), seeking to play a role in maintaining regional stability in Asia through economic means. During the administration of Prime Minister Masayoshi Ohira (1978–1980), the "Pacific Basin Cooperation Concept" was advanced; this led to the establishment of the Pacific Economic Cooperation Council early in the 1980s, followed by the launching of APEC in 1989. And Prime Minister Yasuhiro Nakasone (1982–1987), in a departure from the usual mold of Japan's postwar leaders, adopted a vigorous stance of actively discussing global security issues at the annual Group of Seven (G7) summit meetings.

In the latter part of the 1980s, as Japan reached its peak as an economic state, the Japanese began to feel the need for a "total Japan" that would not be restricted to the economic realm, and in addition to the upgrading of existing programs of ODA and cultural exchange, concepts were formulated for contribution to world peace, including the dispatch of personnel to conflict zones. Because of the subsequent upheaval on the domestic political scene, moves toward concrete implementation of this sort of contribution to peace were interrupted, but the deficiency of Japan's contribution on the occasion of the 1990 crisis in the Persian Gulf became a major issue and, finally, in 1992 the International Peace Cooperation Law was enacted, enabling Japan to participate in a U.N. peacekeeping operation for the first time in Cambodia.

In 1993, when the U.N. Transitional Authority in Cambodia (UNTAC) succeeded in restoring peace and normal government to Cambodia, domestic public opinion in Japan showed signs of having abandoned the postwar brand of pacifism. The overwhelming majority of the Japanese continued to support pacifism and the philosophy of international accord, and the rejection of wars of aggression held its place as a self-evident concept among the Japanese people. At the same time, however, following the success of the operation in Cambodia, the public ceased to oppose the participation of the SDF in activities for international security under U.N. auspices. In other words, the view that emerged was one of saying no to wars of aggression and mindless nationalism but saying yes to security activities grounded in a healthy spirit of international accord. The Japanese public had reached the point of distinguishing among wars of aggression, wars of self-defense, and wars for the sake of international security.

(2) Security for a civilian power

Japan's security preparedness: It is reasonable to consider Japan's security in the twenty-first

century on the basis of the course of the developments outlined above.

Both wars of aggression and extreme nationalism were sad facts of the twentieth century. The Japan of the twenty-first century will not use military force as a means of settling national disputes. The Japanese will not use military force even to recapture territory that they believe is rightly theirs. Japan will not seek to accomplish anything by force, but, at the same time, there is no guarantee that the world of the twenty-first century will offer an environment so favorable that it will be possible to forget about external security. It will be necessary for Japan to exert itself both to prepare for eventualities and to improve the overall international environment through steps including regional confidence-building measures.

The ultimate form of preparing for eventualities is self-help. Although the response will depend on the nature of the eventuality, the more serious the situation, the more crucial it will be to respond jointly on the basis of international accord, even while preserving the spirit of self-help. We must therefore not allow ourselves to be driven by a sense of crisis into betting excessively on the efficacy of self-help. If Japan, the world's second largest economic power, were to try to build a totally independent security system, it would require a far larger amount of military spending than at present, and it would only be able to provide a far lower level of security than at present; furthermore, it would cause a major shock to Japan's Asian neighbors. Being part of an international security arrangement is a wise approach in terms of both cost performance and international confidence. In this sense, it is highly appropriate to stress the Japan-U.S. alliance and to review Japan's role within that framework.

The central element of our response in preparing for eventualities is to maintain the effectiveness of the Japan-U.S. alliance. It is necessary above all to secure conditions for the smooth operation of this alliance; moves to enact legislation to implement the new bilateral defense cooperation guidelines, appropriate responses to the issues of U.S. military bases in Japan, the continuation of host-nation support, and similar issues should be addressed in this context. Unless Japan and the United States progress in developing a shared vision through livelier policy and strategy dialogues between policy makers, experts, and others involved on both sides, it will not be possible to maintain the desired flexibility and vitality in the alliance. There is a virtually limitless need for broad exchanges such as the "track two" contacts involving participation by government officials in a private capacity in nongovernmental bilateral conferences. An important issue is for Japan to enhance its function as a manager of the overall bilateral relationship, playing the role of a partner that is able to offer constructive advice to the United States as a trusted counselor. Furthermore, the Japan-U.S. alliance can exist only as the result of rational choices by both the Japanese and the American people and therefore it is vital to monitor whether both peoples understand that the alliance is in the common interest of their own countries and of the Asia-Pacific region.

