

# Post-War Japanese Politics and Current Affairs

by

## The Honorable Nakasone Yasuhiro

**Dean Jessica Einhorn:** It is a great honor to be able to represent SAIS this afternoon for an important lecture by a most distinguished visitor, the Honorable Yasuhiro Nakasone. The Reischauer Center for East Asian Studies has a long and distinguished history, and under Professor Calder's new leadership the center is thriving as a source of knowledge and information for our students and our array of special friends in Washington. I'm particularly pleased that today's event is co-sponsored by the Sasaki Peace Foundation USA, a leader in building international understanding and our partner in the seminar series on understanding the political economy of Northeast Asia through hearing important voices and distinguished voices from Asia.

We are reminded of so many connections as we welcome back Prime Minister Nakasone to our university. First, we are so pleased that our distinguished professor—the Yasuhiro Nakasone Professor of Japanese Studies—Nathaniel Thayer, is in the audience. There is forty years of friendship to honor here today. We welcome Professor Thayer, and Mrs. Kato and DCM Mr. Ishikane.

This year is the 20<sup>th</sup> anniversary of the Reischauer Center. We have celebrated with the Prime Minister in Tokyo already. The Prime Minister indeed has an honorary Ph.D. from the Johns Hopkins University, and this is actually, I now learn, his fourth visit to SAIS.

Minister Nakasone's career spans an entire period of the post-World War II era. He has

traveled from war to democracy and into globalization as an elected public representative of his great country. It will not surprise our knowledgeable guests to hear that he graduated from the Faculty of Law at Tokyo University, but that also he entered the Ministry of the Interior in 1941, a most memorable year, of course, in U.S.-Japan relations. He traveled quite a distance when in 1947, he was first elected to the House of Representatives in Japan, where he was re-elected for twenty consecutive terms.

Prime Minister Nakasone's ministerial career spanned many important portfolios, including science and technology, transport, defense, trade and industry, and the very important Administrative Management Agency. He became president of the Liberal Democratic Party in 1982 and he served as prime minister of Japan from 1982 to 1987. His strong relationship with President Reagan became famous in Japan and the United States as the Ron-Yasu relationship. He's well remembered in history for his decisive leadership on economic reform in his country.

Even now, since his retirement from the Diet, Prime Minister Nakasone has remained active as chairman of the Institute for International Policy Studies and the honorary president of the Asia-Pacific Parliamentary Forum.

It is a great honor and privilege to welcome former Prime Minister Nakasone back to SAIS today to speak to us about postwar Japanese politics and current affairs. He has

been on the inside looking out for many decades, and today he's pulling the curtain back to give our students and our friends a peak through the window. Professor Calder will begin our program. Thank you.

**Kent Calder:** It's a tremendous honor to have Prime Minister Nakasone with us here. We're also tremendously pleased that we have the Nakasone Professorship here at SAIS with Professor Nathaniel Thayer, one of the most distinguished Japan specialists in the country, holding that position.

Today, we'll first hear a lecture by Prime Minister Nakasone. Then afterwards, a few questions and his responses. Without any further ado, let me just say how pleased we are to be welcoming Prime Minister Nakasone, particularly as this is the 20<sup>th</sup> anniversary of the Reischauer Center. Prime Minister Nakasone, we look forward to your lecture.

**Nakasone Yasuhiro** [through translator]: I am happy to be here at SAIS with you today. This is my fourth time visiting SAIS and I've already received an honorary degree from SAIS. I feel that I am visiting my family here. Today, I would like to discuss and share my thoughts with you on the situation surrounding Japan and its domestic situation.

### **Importance of Historical Perspective**

This year marks 150 years since the Treaty of Peace and Amity was concluded after Commodore Perry arrived in Japan, and it's been 100 years since the end of the Japan-Russia war. In two months, it will be 60 years since the end of World War II. This year and next year are considered to be very important years in history, and I believe that having an historical perspective is very important, particularly for politicians, and

that is what I have been saying for many years.

