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CONTENTS

POLITICAL AND SOCIOLOGICAL

Trend of LDP Members for Increased Defense Spending Studied (Seigo Shimazaki; CHUO KORON, Apr 81)	1
Government Consensus Building Analyzed (Seigo Shimazaki; SEKAI, Jun 81)	9

MILITARY

'Civilian Control' Over Self-Defense Forces Analyzed (Shin Kanemaru Interview; ASAHI JANARU, 5 Jun 81)	20
---	----

SCIENCE AND TECHNOLOGY

Company for Producing Uranium Enriching Equipment Seen (JAPAN ECONOMIC JOURNAL, 16 Jun 81)	29
Firms Become Sellers of Technologies (JAPAN ECONOMIC JOURNAL, 16 Jun 81)	30
Extent of Government Responsibility in 'National Projects' (JAPAN ECONOMIC JOURNAL, 16 Jun 81)	31
Competition Heavy Between Nation, U.S. in Semiconductor Machinery Industry (JAPAN ECONOMIC JOURNAL, 16 Jun 81)	33
¥ Trillion Semiconductor Industry Forecast for FY 1981 (JAPAN ECONOMIC JOURNAL, 16 Jun 81)	34
Fujitsu Unveils 'World's Biggest' Computer (JAPAN ECONOMIC JOURNAL, 16 Jun 81)	36

- a -

[III - ASIA - 111 FOUO]

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Office Automation Seen as 'Must' in Poll (Tsunefumi Matsumoto, Kiyoshi Kusaka; JAPAN ECONOMIC JOURNAL, 16 Jun 81)	37
MITI Extends Priority to Domestic Firms in Patent Cases (JAPAN ECONOMIC JOURNAL, 16 Jun 81)	39
Chemical Fiber Makers Believe Business Will Be Better (JAPAN ECONOMIC JOURNAL, 16 Jun 81)	40
Interest Changing From Mass Production to Technology, Services (Fumio Takahashi; JAPAN ECONOMIC JOURNAL, 16 Jun 81)	41
Briefs Nuclear Fuel Cycle Help	43

- b -

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POLITICAL AND SOCIOLOGICAL

TREND OF LDP MEMBERS FOR INCREASED DEFENSE SPENDING STUDIED

Tokyo CHUO KORON in Japanese Apr 81 pp 159-164

[Article by Seigo Shimazaki: "Increasing Number of Hawkish Dietmen: LDP"]

[Text] In this period of low economic growth, LDP Diet members have become aware of the interests of defense-related industries which have annual sales figures of 600 billion yen.

'The First Year of Defense'

On 15 November the LDP will mark the 25th year since the merger that created the party. There is no similar example in the advanced countries of the West of one party staying in power for a quarter century. It is possible to analyze the secrets behind this semipermanent holding of power from many angles. One thing that can be mentioned is the flexible structure of the party. The system of factions inside the party can be skillfully manipulated to shift power between the factions. And a sense of balance can also be displayed in the realm of policy that does not seem to be dependent on principle. In this manner, the party has responded to the international or domestic situation of the moment and has switched policies with relative astuteness.

Of course, changes in the policy of the government itself are generally very gradual. There have never been any sudden turnabouts. However, in the rather long timespan of the last 10 years or quarter century, there are many examples of policy changes made by the LDP government that are very surprising as actions of a single-party government.

And in these cases, the debate inside the LDP almost always precedes the change in government policy by several years. You might say that this debate acts as a trial balloon or a kind of trailbreaking from the policies to be chosen by the LDP government.

Viewed in this way, is it simply speculation to suppose that the increasingly vocal defense debate in the party prophesies a shift in the defense policy of the LDP government or to suspect that this discussion is meant to guide public opinion so that the shift in defense policy can be made more smoothly in a few years?

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In the quarter century since the LDP was formed there have been four main phases in the security and defense debate.

The first phase was the period between the Hatoyama and the Ishibashi cabinets when the self-defense interpretation still used by the present government was basically established. The second phase, as everyone knows, was the the 1960 security treaty renewal. The third phase was the next 10 years, including the Vietnam war and the 1970 renewal of the security treaty.

The fourth phase was, broadly speaking, the period from the total change made in the power configuration of the Far East by the restoration of Japanese-Chinese relations to the present. More specifically, it was characterized by a close match in power between the governing and opposition parties and a drawing closer of the progressive parties to the LDP, which moved the discussion of defense to the right. During this time the "emergency law" debate arose, and an attempt was made to expand the interpretation of self-defense. This phase reached a peak in 1978 which, within the LDP, was called the "first year of defense."

The reason for this, it goes without saying, is that the fourth phase, unlike the three preceding ones, was the first time that the defense debate was actively advanced by the right. Then the political condition of the party between conservatives and progressives was blown away by the holding of elections for the upper and lower houses of the Diet on the same day in June 1980. So now the debate is growing even louder.

As matter of fact, although it may be an exaggeration, the intensifying security and defense debate inside the LDP has become so clamorous as to make one wonder if a national emergency is at hand. What particularly directed the attention of us newspaper reporters to the debate in the LDP was the statement concerning "supralegal action" by General Kurisu, chairman of the Joint Staff Council, who was then dismissed by Shin Kanemaru, the director general of the Defense Agency at the time.

This happened during the Fukuda administration. Space does not permit a detailed explanation of what happened next, but Prime Minister Fukuda did not make it clear that he actually supported Kurisu's dismissal. Instead of approving the dismissal, the prime minister himself made a statement soon after which led to the debate on emergency powers of the military. The extraordinary session of the Diet that fall seemed to be completely dominated by the emergency law debate.

In addition to the debate in the Diet, a review of the Self-Defense Forces Act was begun by members of the Security Research Committee and the National Defense Committee such as Noboru Minowa, former parliamentary vice minister for defense; Kiyoshi Nori; and Masao Horie, member of the House of Councilors. This resulted in a proposal for an emergency law system.

If a somewhat inductive line of reasoning had been used in this debate, it might have been the golden opportunity for hawkish LDP Dietmen to argue for a stronger defense by pointing out the defects in the Self-Defense Forces Act, exploding the fictitious facade of present defense concepts, and debating on the framework of interpretation of self-defense in the present constitution.

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The Defense Agency authorities, however, made this statement on the emergency law problem: "After orders to mobilize for defense, would Self-Defense Force tanks have to obey traffic laws and stop for red lights? Under present laws, there are no exclusion provisions for emergencies. These are the cases we are investigating." (statement by then chief secretary Takeda) With the use of such a puny, evasive argument against a public opinion which perceived the emergency law debate as a very dangerous omen, the debate within the party cooled down quickly at the same time the Fukuda cabinet was ousted.

Former Prime Minister Ohira, who attacked Fukuda from behind, presented his view in the middle of the party presidential election that the "Self-Defense Forces Act itself is well-constructed for an emergency law system." His opinion was quite different from that of his opponents, Fukuda and Yasuhiro Nakasone, and under the Ohira government the intraparty debate was relatively calm.

However, even behind the tremendous volume of arguments on the defense question launched by the LDP and the surface hysteria, there was an amazing amount of hardheaded and skillful manipulation of public opinion.

Patient and Steady

As the international situation became more tense and dark shadows began to appear here and there in detente, Japan's lack of effort in defense began to be pointed out by the United States. In response to this, members of the LDP promptly began to call for an increase in Japan's share of the defense burden. A succession of arguments appeared for changes in the basic defense plan, and there was a barrage of doubts voiced over the principle of 1 percent of the GNP for defense.

Then, when the Middle East situation took a turn for the worse, the issue of protecting the sea lanes came under investigation in the LDP. Also, problems in the Far East which had been little debated and gathering dust since the Vietnam war came under close scrutiny. Asao Mihara, chairman of the Security Research Committee, declared the necessity of convoy protection and stated that the boundaries of the Far East must be extended from the Indian Ocean to the Persian Gulf. This aroused criticism even in the party.

When spies were discovered in the Self-Defense Forces, a special subcommittee was set up in the LDP Security Research Committee. Under the direction of chairman Mototoshi Yamashita, work was begun on formulating an espionage prevention bill. Adroitly handled, the bill was outlined by April of this fiscal year, just a few months after the incident occurred.

There had been a precedent, during the emergency law debate under the Fukuda government, when the former prime minister made a positive reply on the advisability of a law for protection of secrets. However, the response of the subcommittee, springing from the shock to the nation created by the spy incident, was so rapid as to preclude debate.

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Indeed, this astute response to international or domestic phenomena which have an impact on Japanese defense problems is completely different from the past. Since the defense debate is being advanced by the right, it is clear that they intend to use the impact of events to smother the response of the opposition parties in order to develop arguments which will guide public opinion.

Granting the cleverness of the LDP in catching up with the opposition in the defense debate, we must also recognize their prudence and thoroughness of preparation, whether or not their patient, long-term approach is considered intentional. A typical example of this thoroughness is found in the issue of re-evaluating the basic defense plan.

This basic defense plan, passed by cabinet resolution on 29 October 1978, is the basis of present-day Japanese defense concepts. This basic thinking does not adopt the idea of menacing confrontation that leads to arms competition. It is based on the "basic defense capability concept," which holds that when the fourth defense capability to deal with limited, small-scale invasions, if not with large-scale invasions when U.S. military assistance must be sought on the basis of the U.S.-Japan Security Treaty.

However, this defense plan is based on the premise of a world situation in which the following conditions involving reliance on others were thought to be semi-permanent: (1) effective functioning of the U.S.-Japan Security Treaty; (2) continuing antagonism between the Soviet Union and China; and (3) no major changes in the situation on the Korean Peninsula. From the time the plan was first proposed, there was a heated argument between the military and the civilian authorities. The military side, led by Michita Sakata, director general of the Defense Agency, and Takuya Kubo, parliamentary vice minister for defense at the time, complained that there had been a loss of perspective due to detente.

However, the civilian authorities controlled the dissatisfaction of the military by holding that "we must first establish a national consensus on defense," and moved the plan on to a cabinet resolution.

In reality, everyone in the military felt critical of the plan from the time it was drawn up, but the first time this was expressed openly in public, was 3 years after the cabinet resolution, in the statement of General Nagano, chief of staff of the Ground Self-Defense Force (at that time), on 28 March 1979. Even chairman Kurisu of the Joint Staff Council never voiced his criticism as a public statement. Nagano made his statement when he thought the timing was right, during the intensified security and defense debate after the Kurisu incident.

At that time, Michita Sakata, the father of the basic defense plan, was chairman of the Security Research Committee in the LDP. Partly because of this, the rock thrown by Chief of Staff Nagano did not touch off a debate in the LDP immediately. However, its influence gradually spread in the party. As a result, a year and a half after the Nagano statement, in September of this fiscal year, Defense Agency Director General Omura was influenced by the debate within the LDP to state that the basic defense plan was "inadequate even if it were perfectly achieved."

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The LDP approach to defense problems has been characterized by both steadiness and alertness.

These characteristics seem to have resulted from the LDP's confident attitude that "there will be no more setbacks for the defense issue."

Although the sequence was reversed, it would be one-sided if we did not get a fix on the domestic and international situation which made it possible for the LDP to debate defense issues as much as they liked.

Up through the "third phase" of security and defense developments, or to put it differently, during the period when the opposition parties were completely dominant in this area, the approach of the government and the LDP was limited to diligently expanding defense capability and accumulating fait accompli to create a working interpretation of Article 9 of the constitution. Most of the debate over security and defense issues were centered on legal interpretations of the constitution and the U.S.-Japan Security Treaty, and was unrelated to the actual state of defense.

The reestablishment of diplomatic relations between Japan and China in 1972 and the end of the Vietnam war in 1975 were the great changes in the international situation which caused a 180-degree switch from defense to offense in the LDP.

When relations with China were first restored, the Chinese did not allude fully [to Japan's military alignments], but it was an undeniable fact that China entered into improved relations with us while the U.S.-Japan Security Treaty continued to be in effect. Eventually this led to an affirmative statement, and later to a positive evaluation of the security treaty by the Chinese premier.

The end of the Vietnam war had the effect of destroying at one blow the basis for the opposition parties' attack on the government and the LDP. For a long time, the focus of debate on the interpretation of the U.S.-Japan Security Treaty had been their contention that "Japan will automatically become embroiled in conflicts in the Far East."

This development was reflected rather straightforwardly inside the country as the Japanese political situation was entering a period where power was evenly matched between the progressives and conservatives and the opposition parties were pressed to come up with a realistic approach for a coalition government. This took the form of a change in policy toward the security treaty by the Komeito, the Democratic Socialists, and a right-leaning group in the Socialist Party.

The LDP seems to have calculated very carefully with respect to this change in the domestic and international situation and, after an appropriate time lapse, switched to a more aggressive posture.

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Expanded Arena for Defense Debate

The recent changes and intensification of the defense debate have occurred quickly and left their mark. If we look at the situation from a different angle, from inside the party, what first comes to our attention is the change in personnel leading the debate and the fact that this debate, which was once limited to the defense specialists in the party, has spread to become a general, universal topic.