Involvement in international security activities: The world of the twenty-first century cannot necessarily expect a firm order centering on the United States. The world is too broad, too diverse, and too volatile to allow a Pax Americana to extend to every corner of the globe. Though it may be counterproductive for major countries to engage in full-fledged warfare, ethnic conflicts and civil wars continue to occur in various spots around the world; furthermore, these conflicts and wars arise out of geographical and historical confrontations and economic poverty, and they are not easy to settle. If we take a broad view of the world of the twenty-first century, we are likely to see it as a place of splendid order, with the unipolar domination of the United States standing out like a tall spire. But a closer look will reveal that liquefaction has eroded the base on which this order is built. Of particular concern is the fact that during the 1990s the United States tended to incline away from strong support for the international "public purpose" and toward action based on simplistic self-interest. The United States' best quality is the recuperative power it derives from the rich diversity of its society. We hope that it will move toward overcoming the arrogance arising from its unrivaled position following the end of the cold war; it will be important to provide impetus for such a move.

How should Japan engage itself with respect to the numerous low-intensity conflicts that _are up on

a regional basis? Japan's principal role is in the civilian sector as a civilian power, but that does not absolve our country of responsibility for international security affairs. The events of the crisis in the Persian Gulf made it clear that Japan's national interest is gravely affected when it does not participate in joint undertakings for international security. Over the long course of the twenty-first century, the legitimacy of continued Japanese nonengagement in such undertakings will be steadily eroded.

As a matter of principle, Japan's involvement in military activities for international security must be affirmed. The Japanese people cannot say no to wars waged by members of the United Nations in the name of the international community to halt and punish countries or others conducting aggression, such wars being part of the basic framework of the U.N. Charter. Japan must naturally exercise the utmost caution in dealing with such questions as whether a particular war that the United Nations approves and organizes is just, whether it is appropriate for Japan to participate in it, and if so, in what capacity, particularly with respect to the dispatch of units to take part in the exercise of force. Practical wisdom demands that we address these issues prudently. Our country will have to gradually build up a set of policy guidelines and principles concerning involvement in military activities for international security, considering such factors as the legitimacy of the purpose, the appropriateness of the means and procedures, and the cost-benefit balance. If Japan takes itself to be a member of an international community that treasures order and justice, then surely the Japanese of the twenty-first century cannot seek to irresponsibly run away from joint international actions for security when the international community is protecting people from aggression and large-scale crimes against humanity. Consequently, we need a national debate within Japan concerning security matters, including the present constitution and the issue of collective self-defense.

From the perspective of emphasizing international security, the Japan of the twenty-first century should actively favor U.N. peacekeeping operations. The problem is that Japan places excessive restraints on its own peacekeeping units with respect, for example, to their assignments and their use of weapons, thereby hindering their activities and exposing them to danger. Our country should lift its freeze on participation in peacekeeping operations proper (involvement in activities going beyond logistical support); it should consider the concrete circumstances and define Japan's own mission in those cases where it participates, and it should decide on the activities and equipment of the units it dispatches in keeping with this mission. Respect for human life is, of course, the fundamental principle, but it is hardly tenable for Japan alone not to recognize the value of taking action accompanied by risks in order to build and maintain peace.

In addition, the government should strengthen Japan's infrastructure of research institutions, promote full-fledged studies of the various regions of the world on a constant basis, and thereby develop an arrangement under which Japan will be able to provide accumulated knowledge and human resources in response to multifaceted policy needs. Working-level government officials should formulate research plans together with researchers at think tanks with regard to the entire series of activities including preventive diplomacy, peace-building policies, peacekeeping operations, and reconstruction.

Involvement in construction of an international security system: Japan's national interest strongly demands that it support the reconstruction of the global security system as a whole, in addition to contributing to peace in specific cases. The spread of nuclear weapons to India and Pakistan has shaken the framework of the Nuclear Non-Proliferation Treaty (NPT), and the refusal by the U.S. Senate to ratify the Comprehensive Nuclear Test Ban Treaty has cast a dark shadow on the international security setup with respect to nuclear armaments. The Japanese government has already set up the Tokyo Forum for Nuclear Non-Proliferation and Disarmament to offer a place for international deliberations on future responses; in addition, we suggest that the government would do well to take a joint initiative for the common global interest together with Australia, Canada, Germany, the Scandinavian nations, and others that have ample technology and capacity to equip themselves with nuclear arms but deliberately refrain from doing so. For example, the NPT regime does not even

have a standing secretariat to support it, and the Conference on Disarmament in Geneva cannot act unless it has the unanimous agreement of all 66 participating countries. Given the gravity of the issues involved, the existing international systems are all too fragile and need to be reformed and strengthened. Japan and the other nonnuclear civilian powers should look for ways to play a responsible role both in their own interest and in that of the entire international community by bringing pressure to bear both on countries tempted to acquire nuclear weapons and on the nuclear powers, pushing the former to observe nonproliferation and the latter to pursue nuclear arms reduction.

