December 12, 1983

Donald Y. Yamamoto

Transcript of Speech

TO: Ambassador Mansfield

Mr. Hugh Hara of USIS was unable to record your speech before the Forum for Corporate Communications at the Japan Press Center on November 17th due to a faulty recorder system. He did manage to get a tape recording from another source and has come up with the following transcript which you may wish to edit before it is released.
Mr. Willoughby. Mr. President. Corky Alexander. You are an Honorary Member -- he'll do anything to get out of paying dues. Ladies and gentlemen:

I'm delighted to have this opportunity to relate to you my views covering the U.S.-Japan relationship which, as some of you, I think, is the most important bilateral relationship in the world, bar none. It is a relationship which has had its ups and downs since the day Commodore Perry arrived. There have been tragic years, happy years, solid years.

During the past six years we have had a number of difficult problems with Japan, and may I say that Japan had the same problems with us. They centered primarily on the trade factor, and it is to be anticipated that when you consider the size of U.S.-Japan trade, in excess of 60 billion dollars a year, that there are bound to be difficulties from time to time. So far we have been able to cope with them on an individual basis, but in recent years as the recession deepened in the United States, deepened still more in Europe, the pressures on Japan have increased considerably.

As a matter of fact, if I were to describe what our difficulties are with Japan, I would say it in three words: trade, trade and trade.

The defense picture is looking fairly good. The trade picture could become worse before it gets better. Last year we had a trade deficit with Japan amounting to 16.8 billion dollars. The year before, 1981, it was 15.8 billion dollars, and the estimates for this year point to 20 billion dollars or more.

We tend to place a little bit too much emphasis, I think, on our deficiency in this trading relationship by placing too much emphasis on the deficit with Japan. When we mentioned in 1980 when we had a 9.9 billion dollar deficit with Japan, we forgot to mention that in that same year we had about a 21.5 billion dollar surplus with Western Europe, and when we talk of the deficit last year of 16.8 billion dollars, we forget to mention that the next country to Japan, deficitwise, is Canada where we had a deficit of about 12.7 billion dollars.

What I'm trying to say is that if you look at the trade picture you want to look at the whole picture and not just at segments of it. What I'm saying further is that no country should be made a scapegoat alone because no country alone is responsible for our difficulties. Our difficulties are in large part of our own making, and while Japan can, must and should help in the opening of its markets, the main responsibility is ours because we were responsible at home for much of the economic
difficulties which we have had to confront, and only we can play the major part in getting ourselves out of the difficulties which we created.

It is true, as I have said, that Japan must open its markets because Japan has been the chief beneficiary of the international trading system. Japan is a super power, economically speaking. It is a great power overall because with economic might comes a certain degree of political responsibility, and in that respect it would behoove Japan to give the most serious consideration, as I think it is, to opening its markets both agriculturally and merchandisewise, so that other countries can have, in effect, somewhat the same opportunities in Japan that Japan is given, let us say, in the United States.

When we look at this trade picture we have to be aware of the difficulties which confront both our countries. The Japanese have to contend with a very strong power bloc and so do we. We would like Japan, for example, to remove its tariffs and quotas on the 13 or 14 agricultural products, including beef and citrus, and if the Japanese did I think that the Japanese farmer could live with it, and I think the Japanese consumer could benefit. Speaking of beef and citrus, it is interesting to note the symbolism of those two products.

If the Japanese were to open their agricultural markets completely, including beef and citrus, it is my understanding that the differential would amount to somewhat between 500-600 million dollars in the trade area. That wouldn't make a dent in the deficit. But if we would consider seriously -- and this is where the Congress comes in -- give thought to the shipping of surplus Alaskan oil and gas to Japan and East Asia, in that way we could reduce our deficit with Japan by something on the order of 4 billion dollars. As a matter of fact, I have seen the figure 6 billion dollars used in Business Week, but I think that is a little high.

It could be done so that everyone would benefit and no one would be hurt. It cost between $5.50 and $5.60 a barrel to ship the crude from Valdez in Alaska, down the West Coast where the capacity for refineries does not exist, to the Panama Canal, then either transship it in smaller tankers or through the pipeline, which I understand is now in operation, put in on super tankers at the other end, and ship it up to the Gulf Coast. You could ship a barrel of oil from Mexico for approximately 50 to 60 cents instead of $5.50 to $5.60 it costs to go to the Gulf Coast.