For example, with regard to the war against Iraq, and I think there's been lots of opposition to it—when the United States attacked Iraq, Prime Minister Koizumi supported that immediately, and at the same time I expressed my support of the United States' actions and expressed my views to the mass media. Despite opposition against the war and protests, my beliefs remain the same.

### **Politicians Must Consider Three Factors when Judging International Events**

When politicians make judgments with respect to such a major international event, I think they need to think about the following three things. The first is international law. We have to pay very careful attention to it. Secondly, we need to think about the kind of historical assessment it will get in the future. In addition to “clinical” responses to certain events, we have to give a “pathological” assessment to the events, what kind of historical effect it would have three to five years down the road.

In the case of Iraq, weapons of mass destruction have not been found, and that was rather unfortunate. However, we were able to destroy a hotbed of terrorism and a most cruel dictatorship collapsed as a result of that, and we are trying to establish a democratic nation there. Those things, in three to five years, will be assessed and evaluated.

Thirdly, we have to think about the national interests of Japan. For example, the most important matter for Japan is the North Korean issue of weapons of mass destruction. The United States has been taking a very tough position against North Korea and we have been giving full support to it. But if the United States failed in Iraq, then press-

ure against North Korea would be reduced, and that would change the situation.

With respect to national interests, we believe that we should support the United States. Partially, it has to do with the fact that we have a security treaty with the United States. When we make a judgment toward international matters of this magnitude, politicians have to consider these three comprehensive elements.

We encounter a lot of things, but we are judged by the consequences of our decisions. We make speeches with many ideas, but if the results or the consequences were not very effective, that politician would not be judged favorably later. Even if a politician is not very good at political speeches, if the outcome of his or her decision was good, then that politician would be judged very favorably. We should consider the historical time span and the historical process. Those things need to be considered when we make future judgments.

In that respect, I would like to discuss the political trends of post-war Japan, the history of Japanese politics, and the history of Japan.

Prime Minister Yoshida responded very wisely to General MacArthur's administration in Japan; Prime Minister Yoshida did a very good job. Although he received a lot of criticism, a very good peace treaty was concluded. I supported the treaty, saying that based on that treaty, Japan and the United States could create a community based on values and interests, values meaning American democracy or the democratic political system, the establishment of a democratic society. Interests from the Japanese point of view were the science and technology of the United States and access to the large market of the United States. Con-

sidering those things, I fully supported the peace treaty. Japan enjoyed high economic growth and became the second most powerful economic nation after the United States because of the favorable peace treaty we were able to conclude with the United States.

### **Japanese Politics During the Cold War**

The Cold War started around that time. During the Cold War era, the Liberal Democratic Party stayed in power from the Hatoyama cabinet to the Takeshita cabinet, for more than twenty years. I think that is a result or a consequence of the Cold War, because after the end of the Cold War, the Liberal Democratic Party split and Japanese politics drifted for 10 years. The Socialist Party supported the Soviet Union.

When you talk about the Cold War, we are simply talking about a world in which you have a Soviet Union bloc, a USA bloc, and the Third World—that is, India and Brazil. There were these three major systems under the Cold War that were either supporting the United States or the other blocs. The LDP supported the USA. The Socialist Party supported, more or less, the USSR. The Japanese people supported the LDP, which aligned itself with the United States. The Cold War factor on the LDP's success during those years was huge.

In December 1991, the Soviet Union collapsed. That put an end to the Cold War. The Soviet system's collapse meant that there was no need to align ourselves with a system under which the United States was the leader. The third bloc remains, however it lacks the solidarity it used to have. The world after the Cold War became fragmented.

During this time more nations declared in-

dependence and emphasized their national identity. The prime example is what happened in Europe. The EC became the EU and they later created one currency. I believe that had much to do with their desire to become a counterweight to the United States. As for Russia, Mr. Putin has embraced nationalism strongly. Of course, there were many leaders before Mr. Putin, but perhaps you might even say that he's a reborn Peter the Great.

As far as China is concerned, China has learned from the collapse of the Soviet Union. It made the communist regime very strong, even though it has liberalized its economy. China uses nationalism rather than communism as a tool to govern the country. So that's where the world stands.