In the period ahead, even greater energy should be devoted to global issues relating to human security, such as the environment, antipersonnel mines, drugs, earthquakes, refugees, population, food, medical care, and AIDS, and these areas should become established as a sphere of international activity by Japan. Also, it will be necessary for the United Nations to undertake reforms so that it can fulfill its responsibility for the future of humankind in response to these multilevel needs involving international security. Japan must be one of the countries playing a central role. We should not trivialize the issue of permanent membership for Japan in the U.N. Security Council into the question of whether membership would require Japan to make military contributions; Japan should become a permanent member and play a constructive role in rebuilding the international security system as a representative of the nonnuclear civilian powers.

A civilian power, as described above, flatly rejects military force as a way of seeking its own development or settling its disputes with others, but it is not oblivious to the safety of the international community. If we consider our enlightened national interest, it is evident that international security is indispensable for Japan's own security. For this reason, it is only natural for Japan to consider international security a matter of concern to itself, to sympathize with others, and to actively involve itself in international deliberations concerning joint responses. With respect to security against military threats, there are three levels of response that must be applied in combination: (1) self-help (the country's own defense capabilities), (2) support and cooperation from allies and friends, and (3) efforts to create a peaceful overall international environment through the strengthening of systems of international accord. As a civilian power, Japan is characterized by its considerable emphasis on the indirect approach represented by the global efforts of the third level.

(3) Reorganization of the international economic order

Response to globalization: A key point of discussion in the twenty-first century will be to examine the merits and demerits of globalization, which is being propelled by the information technology (IT) revolution and has been labeled the biggest tidal wave of change since the Industrial Revolution. This revolution has accelerated transactions and lowered costs across a broad range of commercial activity, allowing the United States to recover its economic vitality and establish an international lead for itself. The whole picture of the impact of these developments on the international system has not yet come into clear view, but one thing that is certain is that societies that introduce and master the new information technology will take the lead in economically centered international activities, whereas those that do not will decline.

Meanwhile, it has become clear from the East Asian financial crisis and related events that regulation of international finance is necessary, and it has also become clear that measures must be taken to correct the widening gap between "haves" and "have-nots" produced by the advance of neoliberalism. There is an urgent need to control the wave of globalization so that it does not run in a direction that will be destructive to human society. What we need is control, not reaction. We must not repeat the folly of the Luddite backlash against the Industrial Revolution. Powerful new technologies produce change in old systems, but they can be used to benefit people and society. Once a new technology has been produced, it cannot be eliminated; the meaningful response is to put it to work for the public good. The United States is said to hold a share of about 60 percent of the Internet, which is at the center of the current IT revolution, and the developed countries as a whole are said to have a

share of more than 90 percent. The development of the Internet is thus working to accentuate the wealth gap between the United States and other countries and between the developed and the developing worlds. The proper response is not to try to destroy this new technology but to use it as a tool for building a fairer international system by putting it to work for the developing countries in pursuit of such objectives as intellectual exchange, the spread of education, and economic development. Furthermore, to enable the creation of a new age, we need the youthfulness of spirit to constantly keep an eye out for the possibilities of actively using such new technology to deal with new issues, such as global environmental problems.

Rebuilding of the international financial system: For Japan, as an economic state, the most important field of activity is the international economic system centering on the G7 (now G8) summits, the IMF, the World Trade Organization (WTO), and the OECD. Japan has been involved in the operation of these institutions for many years, but the question for the period ahead is whether it will be able to exercise leadership and contribute to the rebuilding of the system. The fact that the basic framework of the IMF, the international monetary system established in the wake of World War II, has survived to this day is something to marvel at. Over the course of its existence, the actual shape of the international economy and international finance has changed dramatically, as have financial technology and the number of countries participating. It is clear that the system should be reformed to match the conditions of the twenty-first century, but the parties are still groping for the proper content of the reform, and the political will to make changes has been fitful, though it heightened around the time of the financial crises in East Asia and in Brazil. Japan, having itself experienced the East Asian crisis, is conscious of the need for change, but it lacks the intellectual capacity to propose ideas confidently on behalf of regional and global common interests.

