

## WOULD JAPAN EVER

**T**WO YEARS ago, the British Prime Minister, Margaret Thatcher, foreshadowed the trade/war nexus when she identified the munitions industry as a promising source of new jobs in the 1980s.

The defence budget was doubled from £7½ bn in 1978/9 to over £14 bn in 1982. By 1990, defence expenditure is predicted to rise by up to 50 per cent, while spending on welfare services are cut.

In the U.S., President Reagan followed suit. His 1983 budget set a record peacetime target increase in

defence expenditure of \$43.7 bn over the 1982 figure.

But the most overt threat to peace came from Moscow last October, when Soviet President Leonid Brezhnev – in a review of detente – declared:

“A policy is only effective when it relies on the real *economic* and military strength of a state . . .”

*The Soviet leader was lending his weight to the hypothesis that a weak economy created political instability that could find its solution in a military response.*

President Brezhnev spotlighted the economic weaknesses of the USSR, and especially the dependence on imported food. And he specifically addressed the Soviet war machine when he promised that much more would be spent on military technology.

To release the resources for the new arms race (which could not be secured through higher growth rates), the Soviet Union has begun to court Peking – with the ultimate aim of reducing the 500,000 men and the arsenal of weapons that are kept on the Mongolian border.

Moscow is sensitive to the fact that, for the time being, it relies heavily on the U.S. farmer for grain imports. In a situation of conflict, this is a strategic weakness.

Inter-dependence through economic associations ought to ensure political stability between these two powerful countries, but President Reagan weakened that link when he launched his private crusade against the communists. His economic offensive – including the attempt to block the trans-national gas pipeline – angered the Kremlin, and raised the spectre of conflict.

Moscow, of course, blames Washington for the heightened tensions: “The ruling circles of the U.S. have launched a political, ideological and economic offensive against socialism and have raised the level of their military preparations to an unprecedented level,” declared Brezhnev.

*But there is no doubt that militarism serves the totalitarian regime well, since it can be used to cover up the deficiencies in an economic system that fails to satisfy consumers.*

### An inquiry by INSITE

**J**APAN provides the most convincing evidence that the recession is generating aggression, canalised through fundamental shifts in underlying psycho-social attitudes.

For while the great nuclear powers have regularly employed bellicose rhetoric, Japan – since her defeat in the last world war – has been a military mute.

*That now appears to be changing.*

Japan's unemployment rate is about 4 per cent (when calculated by using the U.S. definition of unemployment). This is a third of the level of her international competitors. Even so, it is the highest jobless rate for 26 years, with the construction industry leading the field (down 4.3 per cent from a year ago).

Measures of the growth of the economy are being drastically revised downwards, and the economic indices seem to reflect a story that can be chronicled in sociological and political terms.

● The Defence Agency's 1981 White Paper contained repeated calls for greater “patriotism”. This was in a year when the real growth rate slumped from record levels down to 2.8 per cent.

The 1982 White Paper outlined proposals for a five-year plan that entailed expenditure of £10 bn on military hardware. It stressed the need to develop the growing domestic defence industry “to bolster Japan's capability and to make it truly effective in the event of emergency.”

Beginning this year, Japan will add six submarines, 43 warships, 250 airplanes and 1,000 tanks and armoured cars to her arsenal.

● Politicians have expressed strong support for the new right-wing nationalism.

The man who won the recent contest for the premiership, Yasuhiro Nakasone, has advocated that Japan

**THE LINKS** between trade and war have become disturbingly clear in recent months. With the world suffering the third year of a deep recession, there are growing pressures on governments – faced with bankruptcies and record unemployment – to resort to protectionist measures.

● Witness relations between East and West: the late Soviet President Leonid Brezhnev's last act was to lambast the “imperialist hotheads” of the West in response to President Reagan's economic sanctions against the Kremlin.

● Witness, too, strains within the Western alliance. Japan's trade policy is branded “hostile” towards other nations and the United States and Europe fight over the balance of trade in steel.