That surplus oil could be shipped to this part of the world in Japanese bottoms probably at a cost of $1.00 to $1.25 a barrel; but if an agreement could be reached I would hope that a substantial portion could be carried in American bottoms, raising the cost of shipment to about $2.00 to $2.25 a barrel. Still a good deal. It would help us in our relations with
Japan because it would diversify Japan's sources of supply, and all of you know how much Japan depends upon its energy needs from outside sources. It would, in a sense, help to repay the Japanese for the sacrifices they made on our behalf at the time of the Iranian hostage crisis three years ago. At that time, at our request, the Japanese refused to pay the $2.50 a barrel which the Iranians were demanding. Two days later Iran cut off all its oil shipments to Japan, and that amounted to 13 percent of Japan's imports. Quite a sacrifice.

As a matter of fact, of all our friends and allies on the Iranian and Afghanistan crises, no one supported us more strongly than Japan. And no one paid a higher price in the process -- an indication of just what this relationship is. But there are forces in the Congress, not large in numbers but great in political clout, and it is my understanding that something on the order of 240 or so members of the House have affixed their signatures to legislation which would continue the present prohibition. That is one of the things we could do to reduce our surplus considerably, and no one but us can do it. That's what I mean when I say that there are certain things that only we can do to rectify our own difficulties, and it would behoove us to look at the motes in our own eyes rather than to continue to blame someone else for the difficulties which are primarily ours and which will be cured by us to a large extent if there are to be cures.

I am delighted with the upsurge in the economy in the United States. I am very happy that in less than a year the unemployment rate has declined from 10.8 to 8.8 percent, but that is still too high a rate, and as long as it remains high the pressures will be on the Congress to do something, anything, to try and bring about a rectification of that economic overhead. I was disappointed that the Local Content Bill passed the House some days ago. It is not good legislation, to put it mildly. It will keep out investment rather than bring it in. It will reduce competition, the mainstay, the backbone, of the private enterprises system which I believe in. It will increase prices. It will fuel inflation. And while it might temporarily add a little to the employment picture, in the long run it would just exacerbate it that much more. It is my hope that it will not get anywhere in the Senate, and that if it does that the President will veto it.

When we look at the trade picture, we also have to consider what it means to us in other areas. For example, while our two-way trade with Japan was something on the order of 63 billion dollars last year, in 1975 our two-way trade with all of East Asia amounted to just 42 billion dollars. Quite a change. Last year the figure was in excess of 120 billion dollars, and for the fourth year in a row it exceeded our trade with Western Europe which used to be our primary trading partner.
In Japan we have about 6.9 billion dollars in direct American investment. Japan has something on the order of 8.9 billion dollars invested in the United States. I personally think the figure would be closer to 10 billion dollars, and much of that has come in the past several years.

But the return on the investments in East Asia of American business is the best, comparatively speaking, of any region in the world. But out of 227 billion dollars invested by American business worldwide, only about 26 billion dollars is invested in East Asia, including Japan. I think, however, that that is changing. I think the American business community is becoming aware of just how important this part of the world is, and I think what we are beginning to see is the culmination of a trend which started on the day that George Washington was inaugurated as our first president because on that day there were 13 American Clippers in Canton Harbor, and from that time, while the pull had always been eastward across the Atlantic where most of our people came from, the push has always been westward. First in the old Northwest Territories of Ohio, Indiana and Illinois, and then the Midwest, Texas, the Rocky Mountains, the Southwest, California, the Northwest, Alaska, Hawaii and the Philippines.

Walt Whitman in the last century summed it up very nicely when, in one of his poems he said, "Westward, ever westward, to Oregon." If he were alive today I think he would say, "Westward, ever westward, to the Orient" because the trade and population figures indicate that trends and patterns of that nature are in effect, and I think they will continue to be in effect for decades to come.

What I am saying is that it is in the Pacific and East Asia where we will see things happening in the next century because the next century, in my opinion, will be the "Century of the Pacific", and that huge basin on which four South American states front, all of Central and North America, Australia, New Zealand, the islands on the Pacific, all of East Asia and including Japan, that basin where half the people of the world live, where there are tremendous resources, great markets and, on the whole, friendly peoples and governments, that basin will be developed on the basis of the strength and durability and reliability of the Japanese-American relationship. I will refer to that later.

In the defense picture, there have been allegations from time to time, diminishing in late years, of the fact that Japan allegedly spends less than 1 percent of its GNP on defense, and because of that and the Mutual Security Treaty which we have with Japan which calls on us to come to the defense of Japan if Japan is attacked, and we will, that the Japanese have been able to accomplish an economic miracle. The latter part of the statement is correct. The Japanese have performed an economic miracle by rising from the ashes of the Pacific War and reaching the pinnacle of being the second most important
industrial economy in the West, and before too long, as the President said last week, it will become the second highest industrial economy in the world.