Looking at the United States, it defeated the communist Soviet Union and has enjoyed some moments of euphoria. As a result, the U.S. began to welcome the use of force as a political method. But of course there are reasons for these trends. American-style democracy and the lifestyle values of the United States—there is a very strong trend now to spread these ideas to the rest of the world, even if it might mean resorting to military might.

### **Japan Drifted After the End of the Cold War**

This was a time period during which Japan drifted. The LDP was fatigued from the Cold War, and the party became corrupt and fragmented. We had a series of coalition governments for ten years. We had the situation that we did during those ten years because of the fatigue that was experienced previously. We had prime ministers come and go, ten people in ten years, approximately just one and a half years per prime minister.

If we look at the Japanese economy, the speculative bubble burst. Dealing with bad loans and correcting the convoy system economy was once considered to be important. However, the non-performing loans became a major reason for protracted stagnation which lasted for the next 10 years. Crime became rampant, and I believe that has to do with the falling apart of our educational system, which continues today.

### **Asian Populace More Politically Independent**

The people of Japan began to feel that something needed to change. This kind of diffusion and fragmentation could not be allowed to continue, the idea being that we needed to destroy the old regime. It was Mr. Koizumi who said, "I am going to destroy the LDP," and he became prime minister. In that sense, you might say that he was able to capture the spirit of our times.

When Mr. Koizumi came into the spotlight, I said "He's quite eccentric." But before this came about, you might say our society had become quite eccentric. Previously, we had pressure groups that supported the prime minister, but now there are quite a few people who do not belong to any pressure group. Fewer people are becoming affiliated with a political party. This is a situation that is still continuing, which Mr. Koizumi fully realized.

The same situation can be found in neighboring countries, in South Korea as well. President Roh was not the kind of person that we really expected would become president, but in a matter of weeks he was able to garner support from young voters from the use of the Internet and cell phones. This is the kind of change that is occurring, people are becoming more independent and are not affiliated with any particular party.

The same thing is happening in Taiwan, as well. Its parliament is gaining more power under the Chen Shui-bian government. Taiwanese people are increasingly calling for enhanced Taiwanese autonomy. We're seeing a lot of change in Taiwanese society. People are beginning to make their own judgments by exercising their free will. We have the same situation in Japan today.

If you look at the achievements of Mr. Koizumi, you might say that he was able to stop this drift that was occurring in Japan, but there are many reasons for his success. One thing I can say is that he's been on a lucky streak. For example, when his administration was becoming very unstable, this was quite an unfortunate event, but the 9/11 terrorist attacks occurred in the United States and the public sentiment was that we need to continue with Mr. Koizumi and support the United States. When he tried to cap our deficit bonds to 30 trillion yen, the good news that a princess was born was something that made everybody happy. Every time Mr. Koizumi finds himself in a crisis situation—next you have the North Korea or Iraq problem.

This goes on and on; he's now put on the spot because of his efforts to privatize the Japanese postal service. He's submitted a bill and he's under a lot of stress.

Also, rather than giving funds or financing to localities or local governments, a shift is being made to give power to local governments, which has been met with a lot of resistance; the Koizumi government has been in trouble. But the news that the emperor's daughter will be getting married made everybody very happy. It appears that Mr. Koizumi's luck hasn't run out quite yet. We still have the Koizumi cabinet in power.

### **Koizumi's Skillful Use of the Media**

Mr. Koizumi is also very good at working with the media. Every day at five or six o'clock in the afternoon he will come out of his office and respond to questions from the press. His answers are very short and he's quite clear about whether his answers are yes or no. He just gives his answers and leaves. He's afraid that too much information will be given if he were to speak at length. But he's very clear, and very definite in his opinions, which has allowed him to remain popular. He's very good at using the media.

We never had any prime minister do this every day. At one point, his popularity rating was about 80 percent. At another point, it dropped to 42.3 percent, but sometimes it went up to about 50 percent. I believe this has much to do with the power of TV.

The third issue is Japan's single-member constituency (small electoral district) system. With this change in the election system, it has become very important for politicians to be their party's candidates for office, which means the top executives of the party have become more powerful. This has had the effect of enhancing Mr. Koizumi's authority. If we currently had the previous medium-sized or multi-member district system, the Koizumi government would not have been able to stay in power.

