
Part III: U.S.-Japan Relations

State Department and its Tokyo friends maneuver to bring Suzuki into line

by Richard Katz

A tug of war is being waged across two continents over U.S. policy throughout Asia. The Japanese allies of U.S. Secretary of State Alexander Haig hope to use an upcoming Tokyo cabinet reshuffle to force a new government alignment less independent of Haig on issues ranging from the China Card to the Middle East. In Washington, Haig has succeeded in forcing out of the National Security Council the most powerful administration opponent of the China Card, Jim Lilley. A 25-year Central Intelligence Agency veteran, Lilley was able to use his "access" at the White House, including regular lunches with Vice-President George Bush, to urge restraint on Haig's tendency to "give the store away to Peking." Lilley is being shunted off to Taiwan to become the equivalent of the Ambassador.

The biggest stumbling block for Haig immediately is the backfiring of the arrogant tactics of Chinese Foreign Minister Huang Hua during his later-October meeting with President Reagan, when he demanded a definite promise not to sell any weapons to Taiwan and a definite date for implementation of this promise.

However, report Washington insiders, the President wanted to get across the message that U.S. policy is made in Washington, not Peking; he refused to give Huang Hua any such commitments. The Chinese press reported the meeting unsuccessful; it is now doubtful whether the Chinese will send a mission to Washington to discuss weapons purchases at least in the near future.

Gossip against Suzuki

In the wake of the Reagan-Huang Hua meeting, the success or failure of Haig's attempt to undermine Suzuki becomes the key determinant of the future of the U.S. position in Asia. The American Bureau of the Japanese Foreign Ministry is notorious for trying to enforce whatever policy is pushed by whoever happens to comprise the Washington administration at any given moment. The Bureau tends not to ask whether certain

policies—e.g. giving China the electronics capability to enhance its nuclear-missile delivery system—might have unpleasant consequences further down the road.

In the last few weeks, through whispers into business circles and leaks to favored newspaper columnists, the Bureau has been running a psychological-warfare campaign against Suzuki based on Japan's well-known oversensitivity to Washington's favor. "That inexperienced party hack Suzuki is making a mess of Japanese diplomacy by displeasing Washington," charges the Bureau. This line was boosted by Reagan's refusal, on Haig's advice, to meet privately with Suzuki during the Oct. 22-23 North-South summit in Cancún, Mexico. Reagan's meeting with Chinese Premier Zhao Ziyang and others only emphasized that the refusal of Suzuki's request was a deliberate snub.

What aroused Haig and his American Bureau allies was Suzuki's challenge to the policies of Haig and Treasury Secretary Donald Regan in two crucial areas. Following months of criticism of Washington on the questions of the China Card and the pace of Japan's defense buildup, Suzuki evaded State Department requests to prohibit Palestine Liberation Organization (PLO) leader Yasser Arafat's arrival on Japanese soil. Suzuki not only met with Arafat in Tokyo, but also persuaded him to endorse for the first time the Saudi Arabian "Fahd Plan," which entails recognition for Israel's right to exist. Suzuki is now campaigning openly for the Fahd Plan, and will receive Fahd in Tokyo in early December.

Furthermore, in response to requests from countries such as Mexico, Brazil, Saudi Arabia, and Nigeria, Suzuki agreed to make an effort at mediating between the developing countries and the United States at the Cancún summit. In particular, he hoped to persuade President Reagan to abandon Donald Regan's call for a drastic reduction of aid and credit to the developing countries. The Japanese business daily *Nihon Keizai*

Shimbun estimates that of the \$100 billion in government and private credit to be extended to the Third World in 1981, an astounding 82 percent is needed *simply to finance repayment of earlier debt*, up from 54 percent as recently as 1978. Regan's drastic cutbacks would mean not only genocidal levels of food and energy cutoffs in many countries, but also potential international financial chaos.

In addition to blocking a private Suzuki-Reagan meeting, Haig ensured that, during the informal group sessions, Reagan sat far away from the Japanese delegation, which was for the most part not allowed to approach Reagan directly. Instead, Haig delivered the Japanese memoranda to Reagan; Reagan in turn discussed them not only with Haig, but even with his ferociously anti-growth conversation partner, British Prime Minister Margaret Thatcher.