If the IMF can be likened to a major hospital caring for the world as a whole, then we should consider supplementing it with the establishment of an Asian Monetary Fund to serve as a "family physician" to provide care at a more intimate level. We have reached the stage at which we should take a multilevel approach in the field of finance as well, responding both globally and locally. Also, to increase international use of the yen, we need to improve domestic money markets to facilitate investment and fund-raising in yen by non-Japanese, review the tax system, eliminate regulations on the issuance of yen bonds, and stabilize the yen's exchange rate. At the same time as we work to internationalize the yen by making the Japanese market attractive to the rest of the world, we should revise the arrangements among the major currencies and reduce the risk of exchange-rate fluctuations; doing so will also serve the fundamental interests of the newly emerging market economies in Asia and elsewhere.

Development of the international trade system: The multilateral trade system centered on the WTO is steadily gaining the adherence of a wide range of countries, and it is also broadening and deepening its spheres of activity. The maintenance and development of the free trade system is of fundamental importance to the livelihoods of the Japanese people. For this reason, it will continue to be necessary for Japan to contribute to the development and maintenance of this order, but if we seek to achieve further development, we are bound to come up against issues involving conflicting interests among the developed countries, differences of position and philosophy within societies, and fields in which there are major North-South divergences. Furthermore, the 135-member WTO makes its decisions on a one-country/one-vote basis, and as the 1999 Seattle conference revealed, achieving a global consensus will likely be even more difficult in the period ahead. In this context, while keeping up efforts to secure mutual concessions aimed at reaching agreement, it will also be necessary to aim for the construction of a multilevel international trade system, moving forward with alliances and integration at the regional level through free trade agreements and the like, and making skillful use of these arrangements as a supplement to the global system.

(4) Contributing to progress in developing countries: Active implementation of ODA

The importance of ODA: One important task that Japan, as a civilian power, can accomplish on its own in support of the international community is the maintenance and reform of its own program of ODA. A feature of Japan's ODA program is that it consists of both grants and loans, the former being used to transfer technologies that Japan itself acquired during its modernization process to developing countries and to deal with humanitarian needs, and the latter being used to provide funding to help countries build up their economic infrastructure and enlarge the scale of their national economies. Another feature is that this program has been carried out not in response to strategic cold war imperatives but as a means of serving Japan's enlightened national interest, in the hope that the development of the aid-counterpart countries will further invigorate the international economy and at the same time promote friendly bilateral ties.

Today, Japan's ODA program faces challenges both domestically and internationally. Within Japan, there are increasing calls for reductions in the program because of the economic recession and the government's financial difficulties; in the business world, the view is gaining strength that the program should be operated in line with Japan's own interests by cutting the ratio of "untied" aid, which is currently high by international standards, and which has been making it difficult for Japanese corporations to win orders.

What we must not forget, however, is that the ODA program contributing to other countries' development is the most useful part of Japan's foreign relations activities. Criticism of the program includes claims of waste in some areas, of environmental destruction, and of failure to assist the masses. Such cases do in fact exist. But, overall, this program is the most helpful and the most appreciated of all Japan's external activities. To abandon or belittle the ODA program would be a fatal error for Japan, a country that should make itself an essential presence in the international community as a civilian power, having rejected the option of relying on military might. We must not allow unbalanced reporting and arguments to distract us from the high evaluation of Japan's ODA by developing countries and the fact that it is actually serving useful purposes. Also, some people within Japan have formed the notion that the country is spending an immense amount on this program, given that Japan's ODA is No. 1 in the world. But as a share of gross domestic product, Japan's ODA actually ranks among the three lowest of the 21 major aid donors in the OECD's Development Assistance Committee. As a civilian power seeking to implement a policy of "sunshine" as opposed to a "north wind" approach, Japan is not, in our view, devoting excessive resources to ODA. The central issue should not be whether to boost or cut the ODA budget but rather how to carry out meaningful activities in an effective manner.