### **Achievements of the Koizumi Administration**

There are some good points that I can raise about the policy of the Koizumi administration, that is its diplomatic and national security policy. Up until now, the idea was to simply defend the country of Japan. We will not participate in overseas wars, but will only defend ourselves. After 9/11, the

United States suffered a great deal. Troops were sent to Afghanistan, and Japan, by way of cooperation, sent vessels and fleets to the Indian Ocean to provide fuel and oil to the military vessels of the free world. Then the war started in Iraq, and we have Self Defense Forces in Iraq supporting the establishment of a civil government, to build water pipes, build schools, provide water supplies and so forth.

Koizumi was able to bring down the traditional constraints that existed, which allowed the Self Defense Forces to take part in an international operation. I would have to say that we do support this, and this is a strong point of Koizumi; this is a positive result that's come out of his administration.

On one hand, he has these achievements. That said, he is lacking in some respects. For example, there's not much of an explanation of his policies being provided to the people. I have called his approach a sound byte, yes-or-no approach. He's good at short answers, but he's not very good at explaining his philosophy and his vision. This is a weakness that has become a serious problem in the government.

### **Koizumi Focuses on Specifics Rather Than a Grand Strategy**

A more serious problem is that he attempts to focus on specifics rather than the grand strategy. For example, a debate is going on in Japan over the revision of the constitution—which I will discuss later—what kind of a country we should have in the 21<sup>st</sup> century and what kind of course we should take. He should reveal his long-term strategy to the public and implement specific policies based on it.

However, he does not talk about long-term strategic policy. Rather, he likes to dwell on

what to do with postal savings, postal insurance, whether to privatize the Japan Highway Public Corporation, and so forth. He focuses on the “clinical” response. These days, a lot of Japanese citizens are dissatisfied with Mr. Koizumi and his approach.

### **Five Principles of Japan's North Korea Policy**

There are many important issues in the area of foreign relations. First of all, Japan must decide what to do with its North Korean policy. For five years or so, I have been expressing my views and have been writing articles on this issue, the five principles regarding North Korea.

First of all, regarding the policy towards North Korea, that's not something we should seek a partial solution to. We have to make a comprehensive approach for a solution.

Second, the abduction issues, and issues regarding weapons of mass destruction—those are issues that have to be solved very clearly, and that is the first step toward normalizing Japan's relationship with North Korea.

Third, do not provide any conditions more favorable to North Korea than those provided to South Korea.

Fourth, monetary assistance or financial assistance should be left last.

Fifth, Japan and the United States and South Korea should be unified and deal with North Korea in lockstep.

Those are the five principles I have been talking about for many years. I think this is the policy of the Koizumi government and most of the Japanese public agrees with it.

Looking at the current situation, despite the efforts that have been made to solve this problem in the six-party talks, North Korea has not been very enthusiastic to participate. The other participants would like to hold another meeting in December, but we have not had a positive response from North Korea.

Looking at the U.S. election, if President Bush had been defeated and the Democratic candidate became president, then North Korea thought the situation would have been different and would have been more favorable to it. I'm sure North Korea is very disappointed that President Bush was reelected.

Under this situation, President Bush instituted tough policies, Qaddafi changed his stance and Iran decided to accept IAEA inspections and not pursue the development of enriched uranium. North Korea agreed to engage in the six-party talks, but we shouldn't continue this forever. In Japan, a lot of people think the way North Korea is handling the situation is rather unfair and we really have to be tougher toward it. Some people argue that under these circumstances, partial economic sanctions should be imposed against North Korea. We have to address this issue, but at a certain point we think North Korea would have to decide to make a compromise and we are wondering whether that time will come next year.

### **Lack of Strategy in Japan's East Asia Policy**

Looking at Japan's foreign policy, one thing I feel that is rather unfortunate is the lack of a strategy in foreign relations vis-à-vis East Asia. China's strategy is very forthcoming, comprehensive and very flexible, and I think China has been quite successful in East Asia. The Hu Jintao government declared it would strengthen its re-

gional policy at the Communist Party conference and People's Congress.