But if we look at the facts and the figures, and that's all that counts and that's all that will bear out in an argument, we have to recognize that if the Japanese base their defense expenditures on the same factors that we and NATO do, which included pensions and survivors' benefits which are in the Welfare Department, then the figure would be somewhere between 1.5 and 1.6 percent of their GNP. We would like to see Japan do more, but only in its own self defense. We don't want Japan to become a regional power, neither does Japan, but we would like to call on our friends and allies to take a little more of the responsibility, a little more of the burden, and give us the opportunity to be in better shape to carry out the responsibilities which, for example, are those of the Seventh Fleet. It does not have enough ships, it has too big an area to patrol, its area of responsibility cover 70 percent of the water surface of the globe and 50 percent of the water and land surface of the glove. The Pacific, the Indian and even the Antarctic Oceans are its sphere of responsibility.

We are no longer the power we used to be in the days following the Second World War. We face a potential enemy which cannot be and should not be ignored, and we have to call on our friends and allies to take up a bigger share of the overall responsibility so that we can, united be able to show the best possible front.

When I talk of potential dangers, I have in mind the fact that the Soviet Union has 48 divisions on the Sino-Soviet border and 3 north of Vladivostok in the Maritime Province, equivalent to 25 percent of the Soviet ground forces and all first rate and up to date.

The Soviet Pacific fleet is the biggest and the best of the four Soviet fleets and it's growing faster and becoming better all the time.

The Soviets have increased their strength in the Northern Territories -- unquestionably Japanese territory -- from 2,000 to somewhere between 10 and 12,000, and they have at least one squadron of MIGs on one of the islands, and very possibly more. Everyone knows, of course, that they have at least 108 SS-20s in Siberia. The figure, in my opinion, is much higher, and I think that the Japanese remember that some months ago Gromyko made the statement that if an agreement could be reached at the INF proceedings in Geneva that the Soviet Union would transfer some of its SS-20s to the Far East, and if they did that what would it mean? China, Japan and the Philippines would become more vulnerable.

The Soviet Union also has been able to penetrate into Southeast Asia. When the Vietnamese invaded Cambodia, it wasn't too long
afterward that the Chinese invaded Vietnam, and when that happened, the Vietnamese, who had a treaty with the Soviet Union, called on the Soviet Union for assistance. That assistance was forthcoming and in the process Soviet ships, first intermittently, now more steadily, have the use of Cam Rahn Bay and the airfields adjacent thereto. So it has shown its power. It is increasing its power. It has achieved something which it had sought for a long time: access to a base in South Asia which would give them, in turn, access to the Indian Ocean and it isn't something that we can just brush off and expect it to disappear. It is the reality and it must be kept in mind at all times.

Now, turning to the Mutual Security Treaty which some of our people have indicated, along with spending less than 1 percent of its GNP on defense, has allowed Japan to accomplish its tremendous economic recovery. Under that treaty we have agreed to come to the defense of Japan if it is attacked and, to repeat, we will. But, in return, we get the use of bases in this country, rent free. We are here as the guests of the government and people of Japan. The Japanese contribute in excess of 1 billion dollars for the upkeep of approximately 49,000 U.S. military personnel in this country. If they did not make that contribution towards housing, labor cost-sharing and the like, we would have to do that ourselves. But we are not here just in the defense of Japan. We are here in our own defense as well, and the bases in this country and in the Philippines form that perimeter.

If we did not have this forward line, and we are out here to stay, we would have to ask ourselves a couple of question. How far back would we have to withdraw? How much in the tens of billions of dollars would it cost us and how effective would that new line be? Think it over. We've got a bargain and it is a treaty that is mutually beneficial.

In the field of agriculture, Japan is far and away our best trading partner. Last year they bought 5.6 billion dollars worth of agricultural produce from us, almost twice as much as any other country. The year before they bought 6.8 billion dollars worth of agricultural products. Last year, even though the value declined by about a billion dollars, they bought almost as much in quantity but because of oversupply and reduced prices, the value was decreased accordingly.

We would like the Japanese to open their agricultural markets more. We think, as I have said before, that it could be done without much harm to the Japanese farmer, great benefit to the Japanese consumer, and would remove a symbolic differential between our two countries which really doesn't mean a great deal as far as reducing the trade deficit is concerned.

