

## 'Let's you and him fight,' U.S. and Japan urged

by Kathy Wolfe

Misleading stories by AP and the *New York Times* led to headlines the week of Jan. 20 attacking Japan for "America bashing," heating up a new Cold War between the two nations, which benefits neither. Typical were grade-B stories such as the Jan. 21 *New York Post's* front-page banner headline, "Sneak Attack: Japanese Drop Bombshell on 'Lazy Americans!'" Similar lead stories dominated the CBS Evening News and every regional paper in the U.S.

In fact, the actual statements by Japanese Prime Minister Kiichi Miyazawa, Speaker of the House Yoshio Sakurachi, and other Japanese leaders should have caused Americans to reflect, not to become hysterical.

We have here a classic case of London's favorite game for the "colonies." Not since the British wrote the blueprints for Pearl Harbor and World War II (see *EIR* Dec. 6, 1991) have London strategists been so busy cooking up nasty incidents for the U.S. and Japan to scrap over.

*Cui bono?* Who benefits? As long as the U.S.-Japan fight dominates policy, the Anglo-American elite need not fear that sane Americans and Japanese might get together to address the real issues facing the world: depression and genocide in the Third World and eastern Europe.

To the contrary, British assets on Wall Street, at the Council on Foreign Relations, and in Congress are eager to use the fray to shut down industrial plants worldwide, including auto plants in every OECD nation. The day after the latest Japan-America fight broke out, Sen. Don Riegle (D-Mich.) and Rep. Richard Gephardt (D-Mo.) introduced their anti-Japanese trade bill, "The Trade Enhancement Act of 1992," which demands the shutdown of auto plants all over the world, a sort of "automobile proliferation ban treaty."

Japan today, Riegle told the press, is our enemy, and has "the same view that Japan held the day that its war planes struck Pearl Harbor." This is not only a dangerous lie, but behind it lies rotten economics. If the good senator were

really concerned about "American jobs," he would not be proposing to shut down industrial output.

Perhaps the most important statement was made by Japanese Prime Minister Kiichi Miyazawa, who told NHK-TV (Japan Broadcasting System) in an interview Jan. 20: "Japan does not want to replace the former Soviet Union as the main rival of the United States," he said. "It is not natural to put the role of a competitor upon Japan, as a substitute for the former Soviet Union."

Miyazawa also appealed to the Japanese people not to be angry with Americans, because the underlying problem is that the U.S. is in a *depression* and Japan must help its friend. "I hear that about one-tenth of American households have been hit by layoffs of their bread earners and need to be provided with food stamps," Miyazawa said. "Many mothers have to tell their children their fathers will no longer be able to go to work from tomorrow."

Referring to his January summit meeting with President Bush, Miyazawa said, "I told the U.S. side the world would suffer a setback if the United States should stop living up to its international role, and Japan would do its utmost to cooperate with Washington" to help the U.S. economy. "I think the task [for Japan] is to produce resources and funds for such a purpose while trying to achieve as much growth as possible."

### Making up the news

What led to the anti-Japanese headlines across the U.S. Jan. 21 were wire stories concocted by AP and the *New York Times*, an *EIR* investigation showed. Three Japanese statements were reported with supposedly heavy anti-American overtones. These were: private dinner remarks to supporters on Jan. 19 in Japan's Shimane Prefecture by Japanese Speaker of the House Yoshio Sakurachi, a former foreign minister and MITI minister; an unrelated interview on NHK-

TV "Ask the Prime Minister" on Jan. 20 by Prime Minister Miyazawa; and an AP followup interview with Eiji Toyoda, president of Toyota, Inc.

Most hysterically treated were the private remarks of Speaker Sakurachi who, AP and Japan's *Yomiuri Shimbun* claimed, told supporters in confidence, "U.S. workers turn out so many defective products. . . . The U.S. has become Japan's subcontractor. The source of the problem is the inferior quality of U.S. labor. . . . Thirty percent of American workers cannot even read. . . . U.S. workers are too lazy. They want high pay without working."