The need to maintain a comprehensive menu: The main thrust within the international aid community is now toward "soft" aid, including systemic reform and human resource development, rather than the provision of physical structures, and toward aid on a participatory basis through NGOs; the emphasis is on the eradication of poverty and improvement of maternal and child health from a humanitarian and idealistic perspective. Japan's ODA program is in the process of changing in line with this new thrust, and moves in this direction should be continued. These ideals, however, are in no small degree a product of self-absorbed thinking on the side of the developed countries rather than something derived from an unassuming search for the actual needs of the developing countries. We need to avoid falling into self-satisfaction as donors. It is all well and good to set forth a splendid target for reduction of the poverty rate, but it is completely impossible to achieve such a target solely through humanitarian aid, such as food and medical care, and "social software" assistance. The metaphor of the fish and fishing is apposite—that you can give Fish to hungry people, but unless you teach them how to Fish for themselves, they will never be able to provide for their own needs. The problem is that the current fad in international discussions about aid is to jump from humanitarian assistance to cope with emergencies all the way to long-term human resource development, neglecting the intermediate stage of assistance for concrete economy-building measures (learning how to fish).

In the context of an international economic system that one-sidedly emphasizes free market principles and that therefore inevitably produces a large stratum of impoverished people as losers in the competition, it is unreasonable to expect to reduce the poverty rate solely through a combination of humanitarian aid and "soft" aid. If we truly wish to reduce poverty, reform of the international economic system is essential, and if we wish to consider poverty reduction through the provision of aid, then we would do better to stress the Japanese model. The only approach that can be effective is the one that Japan has taken, namely, to support the poorest of the poor through humanitarian aid and grants and then, once a country has achieved a certain capacity for self-help, to build up the infrastructure for economic development with the addition of concessional lending, thereby encouraging foreign investment and setting the stage for the developing country's national economy to emerge and take off.

The biggest strength of Japan's ODA program is that it offers a broad menu of aid options. At present, only Japan possesses the means of offering comprehensive support to supplement developing countries' self-help efforts, providing a mix of various aid instruments to match each country's stage of development and individual conditions. This is a precious means of contributing to the international community, something that Japan must treasure as an international public good.

IV. Domestic Infrastructure for the Twenty-First Century

To summarize the discussion so far, our goals for Japan in the twenty-first century are to perpetuate freedom, democracy, and the Japan-U.S. alliance as the legacy of the twentieth century and fulfill global responsibilities as a civilian power on the basis of enlightened national interest on one hand and to fill in the missing piece of neighborly relations with Asia on the other. What kinds of domestic resources and infrastructure does this call for?

1. Strengthening "word politics"

(1) The need to strengthen word politics

Prewar Japan was oriented toward power politics and was prepared to exercise military force as a last resort. In the postwar period, Japan shifted to "money politics," devoting all its energy to building up its economic power. Today, however, "word politics," which uses language as a weapon, is rapidly gaining importance in international relations. Decisions at multilateral conferences, for example, cannot be coerced by the threat of military power or bought by economic power. Neither can be ignored as a background factor, but eloquence and persuasiveness backed by legitimacy, taking many countries' needs into account, are what change the current of the proceedings. Joseph Stalin's famous statement "The Pope! How many divisions has *he* got?" epitomizes *Realpolitik.* Today, however, people with superior powers of expression are worth several divisions in terms of national power.

Today's Japan has only modest military power, its economic strength slid in the 1990s, and it has never been known for rhetorical power, having traditionally followed the adage "Silence is golden." In Shakespeare's *Julius Caesar,* Antony's eloquent speech to the citizens of Rome overturns the power that Brutus had seized by the sword and changes the course of history. Unlike the West, which has had a tradition of political rhetoric since ancient Greece and Rome, Japan has no strong tradition of word politics. Surely there are few other countries whose cabinet-level politicians have a hard time answering questions in parliament or delivering speeches without memos by bureaucrats. In most cases, Asian as well as Western politicians have confidence and competence as their nations' elite and can articulate national policy in their own words. Unless politicians are internationally competitive in word

power, they will have a hard time managing the international relations of word politics.

Word power includes the ability to acquire information, map out ideas, and deliver proposals based on information and ideas, as well as the ability to debate and influence decisions, and possibly even the ability to mobilize people and organizations to implement decisions. How can these skills be cultivated?

(2) The importance of information disclosure

It is important to turn out individuals equipped with such skills in politics and every other field. This requires a social culture that likes acquiring information and values eloquence. If there is an authoritarian social structure in which officials monopolize and conceal information, dealing with major problems without explaining themselves, the international competitiveness of word politics can only deteriorate. Disclosure of information is proof of the legitimacy of those who have public responsibility and are accountable to the public, and is essential for gaining public understanding and support and heightening public awareness, and thus should be used to prevent the nation from foundering in the face of international word politics. Rather than the kind of politics that always struggles to explain away problems after the fact, “expressive diplomacy”—foreseeing likely problems, taking the initiative in identifying problems, willingly disclosing information, and disseminating one’s views and seeing that they are understood—is the wise means of protecting the national interest in an open age.