There are three official organs in the LDP which deal with defense issues on a permanent basis.

One is the Security Research Committee. Another is the National Defense Committee organized under the Political Affairs Research Committee to conduct research and make proposals on government policies (LDP Party Regulations, Article 48). The other is the Special Committee for Measures Concerning Military Bases.

In addition, there is the Diet Members Alliance for National Defense, a voluntary organization from the point of view of party headquarters. Before the growing defense debate of the last few years, these four organizations were almost the only forums for discussion of defense in the LDP.

Of course, defense issues had been discussed in the General Affairs Committee and the Executive Committee when occasion demanded, but these committees only dealt with these issues in the course of their functions as decision-making and executive bodies. Ultimately, the four organizations I have mentioned were the "main stage."

However, a change began to occur in 1977 and 1978, the expansion of the arena for defense debate in the LDP.

Within the existing party organizations, subcommittees and special subcommittees were established one after another. As the defense debate became more clamorous, voluntary organizations of Dietmen interested in defense sprang up like mushrooms after a rainstorm.

Let us look at some examples. Two subcommittees were organized within the Security Research Committee: the Legal Research Subcommittee and a committee simply called, without other adjectives, the Special Subcommittee.

The Legal Research Subcommittee was organized as an official organ of the party to search for loopholes in the so-called "two defense laws," the Self-Defense Forces Act and the Defense Agency Establishment Act. Its purpose was to formulate a reply as a party organ to the allegation of inadequacies in the present laws made by Joint Staff Council chairman Kurisu at the time of his dismissal.

The Special Subcommittee was organized in response to a succession of incidents, such as the Soviet "report" ships and espionage in the Self-Defense Forces, to consolidate opinion on an espionage prevention law and draw up a bill based on this.

In addition, a National Defense Issues Subcommittee was set up within the National Defense Committee. The purpose of this committee is to bring together long-range proposals related to basic elements of defense.

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How much should we raise the percentage of the GNP spent for defense? What about equipment? What sort of logistical support should be provided? Taking the viewpoint of the politicians, we can glimpse a great enthusiasm for strengthening the concepts and foundations of defense. The attempt to "make the security and defense issue a concern of all LDP Dietmen, not just of a group of specialists," was originally the idea of the LDP leadership.

One example of this occurred after the general election of 1976, when 47 newly elected members of the Diet were gathered in one place for a "Defense Problems Study Conference" in which lectures were given on fundamental defense issues. This was done under the pretext that the idea came from freshmen Diet members such as Tokuchiro Tamazawa and Michihiko Shikan. But it seems that in reality, at a time when the defense debate was expected to become more intense, the party leadership was afraid that it would become confused if enthusiastic new Dietmen, without basic knowledge of defense, made impromptu statements in public.

Many other meetings and organizations related to security and defense, including policy study groups and political fund-raising groups, have been organized voluntarily by Diet members.

Money in Defense?

It is true that the number of such groups controlled by party headquarters is not great. These voluntary gatherings and organizations are not recognized unless party headquarters gets involved and expenses are taken out of party funds. However, a great number of such organizations organized by individual Dietmen are thought to exist.

The expanding number of advocates of security and defense in the LDP is definitely related to the fact that, in vulgar terms, there is money in it.

When we examine the political coordinating and advisory committees and the voluntary associations of Dietmen in the LDP, we find that although they are supposedly organized directly under various ministries, agencies and committees, they tend, in reality, to work as pressure groups, serving the interests of certain sectors of business and the bureaucracy. This was seen in extreme form in the aircraft group, the transportation group, the post office and communications group, and the socialist-labor groups which came under scrutiny in the Lockheed incident.

Defense industries, however, were not especially cultivated in the past by the Defense Agency, and there was no generalised structure of vested interest relationships. (Of course, the selection of the next major fighter aircraft, the first and second FX, led to graft and ended up as a prime example of "structural corruption." However, the only people to reap the illegal benefits were a few politicians who could participate in high-level decisions). Therefore, the group interested in security and defense did not have well-established organizations which could handle relations between government and the industry.

For example, the practice of the Defense Agency has been to ask for advice and make explanations to former parliamentary vice ministers and defense regarding basic problems in preparing the defense white papers and budget proposals.

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Nevertheless, the presence of a "defense group" which exerted pressure on the policies or budget of the Defense Agency was very weak. For this role, it was necessary to depend on former officials of the Defense Agency.

Now, however, the situation has changed completely. This is because it has become clear to the LDP Dietmen that there is money to be made on the defense issue.

Although the figures differ a great deal depending on the method of calculation, the annual sales of defense-related industries are reputed to be about 600 billion yen annually. In today's low-growth economy, there is clearly a nest of vested interests here, especially if it becomes certain that the relative amount of the GNP spent on defense will increase.

Previously, the only LDP Dietmen involved with national defense were the members of the Security Research Committee, the National Defense Committee, and other subcommittees temporarily organized under them, so they always stuck together like "Kintaro candy."

The director general of the Defense Agency, the parliamentary vice minister of defense, the director of the cabinet committee on defense, and people who had served in the Defense Agency were always showing up at the same times and places. This fact by itself indicated the limited nature of the "defense group."

At present, however, Dietmen with no connection at all to the Defense Agency are having their say about defense. In fact, the older Dietmen who have served in the agency or the military are even being shunned because they "know too much about the inside situation and are not in touch with the consciousness of the people."

At the recent extraordinary session of the Diet, the mass visit of cabinet members to Yasukuni shrine and Justice Minister Okuno's statement on constitutional revision sparked off a furor in the media over the issue of revising the constitution. This would seem to be a natural occurrence, but in terms of the security and defense debate, it was done because the limitations of the working interpretation of Article 9 of the constitution had become obvious.

The present security and defense debate inside the LDP does not extend to a debate over the constitution. The total security advocated by Prime Minister Suzuki is sufficient to cast sparks in all directions. This includes the issues of protecting the sea lanes in case of trouble in the Middle East, an espionage prevention law, an emergency powers law, and the percentage of the GNP to be spent for defense.

However, if we penetrate the surface, it all comes down to one concrete issue for policy selection: how to expand the overall framework of defense-related expenditures. The goals proffered for the near future by an unspoken consensus are a departure from the basic defense plan and are for increased defense spending, beyond 1 percent of the GNP. The next step will be to open up even wider prospects, including the issue of constitutional revision.

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POLITICAL AND SOCIOLOGICAL

GOVERNMENT CONSENSUS BUILDING ANALYZED

Tokyo SEKAI in Japanese Jun 81 pp 112-119

[Article by journalist Seigo Shimazaki]

[Text] "Remember the Occupation Years"

When the Suzuki cabinet appointed Seisuke Okuno as minister of justice, perhaps no one was more surprised than Okuno himself.

In December 1972, owing to his achievements in winning four elections, the second Tanaka cabinet selected Okuno as minister of education. At each reshuffling of the cabinet since then, his name had appeared on every list of candidates for cabinet posts. He was by-passed every time, owing, unfortunately, to his non-faction status. Because of this, he must be quite pleased with the present appointment.

For a politician, no matter how he appears to remain aloof, unless he is given a responsible post, he will at best degenerate into a politician who merely represents the interests of his constituents. For Okuno, who, especially as a former official of the Ministry of Home Affairs, has always felt strongly that he would rather contribute to national politics in a responsible position rather than merely represent local interests, the past 6 years without a government post must have been idle.

But it can be said that Okuno's appointment to the Suzuki cabinet (more accurately, however, his appointment at the following reorganization of the cabinet, since Ohira was still active) was already decided at the point when he was appointed director of the LDP's National Movement as a replacement for Koichi Hamada, who resigned as a member of the Diet due to his involvement in the Las Vegas gambling scandal, or later, at the point when it was felt that he had contributed somewhat to the overwhelming victory of the LDP at the dual House election held simultaneously. This is because it is a part of the unwritten rule of the LDP that a pinch hitter of this kind should be rewarded for his services with a cabinet post.

It seems that Okuno was privately hoping that "should he be appointed" he would be given the post of Minister of Home Affairs or Education or Health and Welfare,

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all of which are related to the former Ministry of Home Affairs. In other words, he wanted to work in areas he is most familiar with, such as the electoral reform system.

But such a wish could not possibly go through within the bureaucratic personnel affairs where factional speculations take top priority. As a result, he was set up as minister of justice, a position which, although as a principle is considered ultra-right, has no particular rights or interests worth mentioning, a position rather appropriate for a retiree.

Of the past ministers of justice one who has received highest evaluation (but of course not by the people but by the ministry and the LDP) is Shigesaburo Maeo. The reason for this is extremely simple; the criteria of evaluation were as follows: 1) one who does not work; 2) accordingly, one who does not interfere in the affairs of the ministry and does not make waves; 3) but one who is able to get the budget approved.

When Okuno was minister of education, he proved himself to be a hard-liner when he boldly attacked the Japan Teachers' Union saying, "If you like politics so much why don't you quit teaching and become politicians." On the other hand, he has also displayed uncommon shrewdness by resolving in one full sweep the long-pending issues in the form of the "Tsukuba University Bill," the "Bill Securing Teaching Personnel," and the "Bill Legislating Positions of Vice-Principal." Therefore, the position of Minister of Justice, for which Maeo is regarded ideal, was fundamentally inappropriate for Okuno.

True enough, it has been reported that at the cabinet organization headquarters Okuno tried to mask his disappointment at his being appointed to an unchallenging post when he jokingly told Prime Minister Suzuki and others that he "would rather 'work'."

No one would object if it is said that Okuno, who has expressed his "desire to work," came up with the issue of the constitutional revision quite suddenly after having examined every other possibility.

It just happened that Jun Eto's long article "1946 Constitution--Its Restrictions" appeared in BUNGEI SHUNJU at about the time Okuno was appointed minister of justice. It is a well-known fact that Okuno was greatly impressed by the article and recommended it to whomever he met.

I seemed to have deviated from the main theme of this essay by discussing Okuno's private matters, but let me continue a bit further.

Let me set aside for later discussion the significance of LDP's argument on the constitutional revision issue evoked by the statement made by the minister. Speaking from Okuno's private involvement the first thing we can say is that he wanted to become a present day "kataribe" [story teller] who would leave for posterity the account of the ordeals of occupation years and the experiences he went through in the resolution of the Ministry of Home Affairs. This he would do through the revision issue.

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There are 34 statesmen who came out of the former Ministry of Home Affairs; among them are Hirokichi Nadao and Kingo Machimura of 1914; Seisuke Okuno of 1938; Masaharu Gotoda of 1939; Tatsuo Ozawa, Joji Omura, and Jusuhiro Kanasone of the first half of 1941; Masao Endo and Keiichi Nakamura of the latter half of 1947. Only a few among them, however, has, in responsible capacities, experienced the resolution of the Ministry of Home Affairs in the hands of GHQ or was involved in the series of changes in the structure of local administration and finance based on the Shoup edict. Okuno became the director of the "wartime important business section" at the end of the war; and, after the resolution of the Ministry of Home Affairs in 1949, he became the director of both the finance and research sections of the Local Self-Government Agency, all the while negotiating with GHQ single-handedly.

According to Okuno, no matter how the constitutionalist forces such as the Socialist Party tried to beautify those occupation years, the GHQ's handling of the matter was so forceful that on several occasions he shed tears of helplessness. He also says that he experienced with his own body the effect of having the Constitution, drafted hurriedly within the GHQ during the occupation, forced upon the Japanese people. There was a scene last 27 August during a meeting of the Justice Committee of the House of Representatives when he unabashedly shed tears; unmistakably, he was recalling the humiliation he had suffered during the occupation years.

A decade ago, there would have been plenty of politicians from officialdom who had experienced similar or even worse ordeals than Okuno. Most of them have retired from the front line and even if they continue to survive as statesmen they have been unwilling to speak out. It would seem that behind Okuno's half impulsive statement on the constitution issue there was a fear that unless someone were to shout "remember the occupation years!" those days would be long forgotten. There was a kind of missionary spirit in him.

Another thing I would like to point out in terms of Okuno's personal involvement is the existence of Chief Cabinet Secretary Miyazawa. Using his fluent command of English, Miyazawa, since in his mid-twenties, had been active in negotiating with the GHQ as a representative of the Ministry of Finance. In contrast to Okuno, who suffered the humiliation of having to crawl around on his all fours, Miyazawa entered the very core of the administrative stronghold while still very young and survived the period "in style."

Miyazawa was once a very popular man, serving as the leader of the "new right." But he could be said to be a statesman who accepted all too easily the technique of the post-war conservative mainstream which brought about the economic growth through complete dependence on the United States on matters of security treaty and defense. Since Miyazawa would see the Constitution interpreted in any number of ways, Okuno's outspoken but immature attitude on the constitutional revision must have been beyond his comprehension. Since the incident last summer involving Minister of Justice Okuno's statement, cabinet meetings have become oddly entangled; the mainstream faction of the LDP is visibly upset with Okuno, complaining, "What are you trying to do to the Suzuki administration? Enough is

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enough." Can we not interpret Okuno's overzealous attachment to the revision issue as being deeply rooted in his private feud with Miyazawa?