Kyrgyzstan and other countries were invited to Shanghai and joined the Shanghai Declaration. China has been strengthening its ties with countries in Central Asia. There are some terrorist problems in the area and that's the reason why they are strengthening regional cooperation.

China is also strengthening ties with ASEAN countries, particularly countries in the Indochina peninsula. It's moving forward to conclude an FTA with ASEAN countries and the rumor is they have already reached an agreement in principle. Tropical fruits from that area are being exported to China without duties and that's a great service to those countries. ASEAN prepared a treaty of amity and cooperation and China decided to join this, whereas Japan joined eight months later after China signed this treaty.

This shows how flexibly and how positively China is engaged in regional cooperation. In Far East Asia, China is becoming a leader, taking on a leadership role in the six-party talks. And even after the North Korea issue is resolved, I believe other remaining issues will be discussed and solved in that framework. That is probably the reason why China is playing a leadership role in the six-party talks and making efforts in this forum. In contrast to that, Japan is lagging; that's what I have been saying very strongly. Among ASEAN countries, some would like Japan to be more forthcoming, and I do not believe Mr. Koizumi's strategy toward East Asia is sufficient enough.

### **Public Support for a Constitutional Amendment Increasing**

Lastly, I would like to speak about the constitution, whether or not this matter will be

on a future political agenda. I think definitely it will be considered by the government in the future. When we look at public opinion poll results, there has been a lot of opposition against a constitutional amendment. However, more and more people are supporting this idea. A survey conducted by the *Asahi Shimbun*, a newspaper which is most critical of the government, found that 53 percent of Japanese people support revision of the constitution and 38 percent are against it. Also, 68 percent of people in their thirties and forties support the idea of revising the constitution, meaning that the younger generation seems to support this idea more.

In 1991, the Cold War ended and a lot of countries began to emphasize their national identity and pursue independence. In this situation, Japan finally began to think about what to do with itself. Japan should be autonomous and deal with various issues with an independent viewpoint. In order to do that, we need to revise our constitution. I think that's the reason why more people are supporting the idea of the constitution's revision, which was established with the United States' assistance. These days, according to surveys by the *Yomiuri Shimbun* and other newspapers, 60 to 70 percent of the population supports this idea.

We have created a Research Commission on the Constitution and have been studying this matter in the Diet, and this process is supposed to finish at the end of this year. The Commission's report will be submitted to the Diet in May of next year.

The Liberal Democratic Party is supposed to announce a draft proposal of a constitutional amendment in November of next year. As for the Democratic Party of Japan, first it said it would announce a proposal in two years; however, it was criticized for

planning to announce the proposal after the parties in power announced their proposals. As a result, it is talking about announcing its own proposal prior to the LDP's announcement.

A lot of political parties are moving toward that direction; the private sector, Diet members, and institutions such as the Institute for International Policy Study, of which I am the chairman, are also preparing a draft for a constitutional amendment. This is something which we have never seen in the past.

After the Research Commission on the Constitution finishes its work, what will come next? Should we create a committee for constitutional amendments? I think in two years the issue of a constitutional amendment will probably be considered by the government. I have been arguing for and supporting a constitutional amendment. Japan is becoming a normal country in that respect.

The substance of what goes into the constitution is very important. This is something we need to be very careful about, based on what has happened in the past. The idea of defending one's country and cooperating with other countries is something we need to be thinking about.

Article 9, Paragraph 1, contains a "no war" clause and does not need to be amended. Paragraph 2 and the rest stipulate that we cannot have a military, cannot engage in combat, and do not recognize the right of belligerency; basically negating language is written. But in Paragraph 2 we need to have—perhaps we don't need to be that detailed in the constitution, but we need to see more headway made in that area so that we can be allowed to possess a military and exercise the right of both individual and collect-

ive self-defense. In the case of exercising military power, we need to establish a National Security Act so this can be legislatively possible.

The base supposition that we have is that we cannot really send troops overseas, but we are in the process of bringing down those walls. We need to have some language in Paragraph 3 that addresses the issue of sending our troops when the United Nations or other multinational entities wish to send forces for humanitarian reasons. So the Self Defense Forces Law needs to be revised as well.