(3) Mobilization of the combined power of the public and the private sectors

If information disclosure piques public interest in policy and raises the level of policy debate, the government will then be able to use this. Because the decision-making authority of the bureaucratic apparatus, a mammoth policy think tank and almost the only one in Japan, is compartmentalized, there is no mechanism for making and discussing integrated policy. Moreover, an age in which problems have become more complex and events move fast requires constantly identifying overall rationality and reconstructing the policy order accordingly. At long last, efforts are being made to strengthen the prime minister’s powers, but unless able people are put in place such efforts will come to naught. Diplomacy in the age of word politics obliges the government to cast its net wide, gathering in not only politicians and bureaucrats but also people in the private sector with superior powers of planning and expression and using them as aides, secretaries, and speechwriters.

If word power is to be improved, each government administration should have its own hand-picked team of people from the public and the private sectors redefine the national interest and formulate a diplomatic strategy. Debate within such teams will act as a seedbed for domestic persuasiveness and internationally competitive word power and will catalyze policy reform. In addition, speeches by government leaders should not simply regurgitate the positions and wishes of various sectors of the bureaucratic apparatus but, while based on these positions and wishes, should be framed in such a way that they will be appealing and persuasive both at home and abroad. And when an important problem arises or a serious incident occurs, it should be a matter of course to put together an investigatory commission including private-sector experts to analyze the problem or incident and make policy proposals instead of simply waiting for the relevant government agency to make its report. Such activities will enable a diplomacy that is accessible to the public and will improve word-politics skills.

2. Accumulating international knowledge and developing human resources

Every country that values international relations, not only global powers, strives to enhance its diplomatic institutions and specialists. Seen from this perspective, Japan has to be considered as a

country that takes international relations lightly. It has strikingly few diplomatic personnel relative to other developed countries. It has no embassy in some countries; in many other countries, the embassy is too poorly resourced to fulfill its functions adequately. Human resources and institutions are the core of information-gathering and diplomatic power, and it is essential to resolutely strengthen both.

Another thing that needs to be stressed is that the time when it was enough for foreign affairs officials to possess international knowledge and have the ability to make foreign policy proposals has passed. Domestic politics and diplomacy are more and more closely linked, and the boundaries between the two are becoming progressively blurred. In the future, international affairs, diplomacy, and international exchange will be important areas of study for all civil servants. And not just bureaucrats; unless human resources are more widely and deeply cultivated in Japanese society as a whole, Japan will have a hard time in the world of the twenty-first century.

The reason Japan was able to play a useful role in the Cambodian peace process is that, in addition to the zeal of those in the appropriate bureau of the Ministry of Foreign Affairs in Tokyo, the ministry had experts well versed in conditions on the ground and equipped with valuable networks of contacts. And with regard to Iran, former U.S. President George Bush publicly thanked the Japanese government for providing consistently high-quality information on local conditions to allies. If Japan had no experts who could truly understand world events, explain them, and make reliable projections, Japanese diplomacy would be reduced to a process of groping in the dark.

The following measures are needed if Japan is to build up international knowledge and develop human resources in both the public and the private sectors.

(1) Establishing and expanding think tanks focused on world and area studies

Whether Japan has top-rate experts on every region of the world is of decisive importance for the national interest. To become a society that possesses such human resources, it is necessary to establish or expand research institutions covering every region. It does not matter whether they are staffed by bureaucrats, scholars, company employees, or people from NGOs. Human resources who can discuss policy grounded in solid knowledge of a region are a national strategic necessity. ODA funds should be allocated to train area specialists.

Human resources are needed in various other specialized fields, too. Research institutions with experts on such aspects of global human security as the environment, population, food, refugees, terrorism, and antipersonnel mines need to be upgraded. We need successors to Sadako Ogata, U.N. high commissioner for refugees. Moreover, we must cultivate human resources who can serve in international institutions in such fields as the international economy and security, engage in debate with experts from other countries, and in due course contribute to rebuilding those institutions. It is necessary to cultivate numerous think tanks and research groups capable of presenting policy alternatives to the government and bureaucracy.