People Should Eye the "Constitution"

In any event Okuno's statement on the Constitution originated in a kind of private enmity and in his own feeling of mission. Of course this issue cannot be reduced simply to a level of personal antagonism,

Aside from the ultra right theory of constitutional revision, revision theories set off within the conservative political circles seem to emerge periodically like the ebb and flow of the tide.

The "theory of forced Constitution" existed even during the occupation years, but it was under the Hatoyama administration, that is after the end of the occupation, when the conservative party publicly and loudly proclaimed its theory of constitutional revision for the first time.

Later I would discuss the circumstances surrounding this issue vis-a-vis the LDP "platform," but the Hatoyama cabinet, established after overthrowing the Yoshida administration, directly advocated a constitutional revision and held a general election in February 1955. In the final analysis, however, they were unable to gain the two-thirds majority needed to amend the Constitution. They were also unsuccessful at the election of the House of Councilors in July 1956. In order to cope with this, the Hatoyama cabinet devised two measures: the introduction of the minor electoral system, the so-called "Hatmander," and the establishment of the Cabinet's Commission on the Constitution within the administration. The minor electoral system collapsed as it was vigorously opposed not only by the opposition but also by the factions within the LDP; the Commission alone was to be established after having resisted severe protest by the opposition.

Later, although the constitutional revision fever had subsided temporarily it resurfaced around 1964 when the Commission presented its final report. In the meantime there was the "1960 Security Treaty," and the final report by the Council could not unify the views regarding the need for a constitutional revision and simply listed all the various opinions. It had invited a situation which the revisionists did not expect. For this reason, the Commission too was ineffective in creating a desired situation, and the revisionists had no choice but to retire from the scene.

Later, the constitutional revisionist movement became sporadic, totally lacking in organization. In particular, the arrival of the age of no distinction between the conservatives and the radicals spurred this downward trend.

However, because of last year's LDP's overwhelming victory in the election of both Houses held on the same day, the debate over the revision was initiated by Okuno, as if he were letting off all of his pent up frustrations which heretofore he could not express even if he had wanted to.

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In order to sort out the present arguments on the revision issue let us first review the events of the past half year, mainly the movements within the government and the LDP.

It was at the last 27 August meeting of the Committee on Judicial Affairs of the House of Representatives that Minister Okuno, although prefacing his speech by saying that "this is a view as a statesman and not as a minister of justice," stated that "the present Constitution was set in compliance with the instructions given by the occupation forces; it is desirable that there be a debate emerging from the people arguing for the formation of their own constitution."

This was the beginning. For some unknown reason Seichi Inaba (Socialist Party) on the question stand simply refused to pursue the issue. Besides, since this examination took place after the Diet had closed, the second and the third volleys of follow-up questions never took place in the Diet; consequently, Okuno lost nothing by uttering it. Although each opposition party did informally express its criticism of Okuno's statement on the constitutional revision, his statement increased in voltage at every opportunity.

In the extraordinary Diet session held at the end of September, the government suddenly found itself in a "state of quandary." In retrospect, however, the government was only pretending to be in a quandary. Be that as it may, in order to escape unscathed through the session which was to be the Suzuki cabinet's first trial, the prime minister devised a plan. That was to insert the phrase "Suzuki Cabinet will abide by the Constitution" in his general-policy statement. This he hoped would forestall the opposition.

The plan should have worked for the opposition, but it backfired among his own party and cabinet members.

At the extraordinary cabinet meeting held on 1 October to examine the contents of the general-policy statement, General Director Nakagawa of the Science and Technology Agency fired the first shot: "Since everyone abides by the Constitution, why the need for the phrase?" Minister Okuno wasted no time in jumping on Suzuki: "Obeisance to the Constitution and the issue of constitutional revision are compatible. It is unjust to mention only the former, for it has the effect of blocking the constitutional revision issue!"

Other cabinet members joined in and chaos followed. In the midst of all this, the prime minister remained almost totally silent, a role familiar to him as a longtime chairman of the LDP Council, and let the situation take its own course. Finally, Chief Cabinet Secretary Miyazawa ended up by promising a "reexamination."

"Reexamination" simply meant that the phrase would be deleted. At the first highest-level LDP Council meeting of the Suzuki cabinet, held immediately after the above confrontation, the prime minister's leadership was also questioned. After much debate, they finally settled on "respecting the doctrine of the Constitution"; in other words, it was a desperate measure with a double meaning: to the opposition it says that "the present cabinet will not revise the

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Constitution"; to the ruling party, it says that "the issue of constitutional revision will not be suppressed."

On reflection, the only thing that could be said about the entire affair is that it was a total disgrace. However, could it be said that they were merely acting so that, daring to be disgraceful, they could direct the eyes of the people to the constitutional issues (which, of course, would include both the "forced constitution" and the constitutional revision theory).

According to the Cabinet Legislation Bureau, they are prepared to meet problems such as the revision issue which might shake the foundation of the cabinet. They do this by directing the attention of "marked" cabinet members to a set of ready-made answers in an effort to unify opinions within the cabinet. For instance, this was done to Osamu Inaba (minister of justice) in the Tanaka cabinet, Shintaro Ishihara (director of the Environmental Agency) and Ichiro Nakagawa (minister of agriculture) in the Fukuda cabinet. With the exception of Inaba's statement of "defective Constitution" (May 1975, at the House of Councilors Audit Committee meeting), the "marked" cabinet officials who were considered revisionists all completed their terms of office without making any disturbing remarks.

On the other hand, the Suzuki cabinet, apparently wary of the above incidents reoccurring and on the occasion of the restatement of the general policy speech, distributed these ready-made answers (a collection of hypothetical questions and answers) to all cabinet members in an attempt to hush them up. Ironically, when this measure is compared with the past practice of "distributing these answers only to those marked revisionists," it has the effect of making us assume that every member of the Suzuki cabinet is a constitutional revisionist who is prone to make statements that could mean trouble.

Needless to say, such an eleventh-hour measure did nothing to seal the lips of revisionists.

Expectedly, the extraordinary Diet session was thrown into confusion by Minister Okuno's statement, especially at the Budget Committee. The first statement to come out was Okuno's "Japan is not sovereign without its independence."

According to the minister, this statement was in fact common knowledge among the officials of the former Ministry of Home Affairs who had to negotiate with the GHQ during the occupation, and was understood as "a matter that preceded common sense." As mentioned before, what he is trying to say is that he and others who had to deal with the CHQ in constant humiliation were at the pleasure of the occupation forces and had to follow their orders even in the drafting of a single bill. The situation was such that even the Diet, the supreme organ of national power, could not intervene. Okuno and others knew exactly "where the power lay," and they had experienced it personally.

This statement of "no sovereignty" interrupted the Budget Committee deliberations, and the minister of justice was made to express his regret; but here again

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it is unclear whether the minister's regret was to apply to all of his statements on the constitutional revision issue or only to the statement of "no sovereignty." The matter remains unresolved.

It is said that in order to bring the situation under control, the minister even "thought about resigning." Ironically, however, it is said that because Okuno's resignation would make him a hero to the revisionists and thereby give push to their movement, not only Prime Minister Suzuki but also the Socialists, who had in fact asked for Okuno's dismissal, were opposed to it. The latter had gone backstage to make sure that LDP Diet policy makers "would not make any hasty move in dismissing the minister." The entire affair simply defies imagination.

The rest need not be repeated. The opposition challenges with questions--the minister of justice escalates his statements--confusion ensues and deliberation is interrupted--the government announces a unified opinion or the prime minister makes a statement that brings the situation under control. This pattern is repeated at the regular session of the Diet.

Upon reflection, the attitude of the opposition, especially the Socialist Party, was also odd. During the extraordinary session a series of statements by the minister of justice that began with the "no sovereignty during occupation" comment should have incurred the wrath of the Socialist Party. But for one reason or another the Socialists settled the issue by saying that further discussion would delay the implementation of the mediation ruling of the Japanese National Railways and the Postal Services, both of which required immediate attention. It is strange that they should be weighing an issue of fundamental importance to the country and another involving a mere execution of political maneuvering on the same scale. As if it had anticipated this state of affairs all along, the LDP moved ahead to solidify its support for Okuno.

A Detour Strategy

In the midst of the confusion at the Budget Committee of the extraordinary session of the Diet on 9 October, the "National Conference to Support Okuno's Statement on the Constitution" was held at LDP headquarters right across the street from the Diet. This was one example of LDP support for Okuno. For another, a general assembly of LDP's Commission on the Constitution, which had been more or less dormant the past 10 years, was held on 13 October for the first time in 8 years. Finally, the League of Dietmen for Realization of Autonomous Constitution, chaired by former Prime Minister Kishi, has also begun to make a move: "Although we do not believe that the Constitution can be revised easily, we must first lay the groundwork." (Director Haruhiko Uetake, former member of the House of Councillors)

We must note, however, that these movements within the LDP are somewhat different from those of past revisionists.

That is to say, although it is a fact that [new revisionists] still repeatedly point out the injustices of the forced Constitution and eagerly engage in laying down the rails for establishing an autonomous constitution, they are no longer

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interested in taking the arguments directly to the revision issue. They are rather interested in trying to focus on inducing public opinion through the revision argument.

The Cabinet's Commission on the Constitution which is a formal organization of the LDP is one example of the change in emphasis. At its general meeting on 13 October, Chairman Mitsuo Setoyama (former minister of justice) offered the following comments: "The present Constitution has yet to plant its roots among the people; notice the absence of any litigation involving the Constitution." "The suitability of the present Constitution should be debated on the basis of content. But we cannot overlook the question of forced or borrowed constitution." "We must now debate on where and how we need to revise the present Constitution." The Council decided to come up with a solution within the next 3 years based on the above thinking. However, despite the fact that more than 80 percent (57) of the total membership (68) belong to the "League of Dietmen for Realization of Autonomous Constitution," the arguments presented throughout the meeting were considerably subdued.

The LDP's Commission on the Constitution which was established simultaneously with the merger of the conservatives has, throughout the past 25 years, reflected the ups and downs of the arguments within the party; that is, although it has directly taken up the argument of the revision in the first half of its existence, thereafter, it has consciously avoided the issue.

To illustrate this, let us compare the interim report compiled by the Commission in 1959 with the 1972 "draft of the outline of the revision." The 1956 interim report determines that the present Constitution was a forced one and boldly exposes its problematic points; on the other hand, the 1972 draft minimizes these problematic points and uses less bold language.

The fact that the Commission was dormant for as long as 8 years should clearly indicate the attitude of the LDP toward the Constitution. Even if it does wake up, the Council will still be far from its usual form.

The same can be said for the League of Dietmen for Realization of Autonomous Constitution, regarded as the "head temple" of the hawk faction within the LDP. Younger Dietmen tend to shy away from the League as if to imply that the "Constitution issue is not a vote-getter." Although membership did increase during the past 2 years, there was a time when both Chairman Kishi and Director Uetake expressed their desire to resign. The activity of the League is rather modest in comparison with the strong support for Minister Okuno. Instead of singular devotion to the matter of constitutional revision that looms high above them, the League has changed its strategy by delivering off-speed pitches and taking detours, as in their publication of their study on how foreign countries revised their constitutions after the war.

On the other hand, a new movement has emerged among the Dietmen born in the Showa era [1926 to present]. They have organized the "Showa Group to Study the Constitution" (leader, Takao Fujinami, former minister of labor); it is their contention that "the League has fallen into the hands of rigid senior Dietmen of the revisionist faction."

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This group is composed of both the hard-line revisionists and the constitutionalists who, regardless of how the present Constitution came into being, say that it has become firmly established among the people. The group is characterized by the fact that the latter far outnumber the former.

At a glance it would appear that the debate over the constitutional revision is considerably heated; and yet the fact of the matter is that the present LDP is handling this matter in a relatively cool manner without getting overly excited about it as it used to.

What happened---

Technically speaking, it is because the LDP members have not forgotten the troubles they had gone through in establishing the Gengo [Japanese era designation] system.

While the LDP was blindly shouting for the "legislation of Gengo," the opposition fought bitterly, claiming that it would "revive the Emperor system." However, as in the allegory of the contest between the north wind and the sun, the LDP began to adopt a flexible strategy, mobilizing local organizations, and putting municipal assemblies into action and having them pass resolutions. Gradually building up the sentiment, it succeeded in establishing the legislation.

It seems now that the LDP has come up with a similar approach in its attempt to deal with the issue of constitutional revision.

As in the case of the gengo legislation, the League of Dietmen for Realization of Autonomous Constitution has begun to work on local assemblies to pass resolutions on the revision issue. Although it has not gone in orbit yet, it is obvious they are hoping for their luck to repeat itself.

