No breakthrough in sight

The Gorbachev-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 Gorbachev 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 Gorbachev'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 Gorbachev'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