Prime Minister Miyazawa was quoted by AP the next day telling NHK-TV that he is "going back" on his promise to President Bush to buy more U.S. autos and auto parts, and "withdrawing Japan's promise." The only statement from Miyazawa printed is a slice of a sentence, taken out of context, saying that the U.S.-Japan auto agreement was "a target rather than a firm promise . . . a kind of forecast of how many U.S. automobiles and parts Japan would definitely be able to purchase by 1994." Asked to comment, Toyota president Toyoda was quoted saying that his company "never promised to sell GM cars."

### What the Japanese really said

Prime Minister Miyazawa's remarks were the most overtly distorted. According to the Washington Japanese Embassy official translation of the NHK transcript, which apparently was checked only by *EIR*, NHK-TV precipitated Miyazawa's remark by asking whether he had been unwise to make "promises" to Bush, since if Japan did not fully satisfy every U.S. demand, which of course is impossible, there would then be a "violent American backlash."

Miyazawa, to allay public fears, simply clarified the fact that he had not signed a formal treaty to import specific numbers of U.S. autos and auto parts. Japan, he said, is a free country; the government cannot force the private sector, or put executives or consumers in jail for buying Japanese rather than U.S.-made products. "Since Japan is a market economy, to say what value of American parts will be purchased between now and 1994 and how many American automobiles will be purchased is to make a prediction. These numbers are conservative estimates, made while evaluating the various companies, so they are certain, in that respect. But in the strictest sense, because this is a market economy, rather than being promises in the very narrow sense, they represent targets toward which we and the various companies involved will make every effort to attain."

To misconstrue that as withdrawing a promise, Japanese sources said, was silly. Miyazawa, rather, was defending himself against domestic charges that he is going to strong-arm Japanese companies to help his pal Bush. "Miyazawa just wanted to make the point that it's not managed trade."

Speaker Sakurachi also issued a statement Jan. 21, which was carried on UPI but which none of the U.S. press

bothered to run, denying many of the quotes attributed to him by AP and *Yomiuri Shimbun*. Sakurachi's statement professed his friendship to the American people.

"It is fully regrettable that the statement was accepted as abuse or slander to American workers," Sakurachi said in the wake of the uproar. "I did not say, 'One-third of Americans cannot read,' " Sakurachi said. He also denied writing off the United States as "Japan's subcontractor," and warning that "the rest of the world may tell America, 'You're no good.' "

"As a friend, I made a well-meaning statement that I hope the American economy, along with Japan, will be the most competitive in the world," Sakurachi said. "In any case, I think it is extremely important that the two countries solve mutual economic problems and contribute to the world economy. . . . I think it is natural that Japan offers necessary help to the United States," he added.

Even the Bush Commerce Department denied that part of the AP story which quoted U.S. Undersecretary of Commerce J. Michael Farren threatening U.S. retaliation. Farren is quoted saying, "It may be a sign of backing off from the stated goals that they have unilaterally set for themselves."

"That AP story again!" a Commerce Department official told *EIRNS*. "I've been trying to get rid of it all day! We're really unhappy about AP saying that, because Mr. Farren specifically told them the opposite. . . . Undersecretary Farren told AP specifically that the Japanese are *not* backing off!" the official stated.

### Trade destruction act

"The Trade Enhancement Act of 1992," meanwhile, is the main beneficiary of the anger maliciously aroused in the American population by this nonsense. According to the summary of the act from Riegle's office, the bill "requires the administration to initiate multilateral negotiations with the European Community, Japan, and other auto-producing countries to *rationalize worldwide auto markets and production*." "Rationalize production" is the technician's term for forced permanent plant closures.

The act also declares Japan responsible for reducing the \$40 billion Japan-U.S. trade imbalance by 20% a year for the next five years; that is, Japan must somehow cut the deficit by \$8 billion a year at a rate of \$2 billion a quarter. This is a Wall Street program, not a Democratic program, and certainly not a jobs program. It is precisely the demand that Bush, General Motors, and other negotiators made during Bush's trip to Tokyo. It was rejected by the Japanese because it is, in fact, impossible for one side to be solely responsible for a two-way trade balance.

Under the act, if the U.S.-Japan trade deficit does not fall by \$2 billion a quarter, Japan will be held responsible, and U.S. retaliation will be automatically triggered. Retaliatory measures could include forced cuts in U.S. imports of Japanese cars, and dumping, anti-trust, and other actions against Japan and Japanese companies.