Another thing we must point out as a motive for the change in the LDP policy in the direction of constitutional revision is the fact that the Dietmen's view of the constitution has changed due to the influx of a new generation of politicians.

Interesting data reflecting this trend were gathered from questionnaires sent to all LDP Dietmen by the MAINICHI SHIMBUN last 20 October and by the ASAHI SHIMBUN on 4 November.

Both questionnaires revealed extremely low figures for Dietmen actively promoting the revision, 14 percent in MAINICHI and 17 percent in ASAHI. The two newspapers carried contradictory headlines: ASAHI's read "Two-Thirds for Constitutional Revision," MAINICHI's, "Majority Takes Cautious Approach to Constitutional Revision." When we examine the articles thoroughly, however, the contents were alike. It can be said that a true feeling of the majority of the LDP Dietmen was that, "We understand well the establishment of an autonomous constitution as a principle. But realistically speaking, since the present constitution appears to have taken firm root among the people, we must avoid any hasty action."

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Mr Senpachi Oishi, who advocates a similar view, wrote an editorial in ASAHI SHIMBUN objecting to the minister of justice's argument for revision. When it was published, Minister Okuno was reportedly more stunned at first than angry; he exclaimed, "How can it be justified that a Dietman of the LDP, which advocates constitutional revision as a matter of party platform, makes such an assertion."

At meetings of LDP's Commission on the Constitution too, Dietmen who had held onto an attitude of caution regarding the revision issue and who had thus far avoided any involvement in the debate, have begun to air their own theories more actively.

In fact, Minister Okuno's desire to become the modern day "story teller" and his stubborn mission-bound attachment to the constitutional revision are signs that he has become impatient with the changes apparent in the consciousness of these Dietmen.

Backstage of the "1955 Party Platform"

We must note that the increase in the number of Dietmen who regard the present constitution as being deeply rooted, will inevitably discourage the LDP's straightforward and rigid advocacy of the revision theory. But precisely because of this it might be said that what they are doing now is putting the road marks along the path that will finally lead them to the goal of enacting a revision-autonomous constitution.

It is a well known fact that the revisionists' "Imperial standard" proclaiming that the "KDP is a party for the constitutional revision" is found in the "party platform" that was compiled as the fundamental policy of the then new emerging party (Liberal Democratic Party = LDP) when conservative merger took place in November 1955.

But contrary to our expectation, despite the fact that it was an era, unlike the present, when advocates of revision could go unchallenged under Prime Minister Hatoyama's [leadership], the "party platform's" wording of the constitutional revision tended to be oddly subdued.

"While firmly upholding the principles of peace, democracy and esteem for the fundamental human rights, provide for autonomous revision of the present constitution, reexamine various legislations of the occupation and abolish them in accordance with the state of affairs of our country---." Worded as such, it gives us the feeling that what ought to have been placed in the "alcove" was secretly placed near the "back door."

There is an explanation for this. The party platform was a product of a compromise between the Yoshida faction, whose single guiding principle had been one of interpretational constitutional revision, and the Hatoyama faction, which directly advocated the enactment of an autonomous constitution. Despite this, the LDP was a newly formed political party facing a general election. It

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is said that the sole concern of the policy committee compiling the platform was on winning the election. In other words, they were well aware of the fact that they had failed to reach their goal in the February election of that year (1955) when they directly raised the revision issue. The platform was created with the realization among all members, including the revisionists, that the constitutional revision was extremely difficult.

In any event, when we ask whether a situation enabling constitutional revision was fostered in the next 25 years or not, the answer must be in the negative no matter how favorably we look at it.

We cannot help but puzzle over the sudden emergence of the revision issue just because the LDP won both Houses.

The present LDP cabinet is responsible for establishing the police reserve force under Article 9 of the Constitution, for converting it into the Self Defense Forces and, eventually pushing it to the eighth largest "military power" in the world. There is no sign that government and LDP's faith in the theory that the articles in the Constitution can be interpreted in any number of ways has declined.

If this is the case, can it not be said that the present LDP's constitutional revisionists are showing us the limits of the theory of multiple interpretation and application [of the Constitution] in the form of positive responses to the U.S. demands for strengthening the Defense Forces. We must look at this as an indication that, while loudly advocating constitutional revisions, the present aim of the LDP is to further provide for a stronger theory of interpretation and application of the Constitution.

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MILITARY

'CIVILIAN CONTROL' OVER SELF-DEFENSE FORCES ANALYZED

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[Interview with Shin Kanemaru, former director general of the Japan Defense Agency, by Akihiro Nosaka, critique; date and place not specified]

[Text] [Nosaka] Mr Kanemaru, do you have any military experience?

[Kanemaru] I have. Just as I became a candidate for a reserve officer after entering the signal unit of the Kwangtung Army, I came down with pleurisy and upon being sent back to Japan, the Manchurian incident broke out. So my military career was limited to that of a recruit.

[Nosaka] With the emperor's words that the Potsdam Declaration would be accepted, the Japanese military forces surrendered all at once. At that time, they completely lost their spirit to fight. I do not think that the American occupation policies were exceptionally effective, but there was no underground resistance or any opposition movement of any kind. Really, it was a surrender of such orderliness rarely seen in history. I was 14 years old then, and the Imperial Army crumbled before my eyes and became a sight too pitiful to look at. Men of the Imperial Army thought only of themselves and ran away, greedily taking with them the stored military supplies. They did not care at all for the people. As far as I know, even the Kwangtung Army, of which Mr Kanemaru was once a member, probably had its reasons for doing so but disappeared before the invasion of Soviet forces. Cadres all went southward and the main units left, leaving behind only the border patrol unit. The pitiful Japanese residents were forsaken, and they suffered a terrible fate. What was that army there for? It was claimed that the national policy was preserved, but I wanted to question what was going to happen to our livelihood even if the national structure were kept intact. When I talk about such matters with ex-military men, particularly those who joined the Self Defense Forces [SDF], they all lament that, "it is truly regrettable that generally when the people take up the subject of the military, the people must be first made to understand what the military is trying to protect." However, I have seen the military collapse. I want to question tenaciously, "What are you trying to defend by strengthening the military capability, training daily and carrying weapons?"

[Kanemaru] The Japanese people, who have fully experienced defeat in war, believe that they must never become involved in another war--and to say this might seem like a waste of words, but each house has a lock. To protect the lives and property

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of a household, the head or the parents or the grandparents, or because it is the national custom, a lock is placed on the house. As long as the nation is a conglomerate of these households, it is only natural that the nation should have a lock to keep out the thieves and burglars. Therefore, we are following the policy that it is necessary to have enough defense to prevent meddling in our affairs. It would be a terrible mistake to think of the present Japanese defense in terms of the former military forces. I think that the biggest cause of Japan's defeat was the involvement of the military in politics. That was a grave error. In other words, there was no brake of "civilian control." After the military began to participate in politics, after such abusive words as, "You fool! Shut up!" began to be spoken in the Diet and after developments permitted the formation of the Tojo cabinet, politics became solely concerned with the expansion of war or the occupation of territory. In other words, politics became totalitarian without regard for the populace. The result was that miserable defeat in war. Therefore, I think that it would be preposterous to build up a military force with an image of the past. This is the reason why some say, "They are not sure whether Kanemaru is rightist or leftist." Kurusu, chairman of the Joint Staff Council, was cautioned a number of times about his political statements, but he still made them on various occasions. On the grounds that he was jeopardizing our future, I asked for Kurusu's resignation, but he asked to do so voluntarily instead of being dismissed by his superior. It appeared that his retirement pay would be affected so he asked to resign voluntarily. I believe that the military or the SDF must never shackle the people or become a burden and threaten the livelihood of the populace. As to how much defense is considered necessary to prevent internal meddling is a matter for the public to assess and should not be decided by politicians alone.

[Nosaka] Then, Mr Kanemaru, should we go about our affairs on the assumption that foreign countries are thieves as well as meddlers?

[Kanemaru] No, I am not saying that all of them are thieves or burglars. There are cases like that in the world. For example, there are small conflicts in the Middle East like the Iran/Iraq war and there have been small conflicts here and there since the end of World War II. Therefore, I think that we should have sufficient defense to discourage interference, and I question the state of being totally defenseless.

[Nosaka] In trying to obtain the people's consensus on maintaining the minimum defense capability that Mr Kanemaru mentioned, the threat from the north is sometimes represented as the "invasion of four divisions," but as soon as the objective of the intelligence manipulation is attained, the threat is changed to "infiltration of only 800 men." When the threat of danger is spread around, it cannot be helped if the true intention is suspected as that of the scheme of the Ground SDF to build an armored division. In that manner, they have scared us and proceeded step by step. Since Mr Kanemaru has also served as the director general of the Japan Defense Agency [JDA], I would like to ask whether erroneous intelligence analysis is the reason why at certain times, the situation was said to be dangerous, but now, not dangerous.

[Kanemaru] No, intelligence is gathered through various means, and in Japan, the Foreign Ministry or the Defense Agency is collecting, but Japan is extremely weak on intelligence and is in the dark.

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However, posing a real problem is the stationing of 3,000 aircraft in the Far East. On the four northern islands, there are rows of barracks and even missiles and Hawk's. There are airfields, too. Those are facts. Also, at Nakhodka and Vladivostok, there are altogether over 700 ships, including naval ships formerly referred to as battleships, as well as submarines. In view of this situation, should we be without any defense? However, there is a limit to defense capability and in reality, present-day Japan is not in a position to defend against 3,000 fighter aircraft. Getting down to brass tacks, the SDF in Hokkaido can only await reinforcements while retreating if the enemy lands. This is defeatism. Passive defense harbors the danger that bullets might actually fly over the heads of the people. The SDF has a considerable number of tanks. When I was the director general of JDA, I said that, "When tanks have to be used, Japan is being defeated." I stated, "We do not need these tanks. Rather, to create security for the Japanese people, naval and air strengths are needed. Tanks are like children's toys and when they have to operate, Japan will be covered with blood. Shouldn't such thinking be changed?" To think that, "tanks are indispensable," is one of the traditions from the past.

[Nosaka] Believers in tanks include those who suffered greatly in the Nomonhan incident and those who are still enamored with the German and Soviet tank divisions. It seems that there are many in the army clinging to a form of faith in "huge warships and big guns."

[Kanemaru] That is right. I admit that. The former army believed that if it had tanks, they could be carried aboard warships and transports to other countries for use there. The leaders of the past thought along that line. However, that is absolutely prohibited under the present Japanese Constitution. As long as Japan follows the policy of passive defense, we should think seriously only of our country. There are many in the JSP who claim that, "if our defense is so weak, we might as well not have it." I keep repeating that, "well, why do you lock your house? You do so, don't you, to keep out the thieves and burglars? Isn't it all right to have that much defense?" However, they do not seem to understand.

[Nosaka] But the navy and air force are not inorganic substances like the lock. A lock is always only a lock, but naval and air strengths continue to grow. If the counterpart's strength increases tremendously, ours also increases. For a very narrow archipelago like Japan, there is no means of defense except to strike at the enemy. The Japan Sea is at the most only 600 to 800 km wide. If the Soviet Backfire aircraft invade this area, it would be too late if our aircraft took off after the Soviet aircraft had started the attack. In that case, the only alternative is to hit the enemy. On the premise that the enemy base must be crushed, can the Japanese islands carry out a war? I do not think Japan can.

[Kanemaru] Just as you say, I do not think we can.

Kanemaru: Defense Without Nuclear Power Is Meaningless

[Nosaka] Although we cannot, if we must place a limit on our defense, our thinking would be eventually based on the assumption of an invasion of Hokkaido. From the experience of 36 years ago, I cannot place any trust on the entity called the

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Japanese military. However, if we are going to be subject to outrageous actions, as an ordinary human being, I feel that I want to resist with violence or to resist in some other manner. Putting that feeling aside, I do not believe in the possession of the military as a forceful means to preserve our rights. The military can do nothing to protect the people's lives and property, and from the standpoint of geographical environment and natural resources, I do not think the military can defend Japan.

[Kanemaru] Well, I fully understand what you are saying. I also feel that even if we want to entrust our lives and the security of Japan to the SDF, as a realistic matter, the SDF does not have enough power to protect us. However, I think that the United States itself will naturally fear Japan's becoming a powerful military country. I think that the United States wanted Japan to sign the Nuclear Nonproliferation Treaty because of the concern that if the Japanese possessed nuclear power, there is no telling what they might do. After that terrible destruction of Hiroshima in which so many of our compatriots died because of the nuclear bomb or survived but with various physical handicaps, we pledged in our hearts that we would not possess nuclear weapons. Although we pledged, we realize in view of the present world situation that defense without nuclear power is nonsense. Present-day Japan has no other means than to have its security guaranteed by the U.S. nuclear umbrella. Ideally speaking, the best course is for each country to discard, not reduce, military armament and for the world to become one nation. However, looking at the present world situation, I think it is certain that countries will not totally abolish armament to become a "unified world."