In the run-up to November's Geneva summit of GATT, the General Agreement on Tariffs and Trade, Britain's Foreign Secretary, Francis Pym, reflected grimly: “We have to face up to the reality that an unstable world could eventually endanger these democratic institutions which we and our friends value so highly.”

In the following pages, *Land & Liberty* writers assess the evidence linking harsh economic conditions with the kind of political instability that triggers wars.

## ESTIGATES A STARK CHOICE

# TURN ON THE WEST?



Emperor Hirohito and Prime Minister Margaret Thatcher – they don't see eye to eye

should arm herself with nuclear weapons.

One of his challengers, Chiro Nakagawa, head of the Science and Technology Agency, made no secret of the fact that he stood on the far right of the ruling Liberal Democratic Party. "Call me a fascist if you wish," he once said, "but I believe we have to fight the Opposition parties on the broad educational issue, which includes questions about the Japanese ethos and national morality."

A seasoned Western correspondent in Tokyo noted: "To many Japanese this sounds ominously like the ideology of the Thirties and the agony that ended at Hiroshima."<sup>1</sup>

● Education does, indeed, figure in the new ideological struggle, and the attempt to sanitize military history caused a diplomatic row last year. For example, school history books were amended so that "aggression" – used to describe pre-war Japanese activities in China and Korea – gave way to "advance".

**P**RESSURE on Japan intensified throughout 1982, as European nations launched a vigorous campaign that threatened to introduce protectionism in defence of their industries.

Japan relies very heavily on world trade for her prosperity (as does Britain, which exports 30 per cent of her GDP). Restraints on commerce would have fatal consequences. Already, the democratic basis of Japan's post-war system is coming under serious strain from the most dangerous quarter of all: the ordinary citizens.

Frank Giles, editor of the London *Sunday Times*, has posed an alarming prospect:

"... there is one worst-case scenario, which if it ever came about, would strike justifiable fear into neighbours and non-neighbours alike. There is already a good deal of public cynicism and indifference towards the political system. If the economic pessimists are right, if the Japanese miracle is over, if budget deficits, unemployment and declining exports really should pave the way to financial and social instability, then the homogenous masses whom one sees milling about the streets of Tokyo and Kyoto, or huddled together in their crowded and confined houses and apartments, would be a remarkably easy target for some demagogue to manipulate."<sup>2</sup>

**W**ESTERN leaders have not yet questioned the new nationalism in Japan.

There was nothing but sweet talk when Mrs. Thatcher paid her visit to Emperor Hirohito, 81, who was the

Supreme Commander of the imperial army and navy when it launched itself into the Second World War.

These days, Hirohito emphasises the futility of war, but his nation is coming under severe pressure from an unlikely quarter: Washington.

U.S. policy is aimed at pressing Tokyo into spending more money on military equipment, so that Japan can play a larger part in the defence of the region.

But according to the 1946 Constitution, Japan is forbidden to maintain land, sea and air forces. The pressure from American allies, however, will eventually enable her to rewrite the Constitution.

There would be little opposition to such a move from within Japan. Industrialists, in particular, are even now urging the government to spend more on armaments, for they "remember the boost that government money for armaments gave to industry in the '30s," reports economist Michio Morishima.<sup>3</sup>

America is insisting that the increased spending should go to the U.S. munitions industry. But few people in Tokyo doubt that, at the end of a relatively short period (five years?), there will be an irresistible clamour for a growth in the domestic munitions industry.

The next step would be for Japan to launch herself into a new export drive. Who doubts that she would forcibly take the lead in this field, as she has done with cars and electronic gadgets?

The world economy was heading for severe depressions just before the onset of both of the last world wars. Increased military spending rescued the economies of Japan and Britain, but a heavy price was paid in human lives. Will we be able to resist the temptation to repeat the mistake today?

#### REFERENCES

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2. Frank Giles, 'Will we ever understand Japan?' *Sunday Times*, 17.10.82.
3. 'The perils of "success"', *South*, October 1982, p.12.