These are the major points in the constitution that we currently can resolve. In that way, we can include revisions to the constitution as part of our political agenda. Prior to that, we have issues that I earlier referred to: the privatization of Japan's postal service and delegation of power to the local governments. Each party has as a very important agenda item for this issue of the constitution, other than the Communist Party. I would say this is something that certainly will come up in the future.

In this context, there is something that I always talk about. The 20<sup>th</sup> century was the most tragic in that we had two world wars, had massacres happening in China and the Soviet Union, people killed in massive numbers as a result of an atomic bomb or independence movements. We have never seen so many tragic deaths in the history of mankind.

This is why we have been talking about peace. In the 21<sup>st</sup> century, it is not very likely that we will see any major wars fought between major powers. The major countries are all nuclear powers so there is an element of deterrence. For example, if you look at China, the middle class and econo-

mic growth are increasing, and over time there may be some change to the regime. It is possible that China will become the ninth country to join the G-8 countries and that the organization will become the G-9.

### **China's Growth Has Also Created Problems**

China will hold the Olympics in 2008. In 2010, the World Expo will be held in Shanghai. Up until that point, China will probably emphasize its peaceful foreign policies and have favorable relations with its neighboring countries. That said, there are major discrepancies that exist between the urban areas and the inland areas. There could be riots. They have major unemployment, and there is corruption in the Communist regime.

Inherently, it is a country with all these problems. Hu Jintao and his government will probably plod along all the way through 2010 or so. Subsequent to that, as far as what will happen, of course, we will have to make that judgment when we get there. But China currently has a GDP that is about one-quarter the size of Japan's GDP, and it is said that by 2020 it will catch up, and it is trying to catch up by 2015. We'll have to look into and study what China will be doing post-2010.

In any case, I do not believe there will be any major wars fought between major powers in the 21<sup>st</sup> century. Border conflicts between smaller powers are more likely.

### **Nations Must Create Values In the 21<sup>st</sup> Century**

What is the most important thing that we need to be thinking about in this century? Of course peace is important, but we need to create values. That is something that is

done by civilizations or cultures, not peace. Peace is more passive. We need to be thinking about culture as we've been thinking so hard about peace in the previous century in order to raise the world's civilization to a higher level. This will naturally lead to environmental protection, preservation of nature and so forth. We need to place more importance on our culture, and we need to incorporate this idea into our constitution. The world needs to go forward to embrace these positive values.

Thank you very much for your attention.

### Q&A

**Calder:** I know we've all found your general tour de raison and broad vision to be very interesting and creative and instructive.

You presented to us the prospect of a world of change, perhaps beyond the year 2010, possibly a changing role for China and so on. I wonder if you could give us your sense of how you see the longer-term relationship of East Asia and the Middle East evolving, given the importance of energy in the future.

### Promotion of FTAs

**Nakasone:** In East Asia, ASEAN shows solidarity, and of course both China and Japan have been doing FTAs. The idea is to promote FTAs. We have already concluded an FTA with Singapore, and will be doing one with the Philippines, as well as Thailand, since we have resolved the issue regarding rice. And we're making an FTA with Mexico, as well as Korea. China is also doing that as well.

An FTA network is being created, and if that is successful, I don't believe Japan and China can really go against each other and

exclude a particular nation if we are successful in creating this network.

### Dialogue on a Regular Basis Among Northeast Asian Leaders Important

In that sense, what is most important is having a dialogue on a regular basis among the leaders of China, Korea and Japan. We have not had any consultations for Northeast Asia, but instead, we discuss various issues at ASEAN meetings. For example, APEC meetings are being held in Chile. That's the occasion where the president of Korea, the prime minister of Japan, and the premier of China meet. These leaders have never held summits in Northeast Asia.

This really doesn't make sense at all. We need to put into place a system that would allow these leaders to hold summit meetings. It's important for these leaders to develop relationships. I had very good relationships with Mr. Reagan, and Japan and the United States have closely cooperated with each other. I told Mr. Reagan before a summit meeting, "You be the pitcher, I'll be the catcher, but the pitcher sometimes needs to lend his ear to the catcher." He said, "That's fine."

