

Stakes in Gorbachov's Tokyo trip are high

by Konstantin George

For the U.S.S.R. and its present leadership, the stakes in the three days of meetings behind closed doors in Tokyo, on April 16-18, between Soviet leader Mikhail Gorbachov and Japanese Prime Minister Kaifu, are as high as one could imagine. While from news available late in the day of April 18, a "breakthrough" in Soviet-Japanese relations can be ruled out, the critical unanswered question was whether enough progress had been made in three days of nearly round-the-clock talks to set the stage for a breakthrough in the near future.

The obstacle, as is well known, is the fate of the four southernmost islands of the Kurile Chain, lying directly north of Japan, and under Russian occupation since 1945. As of this writing, April 18, the talks had gone into an unprecedented sixth round (three rounds more than initially planned), in the effort to, at least, create the preconditions for rapid followup talks to settle the future of the disputed four Kurile islands. Japan has made any package of aid and investment contingent on Moscow's return of the islands to Japan.

Gorbachov's Japan visit coincided with an escalating series of mass strikes and plant closures in the U.S.S.R., which reproduce a level of internal chaos reminiscent of the paralysis that gripped Russia during the tumultuous days of 1904-05. The success or failure of the Japan visit will be decisive with respect to whether that social chaos can be averted.

The Soviets showed how serious they were, in the non-Kurile initiatives taken by Gorbachov. In his April 17 speech to the Japanese Diet, or parliament, he proposed an "Asia-Pacific Security Zone" to be supervised by five equal partners: the U.S.S.R. and U.S.A., along with Japan, China, and India. Gorbachov also announced that between now and the end of this year, 200,000 Soviet military personnel would leave East Asia, including 12 Army divisions. This was elaborated the next day through a Soviet pledge, to be included in the final joint communiqué, that Moscow would heavily reduce its military forces in the Kurile Islands, thus removing one very sore point in Soviet-Japanese relations.

A glimpse of the grandiose economic scale of what a breakthrough could mean was provided by Gorbachov in his speech to the Diet, and in remarks to leading Japanese businessmen that same day. He invited massive Japanese investments to develop the infrastructure, oil, natural gas, and industry of the Soviet Far East and Sakhalin, and to modernize the Soviet machine tool industry. At a Tokyo press conference, April 16, a personal adviser to Gorbachov,

Arkadi Volski, made public a Soviet proposal for joint Soviet-Japanese construction and running of a nuclear power plant on the disputed island of Shikotan. According to the French daily *Le Monde*, April 17, Gorbachov also raised the prospect of building a second Trans-Siberian Railway to Japanese businessmen.

Soviet interest in procuring Japanese help for ultra-modern rail projects was reflected in the last leg of Gorbachov's Japan itinerary: at his request, he will ride the high-speed rail line from Tokyo to Kyoto.

Domestic military pressures

Gorbachov's dilemma is that while he desperately wants a settlement of the Kuriles issue, his leeway to compromise toward meeting Japan's demands is severely limited by the constraints of his domestic political situation. Gorbachov is willing "in principle" to return these islands to Japanese sovereignty in long-term stages, but because of the adamancy of the Soviet Army command, he cannot allow Japan to physically take possession of the islands, or at least not of all of them. Both before and during his stay in Japan, public statements from military leaders, ranging from Defense Minister Yazov to Far East District commander General Novozhilov, rejected any transfer of the islands.

In Moscow, before the visit, two possible face-saving formulas were leaked. As reflected in an April 15 *Izvestia* commentary by Aleksandr Bovin, one formula would be to return to a Soviet declaration of 1956, where Moscow had agreed to immediately return the two smaller islands, Habomai and Shikotan, and then work out a very long-term solution for the two larger islands, Etorofu and Kunashiri. On this latter question, Soviet officials have been intimating that a "Hong Kong" solution might be possible, where, after a long interim period these two islands revert juridically to Japan, but for an even longer time, Russia would continue to administer them.

Chaos menaces U.S.S.R.

Whatever the final outcome of the Japan visit, the number one global crisis is the one inside the Soviet Union. The strike wave, led by the now seven-week-old U.S.S.R.-wide coal strike, is crippling industry across the country, and has brought the economy to the brink of total collapse. Gorbachov, in a speech in the Soviet Far East city of Khabarovsk, before departing for Tokyo, said: "We are literally talking about a matter of days and weeks." The point was stressed again in an April 16 commentary by the Soviet news agency TASS, which cited the growing shutdown of steel production caused by the coal strike as having already created a "disastrous effect" on machine building and other heavy industry: "This will affect every branch of the economy, including agriculture. Spare parts for agricultural machinery are particularly scarce now, at the height of the spring planting season."