[Nosaka] That might be so, but for Japan, an insular country which might disappear after three blasts of hydrogen bombs, it is useless to be armed with or to possess nuclear weapons. Furthermore, though we might be under the U.S. nuclear umbrella, we cannot expect the United States to use nuclear weapons against the USSR in the event the Soviets invade and the Japanese put up a fight. If you think in that vein, as Mr Kanemaru says, Japan must possess nuclear weapons--but, the situation today does not permit the possession of nuclear weapons. If that is so, then conversely speaking, the possession of military armament itself should be forbidden. Then, instead of having military armament, Japan should give more serious thought to, while considering relations with the United States, lending a hand to the Soviets to deal with the failures of their present wartime economic system. For example, the development of Siberia will do. In that event, Japan should proceed with some awareness that it might get bogged in the mud. Southeast Asia should also be considered not simply from the standpoint of making investments to gain capital profits but giving aid, in some form, which will make Southeast Asia come to our rescue when Japan is in trouble. We should assist not only with hardware but software. The word, "assistance" is not quite right. Perhaps I should say to continue to live together.

[Kanemaru] You mean co-existence and co-prosperity.

[Nosaka] I think that that is far more meaningful than arming Hokkaido with model 74 or model 88 tanks or acquiring 14 mine-laying aircraft.

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Nosaka: Why Should a Model Arms Reduction Country Aspire To Become a Militaristic Nation?

[Kanemaru] When the farmers and youths of Czechoslovakia resisted, Soviet tanks surrounded Prague. At the time, I was at the embassy in Prague and watched the developments. The people who wanted freedom constituted 90 percent of the populace and Communist Party members, 10 percent. That 10 percent suppressed the Czechs with Soviet power. Seeing what was happening, I was struck with fear. Though 90 percent of the people oppose communism, the 10 percent Communist Party members took over Czechoslovakia with Soviet force. I believe that we should have enough defense capability to prevent such occurrences. I am talking of limited defense with sufficient power to prevent poaching. That is what I mean when I say that defense is the starting point of politics.

[Nosaka] The problem is how to protect our lives and property and our culture and traditions. To do that, not only military power but various other means must be employed.

[Kanemaru] I agree. In fact, I think that military power is of lesser importance. I realize that. Even at the risk of their lives, diplomats and politicians should visit the USSR, PRC, ROK and Middle East and devise means to promote friendship. In diplomacy, as you just mentioned, if Japan has extra funds and our counterparts are asking for help, we should assist economically so we can co-exist and co-prosper. I think that it is most important in our advancement to make all-out efforts to steer away from war. It is not necessary to think about war. However, I still believe that we should be strong enough to discourage internal meddling.

[Nosaka] If war should ever start, it would not be because of meddling but strictly the result of a rupture of the military balance between the United States and the USSR. The big question is what would happen if the USSR decides that, to cover up its failures in its wartime economic system, it would start a war, and though realizing that it will suffer a certain amount of damage, it is still confident that it can make a first strike that will wipe out U.S. counterattack capability. There is talk of what would be Japan's role, in that event, but I think that if things get that bad, there is nothing for Japan to do. At any rate, because Japan did not foolishly revive military power, it was able to accomplish, should I say, the world's foremost economic reconstruction. Can't Japan be considered a model country? At the annual arms reduction week of the United Nations, Japan is mentioned as a model country. Other countries, including the FRG, all think that they should follow Japan's example. It does more harm than good for a model country to aspire to become, once again, the militaristic nation of the past.

[Kanemaru] You are right. There is no need to build up a force similar to the old Japanese military. Japan must not become a cat's-paw and disturb world peace. Just as you say, Japan should never become involved in a war. It is important for Japan to avoid war at all cost and to think of various means to work together with the USSR, PRC or Middle East toward co-existence and co-prosperity. The only problem is that the Soviets are strongly agitating the sentiments of the Japanese people over the question of the four northern islands.

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Kanemaru: The Constitution That the American VIP's Are Saying To Change

[Nosaka] At any rate, the Japanese evacuated the four northern islands, though the graves might be remaining. If there is a man on the street who thinks of the northern island problem as a directly personal one, I would like to meet him. It is probably wrong for the Soviets to occupy them; not only the four, but all of the Kurile Islands. However, when considering the international situation, one should be aware that Japan has presented the United States a considerable number of military bases in the country under the Japan-U.S. Security Treaty. For the Soviets, Japan is a country to be feared. Thinking of the Soviet standpoint and its fears, I feel things should be left alone, though this might be contrary to the popular view. Instead of clamoring about the return of the four northern islands, I think it is more important to think about maintaining amicable relations with the Soviets from a bigger standpoint and using the northern island situation to our advantage in some way.

[Kanemaru] Also, there is another reason why the Japanese do not trust the Soviets. During World War II, as Japan was being driven toward defeat, the Soviets discarded the Japan-Soviet nonaggression pact like an old hat and entered the war...That is to say, Japan's aggressive actions had boomeranged. Some might have thought that that was the proper action for the Soviets. However, in the populace, there were others who lost their faith in the nonaggression pact.

[Nosaka] Why did the Kwangtung Army run away despite the judgment that the treaty might have been abrogated at any time?

[Kanemaru] I am not certain why.

[Nosaka] The military is of no help at all. The Kwangtung Army did transfer two divisions to Okinawa but before that, dispatched the youths of the "Mammo" group [land cultivation group of Manchuria and Mongolia] of Uchihara.

[Kanemaru] The land cultivation group.

[Nosaka] All of those who went worked hard, didn't they? Those in the development group were regarded as a type of militia troops and were forced to carry guns. They cultivated the farms while undertaking defense duties. These people were all forsaken. Perhaps the Soviets were wrong but when two countries were confronting each other and it was known that the nonaggression pact might be scrapped at any time, I feel that the troops should've remained and let the people escape. They could've complained after they had fought. Instead, they ran away hastily. Didn't they escape, abandoning children on plains where Manchurian wolves were howling?

What happened then is now being shown on TV isn't it? For them, the war has not yet ended. Though not exactly the same, the SDF is operating in a similar manner, and when I see that and the means of expansion which follow the traditions of the old military forces, I feel that I cannot trust them at all. They should take the blame for the past.

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[Kanemaru] You said that you cannot trust such Japanese military forces and I agree. When I was serving as the director general of JDA, I replied to Diet interpellations on the SDF. I felt that the troops believed in the use of force and did not recognize any human rights, and furthermore, when emergencies arise, the troops sneak away and their whereabouts become unknown. How will the country be defended? Recently, I went to the United States and met with officials in responsible positions. They told me to change our constitution. I said, "Please don't joke. This constitution is one that the Americans drafted for us. Since the constitution you made is faulty, it cannot be changed even if we want to. Under the present circumstances, it cannot be altered. Since the Germans are accustomed to losing wars, they included at the end of their constitution, 'when Germany becomes independent, this constitution will be nullified and a new one will be drafted.' Japan's constitution does not contain that phrase so it cannot be changed. This is impossible, even in the present political environment." They replied, "Well, you're right."

[Nosaka] Speaking of the constitutional issue, since the constitution was drawn up by human beings, I think it is all right to change it in any way we want. The constitution and the Japanese people have not been very compatible, so to interpret it, at certain periods, resourcefully and loosely in one's favor might be the wisdom born of the people. There is nothing which says that association with Western-style laws is the best for society. I would like to ask you again but do you think that Article 9 serves as a restraint on the possession of military forces?

[Kanemaru] Well, that article was interpreted in various ways and the result is the present SDF.

[Nosaka] Basically, if a law can be interpreted in any way one wants, it is not a law.

Nosaka: "Ad Balloon of Lowly Officials" Is Ambiguous

[Kanemaru] Regardless of the interpretation--some in the JSP are talking of non-armament while others talk of nullifying the Japan-U.S. Security Treaty--but the reality is, and some in the JSP recognize it, the SDF does exist. These JSP members are concerned about the SDF going berserk and are considering means to prevent it. They are facing reality and trying to cope with it. No matter how Article 9 is interpreted, the reality is that there is an SDF so it is necessary to recognize this fact in the discussions of our thoughts. The situation would be different if there were no SDF, but it does exist and represents one interpretation. There are various criticisms about it. However, it really exists and I think the people should put their heads together to find the best means of handling the situation.

[Nosaka] It is strange that the successive prime ministers never said a word about constitutional revision. Mr Kakuei Tanaka did not utter a word about it. Those who talk about it are always lowly officials. These lowly officials hoist the ad [trial] balloon while the high-ranking officials only mumble in a very vague and indistinct tone (Mr Kanemaru broke out in laughter)...Perhaps, this is the worst

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way of acting. Unless they are more clearcut, they will look bad. On examining the makeup of the ranks in the present SDF, one finds that there are about 1.8 officers and noncommissioned officers for each enlisted man. Whoever heard of such a military unit? So, the organizational structure was built on the premise that someday, the conscription system would be put into effect. I think that they should tell the people or us more, including such matters as the preceding item. As Mr Kanemaru stated, without nuclear weapons, there is no true deterrent or military power. But we, who have learned from the experiences of Hiroshima and Nagasaki, think that we should not possess them and rather than dirtying our hands, we want the United States to do the job. The Americans must think that what we are saying is very egoistic.

[Kanemaru] The Americans are probably thinking so.

[Nosaka] Since we were bombed and saw the pitiful destruction, we ourselves cannot do it but truthfully, we cannot be protected without nuclear weapons. So we ask you to do it. This is the same as saying I hate to kill anyone so I will not carry a dagger but in a fight, it is only fitting to have one so will you please carry it?

[Kanemaru] Since we signed the Nuclear Nonproliferation Treaty, we cannot possess them so what should we do? The Americans have said they will substitute for us...

Kanemaru: If You Do Not Trust the Treaty, What Can You Trust?

[Nosaka] If possession is permitted, do you think Japan should, from the defense standpoint?

[Kanemaru] Well, I do not think that we should. I think that the people feel very strongly about this and we should not go against the people's feeling.

[Nosaka] Then, if we really want to defend ourselves, we need nuclear weapons. We must possess them. However, if the people's sentiment is considered, it is better not to have them. If that is so, isn't it better not to defend or to go without that capability?

[Kanemaru] That is not so, if the Japan-U.S. Security Treaty is going to protect us.

[Nosaka] Do you think the Japan-U.S. Security Treaty would defend us?

[Kanemaru] I think that it will protect us. From my past experiences, I can say that in an emergency, the United States will undertake Japan's defense. If the treaty cannot be trusted, what can you trust?

[Nosaka] For the United States, it is a one-sided treaty with Japan but the latter provides the military bases. For Japan, dispatch of troops to foreign countries is forbidden by the constitution, so even if the United States is attacked, Japan cannot go to its aid. If Japan is attacked, the United States would assist, except for shipping on the high seas. In actuality, as far as the United States is concerned,

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the Japanese islands might only be a protectorate under its nuclear umbrella, but for the Soviets, Japan constitutes a form of arc-shaped island defense against the "soft" Maritime Province. The fact is there are many military bases in Japan. No matter what anyone says, I think that from a realistic viewpoint, there is no question that the United States has brought nuclear weapons into Japan. If not, they must transport them, whenever needed, from Guam where they are stored. That is unreasonable. It is only natural that the Soviets are afraid.

If that is true, Japan is significant in serving as the American umbrella, and as long as the umbrella is needed, I think that the United States will protect it. When the umbrella is no longer needed--and I think this is true of other countries--the United States would not defend Japan.

[Kanemaru] No, I don't think so. When you think of the Free Camp, do you think the United States can go it alone in the future if Japan collapses? What you just said is an assumption, too, and you cannot say for certain that the United States will absolutely refuse to defend Japan. The treaty was mutually agreed upon and though there are differing views, I think that America realizes it cannot exist without Japan and Japan is aware there would be no Japan without the United States. I think that that is the reason why the government considers the Japan-U.S. Security Treaty its backbone. I think that you would not be wrong in placing your trust in it.

[Nosaka] If we of my generation are to truly rid ourselves of the aftereffects of defeat in war, we should not get thwarted by Japan's role in U.S. world strategy. It is certain that the United States has its own policy. It is definite that the United States will rely on the military-industrial complex so we should not be dragged in--or we could pretend to be dragged in but we should think of how we could better get along with the USSR and the PRC, too.

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SCIENCE AND TECHNOLOGY

COMPANY FOR PRODUCING URANIUM ENRICHING EQUIPMENT SEEN

Tokyo JAPAN ECONOMIC JOURNAL in English Vol 19, No 959, 16 Jun 81 pp 1,5

[Text]

Mitsubishi Heavy Industries, Ltd., Hitachi, Ltd. and Toshiba Corp. have basically agreed to set up a company to manufacture uranium enrichment plant equipment, including centrifuges, by the spring of 1982.

This was revealed last week by the Ministry of International Trade & Industry.

MITI said the new firm will play the leadership role in the nation's uranium enrichment projects, noting that the nation was facing the urgent need to establish a nuclear fuel cycle, ranging from uranium enrichment to reprocessing, on its own.