That's the kind of relationship that we need to build. The top leaders of the three countries in Northeast Asia need to have that kind of relationship. The ten Southern and the three Northern countries can join hands to result in thirteen countries creating a cooperative economic relationship, and that would naturally create a possibility for the East Asia Economic Community to emerge. We can certainly go as far as having an economic cooperation arrangement. In order for this to happen, top-level summits among Japan, Korea, and China need to happen.

If we have an economic community, national security issues will also be discussed. We

have that basis today because the United States has created alliances with Japan, Korea, and the Philippines, and has a special relationship with Thailand and Singapore. Australia and New Zealand are also allies of the United States. If this kind of power structure is based upon a U.S. alliance system in the Pacific, there can be more cooperation. You might as well say the EU was made possible only because of the presence of NATO.

This is the kind of condition that needs to be met to create an economic cooperation system in East Asia. In the process of doing this, we need to have input from Europe and the United States. Sometimes they may participate as observers. It's important to create this community without creating friction.

**Questioner:** As you mentioned, a summit is going on now in South America. Mr. Hu and Mr. Roh, from China and Korea, are doing some very large deals on natural resources with the South American countries. My first question is, what is Japan's intention with regard to that? Secondly, there was a proposal made for an East Asian common market, specifically on the idea that de Gaulle and Adenauer, of France and Germany, having been very old enemies, got together at the end of the war and said, "We can't go on like this." I'm wondering if there's any possible way to turn that on its head with Japanese-Chinese cooperation.

**Nakasone:** I think there will be a lot of criticism if we were to create an economic cooperation organization in East Asia. However, in the case of the United States, they are involved with NATO and other economic cooperative organizations in the American continent. In the case of Europe, there is the EU. Considering that, it's rather unnatural that there is no community in

East Asia; I think it's quite natural that a community will be born.

However, it shouldn't be exclusive. We should have an organization which is able to cooperate with everybody in the world. ASEAN nations have held dialogues on a regular basis with Europe and the United States at ASEM. I think it is necessary and important for us to create such an organization in this spirit.

**Questioner:** Your Excellency, what is Japan's stance on America's "One China Policy," with regards to Taiwan? What would be its position in the case of a China and Taiwan conflict?

#### **Five Principles of China-Taiwan Situation**

**Nakasone:** Please be mindful, what I'm going to say is my own personal opinion. I have been saying that there are five principles with respect to Taiwan and China. One is that we should abide by the treaties and declarations concluded among Japan, the U.S. and China, which state China's official "One China Policy," and that Japan and the United States would recognize it.

Second, China should never stress the threat of military aggression against Taiwan, and China should remain peaceful. On the other hand, Taiwan should never discuss independence or obtaining a seat at the United Nations and other things which provoke China. Political dialogue should be resumed between China and Taiwan, and issues of commerce, trade and communication should be discussed. Taiwan should recognize those policies and how to approach them; those two should get together and discuss these issues. These are the five principles that should be respected.

Outsiders should not interfere with the relationship between China and Taiwan. The question is how both countries will grow. In the case of China, there will be an expansion of the middle class, and its resulting changes.

As for Taiwan, we must examine how Taiwan will change internally. We should watch very closely how things develop between the two countries, look at the situation, and when they should pursue a peaceful unification, if there is agreement on both sides. If changes occur in both countries, I hope that the five principles which I spoke about will be respected.

The Japanese government hasn't expressed such views officially. As I said earlier, we concluded a Japan-China Treaty of Peace and Friendship, and based on that we have a relationship. I think a similar thing can be said with respect to the United States.

**Questioner:** Do you support the idea of a prime minister making an official visit to Yasukuni Shrine, not rhetorically but in substance? Do you support that idea or are you against it, and why?