(2) Internationalizing universities

Institutions of higher education are the breeding ground of specialists in international issues. The standard of research and education in Japanese universities is inadequate when compared with that found in the West. Universities must open teaching positions to diverse people from both Japan and abroad and cultivate international competitiveness, offering attractive research and educational programs. To increase the numbers of both foreign students in Japan and Japanese students overseas, the international mobility of students needs to be enhanced; the scholarship system should be expanded and a system of transferring credits between Japanese and foreign universities promoted. Fellowships providing researchers with opportunities for overseas study and exchange should also be reinforced to expand the pool of human resources engaged in international intellectual exchange. It would be highly significant, for example, to set up world-class institutions of higher education in Japan, such as an

APEC University.

(3) Enhancing civil society

In *Lessons of the Past: The Use and Misuse of History in American Foreign Policy,* Ernest R. May writes that, aside from extraordinary times like the Vietnam War years, foreign policy opinion leaders in the United States constitute 5 percent of the population at most. Leaving aside the question of whether a country where a mere 5 percent of citizens concern themselves with foreign policy can be called a truly democratic society, this still amounts to some 12 million people, an indication of the size of America's pool of people concerned with foreign policy. Japan having about half the population of the United States, 5 percent would be roughly 6 million people, but we suspect that the actual number is far lower.

In the future, Japan needs its own domestic infrastructure for addressing international issues instead of leaving this sort of thing to the United States. We need forums for discussing foreign policy issues throughout the nation. There are already private-sector organizations of this kind, such as Japan-America societies and U.N. associations here and there, but the scale is all too modest when compared with the World Affairs Councils of America (WACA) founded in the United States during World War I, which now has a network of about 100 local WACAs under the National Council of World Affairs Organizations and 370,000 members nationwide benefiting some 24 million people a year.

The role of the media is especially important. The standard of media world leaders, such as the BBC and CNN in television and the *New York Times*, the *Economist*, and *Foreign Affairs* in print media, reveal that those societies—not only government but also civil society—consider international awareness important. Along with ratings and circulation figures, quality counts. Making the media fulfill their full function has great significance for the eyes and ears of the people in the long term.

Internationally, there are a huge number of nonprofit organizations that discuss foreign policy and lead public opinion, as well as other private-sector organizations involved with international issues. Even in Japan, which had a late start, the number is steadily growing. Intergovernmental (track one) international conferences continue to increase, but the increase in nongovernmental (track two) conferences is even more dramatic. According to one survey, track-two conferences outnumber track-one conferences five to one. Not only is diplomacy not the monopoly of government, but, statistically at least, track-two diplomacy is bigger. Diplomacy that does not link up and cooperate with civil society will fight a lonely battle, deprived of the support of public opinion.

3. Toward global literacy

It will not be easy to ride the waves of the information technology revolution and globalization. The only way to cope will be to expand domestic use of the Internet and of English as the international lingua franca. People should be familiarized with both on a mass level in childhood.

Lest there be any misunderstanding, we stress that Japanese is a wonderful language. We should nurture culture and cultivation, sensibility and thinking power, by treasuring Japanese and acquiring good Japanese language skills. But to argue that this means rejecting foreign languages reflects mistaken, zero-sum thinking. It is a fundamental fallacy to believe that cherishing the Japanese language precludes studying other languages or that caring for Japanese culture requires rejecting foreign cultures. If we treasure the Japanese language and culture, we should actively assimilate other languages and cultures, enriching Japanese culture through contact with other cultures and showing other countries the attraction of Japanese culture by introducing it in an appropriate fashion in their languages.

English has become the international lingua franca, a process accelerated by the Internet and globalization. So long as English is effectively the language of international discourse, there is no

alternative to familiarizing ourselves with it within Japan. Even if we stop short of making it an official second language, we should give it the status of a second working language and use it routinely alongside Japanese. Publications and announcements of the National Diet and government organs should be published in English as well as Japanese as a matter of course. Transmitting them to the world via the Internet will be done in English. A society that can respond to such needs is one that has developed diversity, increasing the number of foreign students in Japan and Japanese students overseas, systematically facilitating permanent residence or naturalization of foreigners who have studied in Japan, and actively welcoming large numbers of able foreigners. To avoid being left out of the current of international activities and lamenting that the rest of the world is bypassing Japan, we must internationalize and diversify Japanese society while making it creative and vibrant despite a falling birthrate and an aging population. Surely, doing so is in the long-term national interest of twenty-first-century Japan.