In other words, Japan urgently needs to domestically manufacture enriched uranium whose supplies now depend entirely upon the U.S., France and some other advanced nations.

The General Energy Council, advisory organ to the Minister of International

Trade & Industry, recommended in its recently released report that the nation start operating a domestically-developed uranium enrichment plant by around 1990 and domestically manufacture about 30 per cent of its total enriched uranium requirements by 2000.

As to national research on an uranium enrichment plant, the Power Reactor & Nuclear Fuel Development Corp., one of MITI's organizations, is researching development of a centrifuge process uranium enrichment plant using a 50-ton SWU (separative work unit) yearly capacity pilot plant installed at the Ningyo Valley, Okayama Prefecture.

In order to propel domestic manufacture of enriched uranium, MITI has urged the three major heavy electrical machinery makers to set up an uranium enrichment plant equipment

manufacturing firm.

Prior to construction of a commercial uranium enrichment plant, MITI plans to build a prototype enrichment plant with a yearly capacity of 200-250 tons SWU and to choose a group of companies to manage the plant, centering on electric power utilities, by this fall.

The new company due to be set by the three heavy electrical machinery builders is expected to supply centrifuges and other equipment to the group.

MITI also plans to extend financial aid to the overall uranium enrichment project within the framework of the fund for domestic technology promotion.

Electric power utilities estimate the nation's enriched uranium demand at 8,000 tons SWU in 1990, 10,000 tons SWU in 1995 and 12,000 tons SWU in 2000. They fear that the nation will be short of enriched uranium after 1990 unless it manufactures such uranium on its own.

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SCIENCE AND TECHNOLOGY

FIRMS BECOME SELLERS OF TECHNOLOGIES

Tokyo JAPAN ECONOMIC JOURNAL in English Vol 19, No 959, 16 Jun 81 pp 1,19

[Text] Sales of technology by Japanese companies now outrank purchases, a Nihon Keizai Shimbun survey revealed last week. The balance has changed during the five years since the first oil shock of 1973-74.

The survey, conducted among 638 firms listed in Tokyo, Osaka and Nagoya stock exchanges, showed income from technology sales, including royalty and other technical service fees, totaled ¥127.9 billion in fiscal 1980 (hereafter all the years are fiscal years), up 120 per cent over fiscal 1975. The balance of technology income and payments registered a surplus of ¥23.7 billion in 1980, compared with a deficit of ¥16.5 billion in 1975.

The survey said income of

**Top 10 Net Earners from
Overseas Technology
Transactions in FY1980**

Rank	Company	Net Income (¥ million)
1	Nippon Steel	10,800
2	Hitachi Shipbuilding & Engineering	9,192
3	Mitsui Petrochemical Industries	3,630
4	Asahi Chemical Industry	2,400
5	Toyama Chemical	2,292
6	Sumitomo Metal Industries	2,068
7	Mitsui Toatsu Chemicals	1,710
8	Nippon Engineering	1,668
9	Toray Industries	1,431
10	Mitsubishi Heavy Industries	1,300

(FY1979 figure for Nippon Steel)

firms from technology sales, especially to foreign countries, has risen and accounts for 75 per cent (¥96.2 billion) of the total.

Total payments for technology purchases by these firms registered a 40 per cent increase over 1975 to ¥104.2 billion in 1980, but their payments to foreign countries were ¥79.1 billion, up only 35 per cent over 1975.

All this meant, the survey also said, was that the overall balance of technology selling and buying has improved by ¥40.2 billion in five years of which ¥33.5 billion was generated from foreign countries. Among major industries, steel earned ¥21 billion and paid ¥9.2 billion, recording a surplus of more than ¥10 billion while chemical and shipbuilding also hit massive surpluses due to huge plant exports which accompany technology sales.

Meanwhile, electrical machinery and appliances have recorded a deficit of ¥7.4 billion because of massive payments for royalty fees in semiconductors and color TVs in the past years. But basic technologies introduced from abroad have contributed greatly to production of high-quality goods, thereby improving domestic sales and exports. Also income in the field of semiconductors has risen 2.8-fold in five years.

For individual companies, there were 183 firms in 1980, compared with 112 in 1975, which registered a surplus in overall technology account. According to the survey, there

are 231 firms which registered deficits in technology account, but 65 firms of them expect to register a surplus in five years and 127 firms say they will turn into the black in 10 years.

It is notable that the number of firms which registered a surplus in the balance of technology transactions with foreign countries doubled in the five years — from 70 in 1975 to 131 in 1980. Top-ranking is Nippon Steel Corp. and Vice President Yutaka Takeda (president-designate) of NSC says, "Japan's steel-making technology is at the top level of the world and this position will not change for the next five years."

Observers said booming technology sale is a result of Japanese enterprises' aggressive investment in research and development. Electronics, autos and steels are leading sectors which support Japanese international competitiveness and Japan's status as "technology leader" appears to have established.

The Prime Minister's Office said, however, that while big firms' technology trade hit a surplus, Japan as a whole is still in heavy deficit, paying 1.8 times more than it earns.

Officials point out that 1) Japanese firms still import technology from the West and export it to developing countries like China; 2) import technologies in such high technology areas as genetic engineering and nuclear power.

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30

SCIENCE AND TECHNOLOGY

EXTENT OF GOVERNMENT RESPONSIBILITY IN 'NATIONAL PROJECTS'

Tokyo JAPAN ECONOMIC JOURNAL in English Vol 19, No 959, 16 Jun 81 p 4

[Text] While the Japanese Government has recently upgraded petrochemical projects in Iran and Saudi Arabia into so-called "national projects," the extent of governmental responsibility is very obscure and is apparently inviting sharp criticism from embarrassed officials.

It is exactly because of this ambiguous nature of "national projects" that government officials are not so enthusiastic about the Iran-Japan petrochemical project, and the Finance Ministry and the Ministry of International Trade & Industry have recently clashed over to what extent the Government should subsidize the Saudi petrochemical project.

"There is no such formal word or concept as 'national project' in our official vocabulary. The governmental declaration of 'national project' gives the impression that the Government alone is responsible for the projects whereas the main workload is done by the private sector. This is very embarrassing to us," said Naohiro Amaya, vice international trade & industry minister for international affairs.

A high-ranking official of the Finance Ministry also

said, "The Mitsui group claims that the IJPC (Iran-Japan Petrochemical Co.) is a 'national project,' so the Government should render full-fledged support to it. But the IJPC is a Mitsui work, nothing more than that. There exists no such 'national project,' in a strict sense."

As officials claim, it is clear that there is no such official word as "national project" within the bureaucracy. But large-scale projects the Government subsidizes could be, if anything, referred to as "national projects" and no officials are voicing any objection to that definition. Thus, it is a commonly held view that "national projects" are those large-scale ones into which the Government pours huge subsidies.

Regarding those large-scale projects, Ministries of Finance, International Trade & Industry and Foreign Affairs and the Economic Planning Agency have reached the following "tacit" agreement:

—There must be a key company in the project and its affiliated industries be staunch supporters of the project.

—The project must be significant from the standpoint

of economic cooperation.

—Prospects are very high for the successful completion of the project.

—The Overseas Economic Cooperation Fund has already given a subsidy of more than ¥10 billion to the project.

Usually the private group led by the said key company and the OECF will form a joint investment firm in Japan which will, in turn, establish a joint venture with the foreign government concerned to carry out the project.

If this is the case, the key firms in the recently decided Saudi petrochemical project are the Mitsubishi group companies led by Mitsubishi Corp. and Mitsubishi Chemical Industries Ltd. And the investment firm is participated by 59 companies from various industries including petrochemical, oil and electric power generation.

The Saudi project is significant from the viewpoint of economic cooperation because it is a joint venture with Saudi Arabia, which provides 30 per cent of Japan's oil needs. And the governmental capital outlay totals about ¥21.6 billion — sufficient enough to be called large-scale project, or "national project."

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But it is not clear to what extent the Government will be responsible for the project. The "tacit" agreement only touches upon the amount of capital outlay and has never stipulated the extent of governmental responsibility for the project.

On the other hand, the IJPC has started out as a joint venture between the Mitsui group led by Mitsui & Co. and the Iranian Government. From the Japanese point of view, it is strictly a private venture, but work was suspended in the wake of the Iranian revolution, giving rise to speculation that the project might end up in a complete shambles. Then, urged by the Mitsui group, the Government ministries concerned deliberated on the matter and decided to upgrade the IJPC into a "national project" at a cabinet meeting in October, 1979 by providing a capital outlay of ¥20 billion. That is, a "private project" was upgraded into a "national project" in this case.

A "national project" usually starts at the stage where the private companies show their blueprint to the Finance Ministry and MITI and hammer out concrete details on the project with them. According to this usual pattern, the IJPC is an

extraordinary "national project" because the project already was underway and the governmental subsidies came later. Accordingly, governmental responsibility for the project is very vague, leading to contradictory statements of government officials like: "It is up to the Mitsui group what to do with the project" or "The project must be the sake of friendly relations between Japan and the Middle East."

The Saudi petrochemical project is another example of ill-defined governmental responsibility. The Mitsubishi group almost gave up the project because it is too costly for the private group, but the Government intervened and made it into a "national project" by offering subsidies up to 50 per cent of the total capital needed.

However, at the final state, the Finance Ministry opposed the 50 per cent outlay and offered only 45 per cent. Thus, the Mitsubishi group was forced to find a group which could give the 5 per cent capital to the project. An official of the Mitsubishi group is furious, saying, "The Government has forced us to continue the project and at the final stage backed down on its pledge, being really irresponsible, indeed."

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SCIENCE AND TECHNOLOGY

COMPETITION HEAVY BETWEEN NATION, U.S. IN SEMICONDUCTOR MACHINERY INDUSTRY

Tokyo JAPAN ECONOMIC JOURNAL in English Vol 19, No 959, 16 Jun 81 p 9

[Text]

With the coming of the so-called "VLSI (very large-scale integrated circuit) age," Japanese and American semiconductor-manufacturing equipment makers are competing with each other to obtain larger shares in the Japanese market with their newly-developed models.

Specialized VLSI-making equipment have been developed in succession as semiconductor makers demand machines which can meet stricter requirements in precision.

As the Japanese semiconductor industry is expected to invest more than ¥200 billion for plant and equipment in the current fiscal 1981, marketing rivalry among these producers will intensify further.

Japan's semiconductor-manufacturing equipment market, now standing at an estimated ¥140 billion, is expected to grow at an average yearly rate of 20-30 per cent in the coming several years.

Anelva Corp. seems running ahead of other makers. The Fuchu (Tokyo)-based company earlier succeeded in developing a reactive-ion dry etching equipment (ILD-4002) which can etch circuit patterns in a 3-micron width on a silicon wafer. It is the world's first

Major Semiconductor Manufacturing Equipment Makers Handling Specialized VLSI Production Machines

Producers	Dealers	Products
Anelva	Anelva	Reactive ion dry etching equipment
Applied Materials Inc. (AMT)	Applied Materials Japan	Plasma etching equipment
Perkin-Elmer	Kanematsu Semiconductor	Exposure equipment, etching equipment (planned)
GCA	Sumitomo Corp.	Exposure equipment, etching equipment (planned)
Optimetrix	C. Itoh & Co.	Direct wafer stepper projection systems
Canon	Canon	Mask aligners
Nippon Kogaku	Nippon Kogaku	Exposure equipment

Note: Among the seven producers, AMT, Perkin-Elmer, GCA and Optimetrix are U.S. companies.

commercial VLSI etching machine, an Anelva executive said. Anelva is a joint venture between Nippon Electric Co. (NEC) and Varian Associates of the U.S.

Applied Materials Inc. (AMT) of Santa Clara, Calif. also has started receiving orders for its plasma etching equipment (AME8100) through its Tokyo subsidiary, Applied Materials Japan K.K. AMT reportedly spent some ¥1 billion for development of the machine.

GCA Corp. of Bedford, Mass. and Perkin-Elmer Corp. of Norwalk, Conn., which are the Big 3 of American semiconductor-making equipment manufacturers along with AMT, also are planning to market their VLSI etching equipment shortly through their Japanese

agents — Sumitomo Corp. and Kanematsu Semiconductor Corp., respectively.

In the field of exposure systems for printing circuit patterns on silicon wafers, GCA has been far outstripping other producers with its Stepper DSW model. Recently, however, new entries are conspicuous. Optimetrix Corp. of Mountain View, Calif. has started marketing fully-automated direct wafer stepper projection systems through its agent C. Itoh & Co.

Canon, Inc., a producer of mask aligners, and Nippon Kogaku K.K., a producer of exposure equipment, recently bared plans to build specialized VLSI-manufacturing equipment plants to make a full-fledged entry into the promising market.

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SCIENCE AND TECHNOLOGY

¥1 TRILLION SEMICONDUCTOR INDUSTRY FORECAST FOR FY 1981

Tokyo JAPAN ECONOMIC JOURNAL in English Vol 19, No 959, 16 Jun 81 p 9

[Text]

Japan's semiconductor industry will become a "¥1-trillion-a-year industry" in the current fiscal 1981, rivaling color TV sets and video tape recorders.