### **Official Visit to Yasukuni Shrine Causes Controversy in Neighboring Countries**

**Nakasone:** I'm the first prime minister in office who made an official visit to Yasukuni Shrine. I participated and fought in a war and a lot of my colleagues died. Prior to the war, if I died while participating in it, I would have been enshrined at Yasukuni Shrine. Yasukuni Shrine was the shrine operated by the government and which accepted war victims.

However, after the end of the war, MacArthur came and he tried to separate politics from religion, and Yasukuni Shrine was

separated from the government. It became an independent religious corporation and the Japanese government was not allowed to interfere with it. During that time, Prime Minister Yoshida and others paid visits to Yasukuni Shrine as individuals, not as prime ministers.

However, I thought those were the war victims who thought that they would be at rest in Yasukuni Shrine. I felt that it's rather impolite for prime ministers not to go and pay their respects and show appreciation to those war victims. I had my cabinet approve that idea, and based on that approval I paid an official visit at the 40<sup>th</sup> anniversary of the end of World War II.

However, I was very careful at how to go about it considering the constitutionality of the visit. China complained later because some of the people there were considered war criminals and thus the visit might stir militarism in Japan. I thought it was enough to do it once, and ever since then I did not visit it.

Other prime ministers paid a visit. However, they did it as individuals. But even those private visits were not approved by China, which did not like the idea of prime ministers in office to do so. I don't know a solution to this problem. The Japanese government thinks it is a domestic issue and that religion and worship are rights that fall under universal human rights. Taking that approach, we tried to get approval from China.

That's the stance of the Japanese government. Prime Minister Koizumi paid a private visit. However, there has been a lot of criticism. I think that's a difficult issue that needs to be discussed on a diplomatic basis. We must try to come up with a solution. That's something I have been suggesting to the foreign affairs ministry.

**Calder:** Prime Minister Yasuhiro Nakasone is one of the great statesmen of the 20<sup>th</sup> and the 21<sup>st</sup> centuries. Thank you very much, Prime Minister Nakasone.

[End]

NOTE: This transcript was written based on a simultaneous translation that took place during the seminar.

## About the Panelists

**Main Speaker**    **The Honorable Nakasone Yasuhiro** is a former Prime Minister and former Member of the House of Representatives of Japan. He was elected to the House of Representatives in 1947, serving for 20 consecutive terms until he retired in 2003. Mr. Nakasone held numerous government positions before becoming Prime Minister, including Minister of the Interior, Director General of the Science and Technology Agency, and Chairman of the Nuclear Commission in the second Kishi cabinet. He was also appointed Minister of Transportation in 1967 under the second Sato cabinet, Minister of the Interior and Director General of the Defense Agency in 1970 under the third Sato cabinet, Minister of International Trade and Industry in 1972 under the first and second Tanaka cabinets, and Minister of the Interior and Director General of the Administrative Management Agency in 1980 and 1981 under the Suzuki cabinet. He became President of the Liberal Democratic Party (LDP) in 1982 and served as Prime Minister of Japan from 1982 until 1987. He is Chairman of the Institute for International Policy Studies (IIPS), which he founded in 1988, and is the Honorary President of the Asia Pacific Parliamentary Forum (APPF). Mr. Nakasone graduated from the Faculty of Law of Tokyo University.

**Moderator**    **Dr. Kent Calder** is Director of The Edwin O. Reischauer Center for East Asian Studies, Director of Japan Studies, and Edwin O. Reischauer Professor of East Asian Studies at The Paul H. Nitze School for Advanced International Studies (SAIS), Johns Hopkins University. Previously, he was Professor of Politics and International Affairs at Princeton University where he taught for twenty years. Dr. Calder also served as Special Advisor to the U.S. Ambassador to Japan from 1997-2001. He was Japan Chair at the Center for Strategic and International Studies from 1989-1993 and 1996. He has also been Executive Director of the Harvard University Program on U.S.-Japan Relations, and a lecturer on government at Harvard. Dr. Calder received his Ph.D. from Harvard University. He is the author of *Crisis and Compensation* (1988), recipient of the 1990 Arisawa and Ohira Prizes, *Pacific Defense* (1996), recipient of the 1997 Mainichi Asia-Pacific Prize, and *Strategic Capitalism* (1993), as well as co-author or editor of several other works.