V. Conclusion

In prewar Japan, the foreign policy of Kijuro Shidehara (1872–1951), exemplified by international accord, was vilified by nationalistic domestic public opinion as being wishy-washy and subservient to the United States—to which the elder statesman Kinmochi Saionji (1849–1940) retorted that the government's foreign policy was safe as long as it was being criticized in this way. In fact, we know all too well what happened when the government bowed to xenophobic public opinion in the 1930s and adopted a hard-line, autarkic foreign policy. Revolutionary foreign policy aimed at overturning the status quo tends to invite self-destruction, inflaming nationalistic sentiment while plunging the world into war. That is why it is said that there should be no abrupt change in diplomacy.

This report advocates reducing the number of adversarial countries and increasing the number of friendly countries, a line that is true to the fundamental principle of diplomacy, and emphasizes freedom and democracy as the guiding values of specific foreign policies. This stance is nothing unusual but reflects principles that are widely shared, especially by developed countries. Its concrete manifestation is a foreign policy centered on the Japan-U.S. alliance and emphasizing the Japan-Europe-U.S. trilateral framework. In this sense, there will be no abrupt changes, and international accord will be the keynote.

The challenge for Japanese diplomacy in the twenty-first century is, while sharing a sense of values and of order, not simply to follow in the footsteps of other countries but to speak and act on the basis of our own information and judgment. This means providing counsel to our superpower ally and more assertively supporting the stability and prosperity of the Asia-Pacific region. Although retaining the Japan-U.S. alliance as an irreplaceable linchpin rather than repudiating or diminishing it, Japan will build new ties with Asia. Within the global system, this part of the world has both the big but drafty tent of APEC and the stout pillar of the Japan-U.S. alliance. This report recommends adding frameworks for East Asian multilateral cooperation and for neighborly relations among Japan, China, and South Korea. In the world of diplomacy, this may be perceived as quite a radical change, but it is constructive rather than destructive change. A multilevel system of cooperation will be the defining feature of post–cold war and twenty-first-century international relations. Such is the world in which Japan will live. Cooperation is the great aspiration of twenty-first-century Japan.

This aspiration is not limited to Asia. Japan will act as a global civilian power espousing an enlightened national interest. For the sake of world peace and the world order, Japan will take part in international security activities. And it will, we hope, work to make the international economic order both effective and fair. Japan will help ensure that developing countries do not lapse into despair but maintain hope and actually achieve growth. We would like to see Japan do its utmost to see that globalization does not concentrate wealth in the hands of a few countries while driving many others to ruin and to promote diversity and fairness in the international community.

How harsh will the world of the twenty-first century really be? Precisely because the twentieth century was a period of war and revolution, we hope the twenty-first century will be a time in which we can enjoy cultural development in peace. But we cannot be optimistic about the prospects. The falling birthrate and the aging society will continue to be seen as a considerable problem in Japan, but the population explosion will be a graver problem for the world as a whole. Population growth will continue to outstrip the capacity of the earth's food stocks, resources, and environment. If a critical point approaches, international politics may plunge into a structural crisis. If this is linked to a globally skewed distribution of wealth driving many countries to ruin as the pernicious result of globalization, the twenty-first century will be every bit as unruly as the twentieth century.

If the history of the twenty-first century leads to such a hostile and savage international environment, this report may be judged to have been naively optimistic in its emphasis on cooperation. But humanity no longer has the freedom to repeat the history of the 1930s, which culminated in World War II. If it did have that freedom, it would only be the freedom to self-destruct. Provided that humanity does not lose the power of reason, it will have to opt for survival through cooperation in the face of the threat of mutual destruction. This report has taken a constructive tone not because we do not see difficulties and crises for the world in the twenty-first century but because we firmly believe that, the graver the difficulties and crises, the more crucial the will and effort to surmount them will be. Credulous optimism leads to inactivity. Fatalistic pessimism, meanwhile, means simply looking on while the world sinks into the mire. To make our way through the twenty-first century, we need to look at the difficulties head-on, identify the challenges, and meet them with a "resilient optimism."

Toshimichi Okubo (1830–1878), who toured Western nations as part of the Iwakura mission of 1871–1873, while tensely aware of the international politics of imperialism, discerned that the central challenge for Japan in dealing with this was to avoid war as far as possible and resolutely push through modernizing reforms. He drew up a hundred-year plan giving priority to domestic politics precisely because he was fully aware of the world situation. As Japan launches itself into the pluralistic, fluid world of the twenty-first century, we suggest that we need once again the youthful vigor to set about the task of domestic reconstruction based on knowledge of the world.