A Nihon Keizai Shimbun survey recently revealed that production of semiconductors, including integrated circuits (ICs), by the nation's 11 major manufacturers will rise 27.1 per cent from the preceding year to a value of ¥1,193.6 billion in fiscal 1981.

Among the 11 companies, Oki Electric Industry Co. is the most aggressive toward the fiscal 1981 production. It plans to start operation of its 64-kilobit dynamic random access memory (RAM) plant at Kiyotake, Miyazaki in August. The plant is expected to turn out 300,000 chips monthly from the outset. On the strength of this bold plan, Oki's semiconductor production is estimated to rise 62 per cent from fiscal 1980 to ¥35 billion.

Matsushita Electronics Corp. follows Oki in terms of the increase rate in production. The affiliate of Matsushita Electric Industrial Co. plans to raise semiconductor output 50 per cent to ¥120 billion.

Top maker Nippon Electric Co. (NEC) will raise production 21.6 per cent to ¥265 billion.

Under the situation, Japan's share in the world's semiconductor market will further rise in fiscal 1981 from fiscal 1980's 26.2 per cent in terms of production value.

Moreover, the 11 Japanese semiconductor manufacturers intend to make huge plant and equipment investments in fiscal 1981, amounting to ¥195 billion in total, up 15 per cent, on a construction basis. They are trying to cope with the coming of the VLSI age by installing new machines, building new plants, or expanding existing facilities.

NEC plans to invest some ¥38 billion, up 18.8 per cent from fiscal 1980's ¥32 billion. It is followed by Hitachi, Ltd. (¥28 billion, up 21.7 per cent) and Fujitsu Limited (¥27 billion, the same as in the preceding year).

Noteworthy is that the production share of the Big 3 (NEC, Hitachi and Toshiba Corp.) has been declining year by year, though gradually. The share of the Big 3 stood at 59.1 per cent in fiscal 1979 but slipped to 56.8 per cent in fiscal 1980

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and is expected to further come down to 54.5 per cent in fiscal 1981. This is because such medium- and low-ranked firms as Matsushita, Mitsubishi and Oki have been drastically boosting semiconductor production.

However, it should not be overlooked that the decline in the production share in the domestic market does not necessarily mirror the strength of the Big 3. NEC, Hitachi and Toshiba have been steadily building up production overseas in order to skirt trade frictions with the U.S. and European nations.

Still, however, the fact that lower-ranked firms have been stepping up capital spending on the strength of their optimistic outlook on the future trend will stimulate the semiconductor industry as a whole and help intensify marketing competition.

Business Scale of 11 Leading Japanese Semiconductor Manufacturers

(In billions of yen)

	Capital spending		Production value	
	FY1981	FY1980	FY1981	FY1980
NEC (M)	38 (+18.8)	32 (+18.5)	265 (+21.6)	218 (+36.3)
Hitachi (M)	28 (+21.7)	23 (+53.3)	205 (+24.2)	165 (+26.9)
Toshiba (M)	15 (+15.4)	13 (+30.0)	180 (+20.0)	150 (+50.0)
Fujitsu (M)	27 (0.0)	27 (+68.8)	120 (+33.3)	90 (+40.0)
Matsushita				
Electronics (D)	22 (0.0)	22 (+120.0)	120 (+50.0)	80 (+60.0)
Sharp (M)	10 (+4.2)	9.6 (+9.1)	85.6 (+20.0)	71.3 (+26.6)
Mitsubishi (M)	13 (+30.0)	10 (+25.0)	80 (+31.1)	61 (+38.6)
Tokyo Sanyo (N)	12 (+41.2)	8.5 (+97.7)	53 (+29.3)	41 (+32.3)
Oki (M)	14 (+4.5)	13.4 (+143.6)	35 (+62.0)	21.8 (+31.3)
Fuji Electric (M)	3 (0.0)	3 (+66.7)	25 (+19.0)	21 (+40.0)
Sony (O)	13 (+62.5)	8 (+60.0)	25 (+25.0)	20 (+11.1)
Total	195 (+15.0)	169.5 (+52.2)	1,193.6 (+27.1)	939.1 (+37.1)

Notes: (1) Percentage change from the preceding term in parentheses. (2) Production value includes in-house use. Production values for Sharp and Oki stand for total electronic parts and components production and thus include non-semiconductor items. Production value for Fuji Electric includes semiconductors imported from its West German partner Siemens AG. (3) Initials after the company names indicate the month when they close books: M—March, D—December, N—November and O—October.

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SCIENCE AND TECHNOLOGY

FUJITSU UNVEILS 'WORLD'S BIGGEST' COMPUTER

Tokyo JAPAN ECONOMIC JOURNAL in English Vol 19, No 959, 16 Jun 81 p 9

[Text]

Fujitsu Limited has introduced what the company says is the world's fastest and largest general-purpose computer systems — FACOM M-380 and FACOM M-382.

With Fujitsu's announcement, very large-scale computers have become available from four leading computer builders — Nippon Electric Co. (NEC), International Business Machines Corp., Hitachi, Ltd. and Fujitsu.

Since NEC's introduction of its ACOS1000 system in last September, these computer makers have claimed that their models were the "world's fastest" at the date of announcement.

As the four companies have stood on the same line, they will vie for larger shares in the world's computer market.

According to Fujitsu, the FACOM M-380, a uniprocessor system, provides 2.1 to 2.5 times the processing capability of the FACOM M-200, Fujitsu's previous top-performance system. The M-380 allows 16 to 64 megabytes of main storage and up to 64 channels with a maximum total throughput of 96 megabytes per second. The FACOM M-382, a dual-processor system, offers 3.8 to 4.5 times the processing power of the FACOM M-200, Fujitsu said.

The FACOM M-380 and M-382 adopt new large-scale integrated circuit technology including, logic chips featuring a 350 picosecond propagation

delay time and 1,300-gate-per-chip and 400-gate-per-chip integrations, 4-kilobit random access memory (RAM) chips featuring a 5.5 nanosecond access time and 16K RAM chips featuring a 16 nanosecond access time, and metal oxide semiconductor (MOS) LSIs featuring a 64K-bit-per-chip integration.

The FACOM M-380 mainframe will be rented at a minimum of ¥37 million a month. The M-380 system (mainframe, input/output units, and program products) will be rented for ¥50 million a month. The rental fees will be ¥75 million and ¥90 million, respectively, for the M-382 mainframe and system.

Initial shipments are scheduled for the first half of fiscal 1982.

Comparison of Very Large-Scale Computers

	Fujitsu M-380	Hitachi M-280	NEC ACOS 1000	IBM 3081
Processing speed (relative)	1.5 (1)	1.1 (1)	—	(2)
Maximum storage capacity	64 megabytes	32 megabytes	64 megabytes	32 megabytes
Power consumption	27.9 kilovolt-ampere	40 KVA	—	31.8 KVA
Maximum integration of logic circuits	1,300 gates	1,500 gates	1,200 gates	704 gates
Efficiency of logic circuits	0.35 nanosecond	0.45 ns	0.5 ns	1.2 ns
Memory integration	64 kilobits	16K-bits	64K-bits	16K-bits

Note: Figures in parentheses show the number of central processing units. Relative processing speed is calculated by the Nihon Keizai Shimbun from data available. Uncalculable for ACOS 1000 because of the difference in architecture.

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SCIENCE AND TECHNOLOGY

OFFICE AUTOMATION SEEN AS 'MUST' IN POLL

Tokyo JAPAN ECONOMIC JOURNAL in English Vol 19, No 959, 16 Jun 81 p 15

[Article by Tsunefumi Matsumoto and Kiyoshi Kusaka]

[Text]

Japanese industry is now going all out for automated office. According to a recent survey by the Nihon Keizai Shinbun, about one-third of 741 corporations polled replied that they were either already introducing office automation equipment or were seriously studying the possibility of doing so. Some 80 per cent of all the companies polled admitted the importance of office automation.

Riding on the crest of this sharply rising popularity of office automation equipment, manufacturers are now engrossed in developing new and appetizing products. Corporations in other lines of business also are aggressively muscling into the office automation field, strongly attracted by the powerful growth potential of this new industrial field.

Complex works

The ongoing boom in office automation equipment has come about by management's realization that efficiency improvement in office work is lagging seriously behind that in manufacturing facilities. Entrepreneurs are now of the firm belief that, unless they modernize their office operations just as they did their

productive facilities, they may not be able to survive the severe managerial conditions expected for the 1980s.

Automation of administrative sectors has been greatly delayed because of the highly complex nature of the work involved. Recent big strides made in development of information systems and electro-mechanical technology however, have made office automation relatively easy and within reasonable reach of almost any corporation.

Kawasaki Heavy Industries, Ltd. has launched a word processing and retrieving system at its Kobe Works since the beginning of this year. Designed to prepare specifications, estimates and similar other documents in four Western languages (English, German, French and Spanish), the new system can revise and edit sentences previously fed into it virtually in a moment, thereby greatly cutting down on document-making time.

When it participates in international tenders for plant construction and other projects overseas, Kawasaki Heavy Industries is required to prepare more than 1,000 specifications and estimates. It

was not unusual, therefore, for the company to spend as much as ¥140 million in outside-the-company typing jobs. Thanks to the introduction of the new document preparation system, engineers have been relieved of their tedious document-making works and the company has come to save some ¥60 million in farmed-out typing jobs. The system, moreover, is quite accurate and swift in preparing necessary documents.

Nationwide systems

Nippon Electric Co. is now planning to establish, in a five-year program and at a total cost of some ¥3 billion, its own communications circuits throughout the nation in order to promote office automation. With electronic computers, various terminal machines, facsimiles and TV conference systems tied into this central nationwide system, Nippon Electric's office automation will be on a nationwide scale.

Mitsui & Co. also is planning to install 500 terminal machines at its offices throughout the nation by the end of fiscal 1982 to fully utilize very large-scale computers installed at the Tokyo headquarters.

Companies like Kao Soap, Ajinomoto, Omron Tateisi

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Electronics and Oki Electric Industries also have decided to install a great number of personal computers at their offices, while Fujitsu Ltd., itself a leading manufacturer of office automation equipment, has recently installed 100 word processors at its offices.

New entrants

The Nihon Keizai Shimbun survey shows that 5.5 per cent of all the companies polled that they are pushing ahead with office automation through sections or committees newly created for the purpose. Additional 26.6 per cent companies, on the other hand, are seriously studying the possibility of introducing office automation equipment.

Among corporations listed on the First Section of the Tokyo Stock Exchange, as much as 77.2 per cent is found to have a positive attitude toward introducing office automation equipment.

More than 50 per cent of all such listed companies, moreover, is planning to completely standardize document forms within their corporation organizations and introduce Japanese language word processors within the next five years.

In the meantime, entries into the office automation field by non-specialist companies continue exceptionally brisk. In the recent two month-period alone, several new entrants, including Amano, Asahi Glass and Brother Industries, have made their debut.

Development of new products also has been very brisk. Among distinctive new products put on the market in the latest two month period, there are Sanyo Electric's portable personal computer, Ricoh's Japanese language word processor equipped with facsimile functions, Sharp's world's smallest copying machine and

Amano's computer-controlled timecard system.

Growth potential

In a recent report entitled "Office automation moves and marketing strategies," the Research Institute of Telecommunications and Economics predicts that sales of office automation equipment, centering around office computers, facsimiles, word processors and copying machines, will run up to ¥2,000-¥3,000 billion by 1990.

Attracted by this strong growth potential, related manufacturers and trading companies are now engrossed in securing footholds in the office automation equipment industry. Although the scene is now strongly dominated by companies in related industrial sectors, such as computers, office machines and communications equipment, those from other fields, such as furniture and optical equipment, also are aggressively muscling into the highly promising office automation industry.

Makers of electric machinery, communications equipment and electronic computers are now engaged in development and production of all conceivable office automation equipment. Backed by powerful technological expertise and development capacity, such companies will continue to play leading roles in the newly rising industry. In the hoping of maximizing their corporate prowess in the development of new office automation products, many companies have already created special inter-departmental command centers.

Manufacturers of office machines, on the other hand, have started manufacturing office computers, word processors and facsimiles. They are also placing extra emphasis on greatly improving "intelli-

gence" and capacities of copying machine, their specialties.

Makers of office computers are now rapidly opening up new markets for their products by developing new software specially designed for such markets, which include privately-run medical clinics, accounting offices and gas stations.

Furniture makers

Manufacturers of furniture, on the other hand, are aggressively trying to enter the office automation field by developing and marketing a variety of office furniture equipped with electronic functions.

Electric communications companies and software firms are still mostly on the sidelines as office automation does not yet involve widely-spread communications networks. Nippon Telegraph & Telephone Public Corp., however, offers facsimile services and data communications services, while software companies offer various data handling services.