TASS reported that in March alone, strikes had caused a

loss of "1,169,000 working days," and the toll for April would be far, far higher. The gloomy, but all too accurate conclusion: "If strikes continue . . . we shall face complete economic collapse."

Beginning April 22, at least three new social explosions and economic disorders are on the agenda. These are:

1) The expiration of the 10-day strike suspension proclaimed by the strike committee of the republic of Belorussia. If no settlement is reached in that timeframe, then a general strike of all industry in the republic commences.

2) The expiration of the one-week strike deadline given by the steel and industrial workers of the Urals heavy industry center of Chelyabinsk and, the threat of a general strike in the Urals industrial center of Sverdlovsk.

3) The prospect for an indefinite extension of the general strike of industry that began April 16 in the Ukrainian capital of Kiev, which has closed the city's 15 leading industrial enterprises.

On top of this, the number of closures of steel and metal-working plants throughout the U.S.S.R., should the coal

strike continue, will have reached critical mass.

According to April 17 announcements, the Independent Trade Unions of Russia have scheduled a Russia-wide general strike warning strike for Friday April 26, and, on the same day, if no settlement is reached, there is the threat of a strike by the country's oil and gas industry workers. That strike alone would bring the entire economy to a standstill in a matter of days.

This reality puts Gorbachov's Japan visit into perspective. The potential Japanese contribution to developing Soviet infrastructure, energy resources, and modernizing machine tool and other industries, in the form of financial assistance and direct investment, could mount up to \$30 billion or more. This, coupled with prospects for similar "great project"-oriented cooperation with united Germany, may or may not succeed in stabilizing the Soviet Union. However, without such a large-scale joint input, no solution to the crisis is even imaginable, and the U.S.S.R. is condemned to plunge into an irreversible spiral of economic, political, and social chaos.

No breakthrough in sight

The Gorbachov-Kaifu summit will likely go down as a lost opportunity to forge a new political and economic framework for an Asian prosperity zone serving the interests of the U.S.S.R., Japan, and the other Pacific Rim nations. Such an arrangement had formed the core of the Russian, Japanese, French, and German policies of the late 19th century, when large-scale Eurasian development projects had been advocated by top officials in the Meiji court, as well as by France's Foreign Minister Gabriel Hanotaux and his Russian counterpart Count Sergei Witte. American political economist Lyndon LaRouche Jr. recently proposed that the revival of that Hanotaux-Witte-Meiji plan is the only basis for preserving peace in Eurasia.

When this writer was in Tokyo in February, Japanese government officials had expressed deep concern over the apparent hardline tilt of the Soviet government, reflected in the bloody crackdowns against the Baltic republics. That shift, the Japanese said, boded ill for a resolution of the northern island issue. It also revived Japanese fears of Soviet military preponderance in the north Pacific. The northern islands serve as a forward base for the Soviet armed forces, helping keep the Sea of Okhotsk a Soviet lake with protected access to the Pacific and the Sea of Japan—a position the Soviet military insists on keeping.

The shifts in Moscow policy, combined with the unraveling of the economic fabric of the Soviet Union, have tended to drive the Kaifu government into greater subservience to the Bush administration—despite growing anti-American attitudes among the Japanese people in the wake of the Gulf war. When Prime Minister Kaifu met with President Bush in California just 12 days before the Gorbachov trip to Tokyo, he was reportedly urged to commit significant Japanese capital investments to the Mexican-American free trade pact through financing of American corporate ventures in Mexico. While Bush reportedly was "sympathetic" to Gorbachov's dilemma and encouraged Kaifu to develop closer ties to Moscow, he also reportedly made it clear that Japan should not pursue an independent Asian security policy that weakened the bilateral defense ties between Washington and Tokyo. Asian sources have confirmed to *EIR* that the Japanese business community is committed, at least in the short term, to a continued bailout of the U.S.

As one well-placed former diplomat put it: "After paying out \$14 billion to the Gulf war chest, the Japanese, believe it or not, are running out of investment capital. They don't really have the funds to launch a major capital investment program in the Soviet Union—even if the Kurile Islands controversy were to be settled." Just before Gorbachov's arrival in Tokyo, the large Japanese trading company Marubeni postponed plans to open an office in Vladivostok, citing "an abrupt about-face in Soviet policy and the rise of conservatives in the Soviet leadership" as the reason, according to a Kyodo wire.—*Jeffrey Steinberg*