Columnists like the *Yomiuri's* Minoru Hirano next let out that Suzuki's foreign policy was a failure, because at Cancún, "Suzuki's foreign policy received an unfavorable response from the United States. The U.S. spokesman said . . . that he had been impressed by the speeches of the British, French, West German, Canadian, and Mexican leaders, and purposely ignored Suzuki's speech." In a later column, Hirano's Foreign Ministry sources criticized Suzuki's Middle East intervention by saying Japan has no influence there. Suzuki is under pressure from Haig, via the American Bureau, to cancel a proposed Mideast tour next January on the ostensible grounds that it might fail. Industrial circles, on the other hand, told *EIR*: "It is necessary to show the willingness of Japan and the Prime Minister to take risks" to help solve the region's problems.

The psychological-warfare campaign is based on the supposition that Washington is the only audience whose applause Tokyo needs. In reality, Suzuki's Middle East and North-South efforts were remarkable successes in the eyes of such key OPEC countries as Saudi Arabia and the United Arab Emirates, and in the non-oil developing countries. The latter were particularly impressed by Suzuki's Cancún speech describing how a resourceless backward Japan had become an industrial power following the 1868 Meiji Restoration; this showed an identification with the real Third World problems, diplomats from Asia and Africa said.

Even more remarkable was Japan's granting of debt moratoria on almost \$200 million worth of government-to-government debt to the countries of Senegal, Zaire, Madagascar, Senegal, and Uganda. Requests for similar treatment have come from Turkey, Sudan, and Pakistan. *Nihon Keizai* reported Nov. 3, "The Japanese government is holding to the policy to comply as much as possible with requests for loan-repayment deferment from these poor countries because they are located in shaky and vulnerable areas of the Middle East and

Africa. But it is feared that an increase in such requests also indicates a growing risk for commercial credits."

Cabinet reshuffling

Haig's immediate aim, and that of the American Bureau's whispering campaign, is to influence the shake-up of the cabinet and major posts in Japan's ruling Liberal-Democratic Party (LDP) expected around Nov. 27. They hope to dislodge from the Foreign Minister's post Sunao Sonoda, whose appointment this May signaled the rising influence of former Prime Minister Takeo Fukuda, and helped launch Suzuki's more independent foreign-policy posture. If Sonoda is dislodged, it is possible that he will be replaced with Fukuda's top protégé, Shintaro Abe; in this case, it is not clear whether any major changes would be seen in Japan's foreign policy. The favored candidate of Haig, Defense Secretary Caspar Weinberger, and others in Washington appears to be Susumu Nikkaido, the top lieutenant of former Prime Minister Kakuei Tanaka, and an associate of Henry Kissinger. Nikkaido is far more hawkish on questions of the Soviet Union, the pace of Japanese defense buildup and willingness to accede further to Washington on the China Card. Nikkaido is a candidate not only for the Foreign Minister's job, but for the powerful political post of LDP Secretary-General, a necessary steppingstone to becoming Prime Minister.

Meanwhile, major switches in the East Asia Bureau of the State Department indicate that at least some people are wondering whether Haig's heavy-handed tactics toward Tokyo might backfire. In recent weeks virtually the entire top personnel of this Bureau have been replaced. Most important is the appointment as Deputy Assistant Secretary for Northeast Asia of Tom Shoesmith, a longtime Japan expert who served as Deputy Chief of Mission in Tokyo from 1972-77. According to administration sources, some policy-makers in Washington believed that over the summer Haig and, particularly Weinberger, had pushed Tokyo too hard, too far, and most importantly, too unskillfully. As former Reagan Asia adviser Chalmers Johnson put it, "They had a hell of a problem with Tokyo. . . . Washington needs in a top policy post someone who does not necessarily agree with Tokyo but at least understands what the political situation there is." Indications are that for this reason, a "Japan handler" was put in instead of Haig's preferred China-oriented experts.

On the China Card question itself, Shoesmith is more moderate than his predecessors. From his last post as Consul-General in Hong Kong, Shoesmith opposed other State Department officials who wanted Reagan to "mediate" in support of Peking's "re-unification" efforts toward Taiwan. Shoesmith's appointment seems more than counter-balanced at present by the departure of Jim Lilley.