Office automation equipment now on the market includes computers, terminal machines, word processors, private branch exchangers, facsimiles, magnetic disks and copying machines. Of these, by far the most important in leading the market are office computers, facsimiles, word processors and copying machines.

The combined sales of these four important machines now total some ¥300 billion. The market size grows to some ¥800 billion if such allied machines as printers, displays, intelligent terminals and printing machines are added. The office automation equipment market will keep on growing at an average annual rate of more than 10 per cent and will run up to the ¥2,000-¥3,000 billion level by 1990.

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SCIENCE AND TECHNOLOGY

MITI EXTENDS PRIORITY TO DOMESTIC FIRMS IN PATENT CASES

Tokyo JAPAN ECONOMIC JOURNAL in English Vol 19, No 959, 16 Jun 81 p 17

[Text]

The Ministry of International Trade & Industry, building basic technology today for tomorrow's computers and optical communication devices, has reportedly decided to grant priority rights to domestic enterprises for licensing patented or patent-pending ideas for joint development by the Government and domestic industry of integrated circuits, it was recently learned.

According to sources close to MITI, the decision was motivated by MITI's consideration that although the past project under its sponsorship between 1976 and 1980 proved success, a follow-up seven-year project it is to launch this fall would discourage industrial participation under the planned system. MITI is especially worried over possibilities of the Japanese semiconductor industry losing its present technological competitiveness with American or West European industry because all existing or prospective patent rights for the new ICs belong to the Government as national property. Worse still, such nationally-owned patent rights would have to be internationally licensed according to a recent Tokyo-Washington agreement resulting from a demand of International Business Machines Corp. and other U.S. semiconductor makers.

Under the circumstances, many Japanese semiconductor makers have been calling for some liberalization in that patent right ownership system. MITI thus has concluded that although the basic principle of ensuring national ownerships of patented ideas resulting from a chiefly government-financed projects should be kept intact, industrial enthusiasm for continuing the joint project will have been retained by the incentive of giving the patent licenses to the domestic participants in the project ahead of all other license seekers.

According to the sources, MITI has also decided to be more selective in choosing industrial participants in the project, weeding out every technological laggard, American style.

MITI's new project divides into two categories — 1) To develop a three-dimensional electronic circuit element for wonder computers of the future. Each element of a 7-mm cube will contain several million transistors and a palm-sized assembly of elements will be just as capable as today's medium-sized computer set, and 2) To develop and optically-operable type of ICs (opto-electronics ICs) to be widely applicable to industrial robots, automobiles as well as computers.

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SCIENCE AND TECHNOLOGY

CHEMICAL FIBER MAKERS BELIEVE BUSINESS WILL BE BETTER

Tokyo JAPAN ECONOMIC JOURNAL in English Vol 19, No 959, 16 Jun 81 p 20

[Text]

Seven major chemical fiber producers anticipate that their performances in fiscal 1981 will improve partly because of favorable fiber market and growth of their non-fiber products.

In fiscal 1980, which ended March, this year, increased costs for energy and raw materials and burdens of interest payments forced all the seven to decline their pre-tax recurring profits by two digits.

The domestic market for fibers is still sluggish. But exports have been growing smoothly, while the fiber companies are trying to realize proper inventories by voluntary curbing production. Part of their plants are still frozen. Speaking for the industry, Yoshitaro Magoku, executive vice president of Toray Industries, Inc. says, "The synthetic fiber market as a whole will improve by the last half of fiscal 1981."

The industry's profitability will also improve because of no sizable fuel and raw material cost hikes in the current fiscal year. In addition, the seven makers' non-fiber business is expected to go up. Unitika Ltd., for example, expects that its

1981 recurring profit will total ¥1.5 billion, compared to ¥283 million in fiscal 1980. This anticipation is based on an improved market for both synthetic and cotton yarns as well as smooth progress in Unitika's high-rise apartment construction and modifications enterprise.

Mitsubishi Rayon Co. feels that its resin business will help expand its recurring profit by 28 per cent. An 11 per cent improvement is anticipated by Kuraray Co., which expects recovery in polyvinyl alcohol and man-made leather business recovery. Teijin Ltd. expects a 6 per cent recovery in its recurring profit chiefly because of polyester fiber recovery and video taperecorder-grade films.

Toray Industries will likely maintain about the same profit level this year. Asahi Chemical Industry Co. anticipates a 14 per cent profit decline partly because of increasing burden of interest payments and transfer of its polyester fabrics to a subsidiary. Toho Rayon Co. fears its profit will go down by 27 per cent due to sluggish acrylic and rayon fiber situation.

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SCIENCE AND TECHNOLOGY

INTEREST CHANGING FROM MASS PRODUCTION TO TECHNOLOGY, SERVICES

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[Article by Fumio Takahashi]

[Text]

Profit-conscious foreign capital, which frequently flows in and out of Japan, is rapidly changing its main focus of interest from mere mass production and sales of commodities to high value-added advanced technology and service industries.

Bucyrus-Erie Co., a major U.S. machinery maker, is entirely withdrawing its capital from Japan soon. This company, one of those 500 ranking firms listed in *Fortune*, is a world-famous maker of superb excavators and has been in Japan since 1962 when it established a joint venture, Komatsu-Bucyrus K.K., with Komatsu, Ltd. and Mitsui & Co., its sales agent in Japan.

In 1962 the Government decided to implement its capital liberalization and Caterpillar Tractor Co., the world's largest construction machinery maker, moved into Japan to do business. President Ryoichi Kawai of Komatsu recalled: "At that time, we felt as if walking on a tightrope because Caterpillar Tractor could crush us if they wanted to." Despite Caterpillar's move, Komatsu decided to produce bulldozers, its main products, by itself, but was forced to introduce technology of Bucyrus to the production of hydraulic excavators and set

up a joint venture with Bucyrus-Erie Co.

Changing power balance

Since then, about 20 years have passed and recently Komatsu paid compensation money totalling about ¥4.1 billion to cancel a joint venture contract with Bucyrus-Erie. This is because Komatsu was urged to revise and abolish an unequal agreement signed with Bucyrus which stipulated that Komatsu had to pay royalties for other machinery it had developed by itself and its exports had to be handled only through Bucyrus' agent in Japan.

Bucyrus-Erie was not really willing to withdraw its capital entirely from Japan. But it was forced to accept Komatsu's request for the cancellation of the joint venture because the Fair Trade Commission had pointed out that the unequal agreement would violate the Anti-Monopoly Act and Komatsu's main popular products, small and medium-size hydraulic excavators, are developed in fact by Komatsu itself. That is, Bucyrus-Erie had no choice but to recognize the top-notch quality of Komatsu which *Fortune* says "is the only firm that can catch up with Caterpillar Tractor in the world."

Munenori Yamada, managing director of Komatsu, said: "Procedures for the liquidation of Komatsu-Bucyrus K.K. are being taken smoothly and will be completed by mid-July. Personnel dispatched by Komatsu and Mitsui will be loaned back to the parent company when the liquidation is completed."

Then, on April 1, Ford Motor Co. completely withdrew from Japan's auto parts industry when it sold its 50 per cent holdings of Japan Automatic Transmission Co. (JATCO) to Nissan Motor Co. and Toyo Kogyo Co. President Yoshio Serizawa of JATCO said, "It is such a coincidence that April 1 is the same day that JATCO started production with the aid of Ford technology ten years ago."

JATCO, a joint venture between Ford, Nissan and Toyo Kogyo, came about in 1970 as a byproduct of negotiations over business cooperation between Ford and Toyo Kogyo. It is a highly profitable company without any bank loans and high dividends as more and more cars are being equipped with automatic transmission equipment.

Then the question is why Ford decided to withdraw entirely from such a profitable

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company. One reason is that deficit-plagued Ford needed funds immediately. But the main reason is that Ford could no longer exert a powerful influence on the management of JATCO on the basis of its technology alone as Nissan Motor had started out producing automatic transmissions for front-wheel drive cars with its own technology. JATCO was established as the joint venture because Ford offered its technology as a quid pro quo. It is no longer competitive as Nissan has started production of its own automatic transmissions.

Other American firms are also withdrawing from Japan. Firestone Tire & Rubber Co. has withdrawn from a capital tie-up with Ohtsu Tire & Rubber Co. and B.F. Goodrich Co. has cancelled a 64-year-old capital tie-up with Yokohama Rubber Co. Uniroyal, Inc. has sold 49 per cent holdings of Sumitomo Naugatuck Co., a joint venture with Sumitomo Chemical Co., to Sumitomo Chemical entirely. Those American firms were forced to withdraw from Japan because of their deteriorating corporate performance at home.

Newcomers

On the other hand, while those firms are withdrawing from Japan, some other companies are moving into Japan to do business anew. For example, Prudential Insurance Co. of America, the world's biggest insurance company, has established with Sony Corp. a joint venture, Sony Prudential Life Insurance Co., which was capitalized at ¥3 billion and started its operations from this April. This venture has a sales staff of only 30, but its insurance salesmen are all male college graduates who call themselves "life planners." Insurance plans are also diversified and under new sales tactics called "need sales." A

combination of various plans are usually picked by those "life planners" to suit customers' needs and desires. This is exactly the same sales method adopted by Prudential in the U.S. and applied here. This venture is likely to usher a new age into Japanese insurance business, which usually employ housewives as part-time sales agents to push insurance plans. Managing Director Kunitake Ando of the new venture said, "About nine out of ten households in Japan have insurance plans and we believe we can develop a new market so long as we devise new plans to suit customers' needs." Vice President Akifumi Sakaguchi also said, "I thought we would be well off if we could acquire 1,000 insurance plans this initial year. But during the first month in business, we concluded 250 contracts and we started to think of devising or upgrading the target by 40 to 50 per cent over the initial figure."

Moreover, Young & Rubicam, Inc., the world's second largest advertising agency, had signed a contract with Dentsu, Inc., the world's No. 1, to set up a joint venture, Dentsu-Young & Rubicam K.K. which will be capitalized 50 per cent each by both firms and designed to develop a new market for Young & Rubicam.

Factoring business

International Factoring Corp. with capital of ¥300 million held a party at Hotel Okura on June 8 to celebrate the founding of the company. This firm was established as a joint venture between the Bank of America Group and Nippon Shinpan Co. this May. Factoring is a business of purchasing companies' bills and receivables and offering loans against them. It is not well developed in Japan though potential demands for factoring are considered very high. The Bank of America Group is very

keen in this new joint venture and is working very hard to make it successful here in Japan as their position as the world's largest commercial bank is at stake.

Furthermore, major American and European securities companies like Smith Barney, Harris Upham & Co. have upgraded their representative offices to branches recently in a bid to expand business here.

Integrated circuits (IC) and related fields are also where foreign capital is coming in. For instance, Analog Devices, Inc., the largest maker of analog ICs in the U.S., recently set up an affiliate company here and will start producing its ICs next February. Motorola Inc. has also disclosed a plan to establish with Toko Inc. a joint venture, Aizu-Toko, Inc., to produce ICs for auto parts in the future. All this meant that all U.S. IC makers, including the biggest, Texas Instruments, Inc. will be here in Japan to start production.

Commenting on the moves of foreign companies in Japan, officials of the Industrial Policy Bureau of the Ministry of International Trade and Industry said the ratio of manufacturing companies to the overall foreign-capitalized firms in Japan was about 50 per cent in fiscal 1973, but was downed to less than 30 per cent in fiscal 1978. On the other hand, the ratio of service industries is increasing and occupies 15 per cent of the total since fiscal 1977.

That is, foreign capital is withdrawing from mass production fields like autos, tires and construction equipment where Japanese companies turned out to be very competitive with foreign makers. It is moving into advanced technology like IC and service industries, which have not been cultivated before.

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SCIENCE AND TECHNOLOGY

BRIEFS

NUCLEAR FUEL CYCLE HELP--Atomic-energy experts at the General Energy Council's Nuclear Subcommittee have urged that the Japanese Government help nuclear industries in realizing completion of nuclear fuel cycle. The subcommittee's proposals, reflecting the experts' discussion since August, were presented to Rokusuke Tanaka, Minister of International Trade & Industry. The ministry intends to plan financial assistance for the cycle ventures, including uranium enrichment, reprocessing and disposal of radioactive wastes and uranium stockpiling. The subcommittee specifically proposed that Japan start uranium stockpiling program to constantly maintain a volume equivalent to one year of consumption. It also urged that the industries promote uranium developments overseas so that one half of new requirement can be filled by the nuclear fuel developed and mined overseas. As for enrichment, the advisory group for MITI said Japan should run a commercial plant by the last half of 1980s. The plant was envisaged to be capable of meeting one-third of total enrichment requirement in Japan. The experts also urged that the Government assist the industries' spent-fuel reprocessing plant construction in siting, financing and offering technological know-how. [Text] [Tokyo JAPAN ECONOMIC JOURNAL in English Vol 19, No 959, 16 Jun 81 p 6] [COPYRIGHT: 1981, The Nihon Keizai Shimbun, Inc.]

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