We wish also that in the trade area, apart from agriculture, that the Japanese likewise would open their markets, and we think in both areas it would be in Japan's self-interest. It
is my belief that if the Japanese completely liberalized their markets -- and I'm not advocating that -- that they would still have a sizeable surplus in their trade relationship with us. But trade is a big factor at home and trade is what makes Congressmen do things that they probably, in their more lucid moments, would not even consider. But knowing how the reaction would be, if the pressures become intense especially as they come closer to an election, I can understand and I think that if I were still in the Senate and I were feeling the pressure, that I would very likely would be throwing bills and resolutions into the hopper, too. But that wouldn't cure the problem. It might help me get reelected but the problem has to be gone into on the basis of not looking at one country or one area to cure our ills, but to recognize that while other countries can be of help, to repeat, the main responsibility is ours. I think that this relationship, which is so important, and means so much to both our countries, has to be nurtured carefully and has to be given every consideration. We have to understand each other better, and despite our differences in language, in cultures, in customs and mores, there can be, and I think there is in the making, a meeting between the East and West, a meeting which will be very beneficial to us, to the Pacific Basin, and to the rest of the world because I think, speaking of the Pacific Basin again, that it is in the Pacific and East Asia where it all is, what it's all about and where our future lies.

Any questions?

QUESTION: Thank you, Mr. Ambassador, for your very interesting statement which includes a point you raised many times over in the last six years, namely that Japan is America's best ally. Sometimes to this you add, "certainly a better ally than Europeans." Could you explain to me how such a statement can be upheld when you consider that Japan is only investing 1.5 percent of its GNP against 4 to 5 percent in Europe; when Japan is hesitant to even use the word "alliance" referring to America when European countries are full-fledged NATO members; when Japan refuses to accept nuclear warheads in American ships docking in Japan -- the warheads theoretically being removed out at sea, put back in the ships when they leave again; when as the Europeans at this time, despite great difficulty accept cruise missiles. How can you make such statements when you consider that Japan has an army that can't begin to defend the country while NATO countries have real armies under joint control who would work with the United States in case of war? Would you say that the United States has a bargain and Japan has an ally? Don't you think that maybe Japan has an even bigger bargain than America has now?

AMBASSADOR MANSFIELD: I wouldn't agree with you at all. I think the Japanese have done consistently well over the past 13 years and I would call your attention once again to the trade figures which I have indicated as they apply to Japan and to East Asia and what they mean to us and to American investment
in this part of the world. And I would also state for the record that during the entire decade of the seventies, starting from a small base, the Japanese increased their defense expenditures at a rate of 8 percent a year while our NATO allies were increasing theirs at a rate of 2.5 percent a year. Our country was reducing its defense expenditures at a rate of 2 percent a year.

Now it has changed under the Reagan Administration. What the Japanese have done in that respect is inspite of difficulties which confront them. They have to keep in mind Article Nine of the Constitution under which they renounce war and the creation of any kind of an armed force. They had to keep in mind the attitude of their Asian neighbors, all of whom they occupied wholly or in part during the Pacific War. They have to keep in mind the anti-militaristic feeling on the part of the Japanese people who blame the military for getting them involved in the Pacific War. They have to recognize that they need a consensus, something to back up anything they pass in the way of legislation. And we have to recognize that the Japanese for the past four years have had a deficit coming somewhere close to one-third of their entire budget and their internal debt today is approximately 523 billion dollars and it is estimated that at the end of this year it will be somewhere around 575 billion dollars.

They are doing that because they are taking care of defense at a rate of almost 8 percent a year, not for for 10 years but for 13 years.

Those are the circumstances which they have to contend with. Are they the ones who came up with Article Nine? Not at all. They were the ones who did, of course, invade other parts of East Asia and they have had to live with that, but I think that in the changes occuring, a better feeling of understanding is developing. They did have to spend this money for that purpose. They didn't have to contribute to the upkeep of U.S. forces in Japan to the tune of more than a billion dollars for 49,000 U.S. military personnel. In Germany where we have 245,000 U.S. military personnel, the contribution is roughly 1.3 billion dollars a year.

I think this is a good relationship. I think it's a good partnership, and I think it's beneficial to both our countries, and I think it's the most important bilateral relationship in the world, bar none.

Q: In an article in the current issue of Foreign Policy Magazine, two former State Department officials, both of whom were Japan specialist, found fault with you for, quote echoing Japanese views unquote and argued that Washington "desperately needs a centralized long-term command and control structure to coordinate its myriad dealings with Japan and an over-arching Japan's strategy like Australia's high level Defense Secretariat."
Would you care to comment on the points raised in this article?

A: Not at all. I would say that it depends on what mirror you look into as to what one's reaction would be. There is an old saying to the effect that a diplomat is a person sent abroad to lie for his country. I guess I'm not a diplomat. Certainly I'm not a professional diplomat. But I try to operate out here as I operated in the Senate, and that is to treat other people as I would like to be treated. Maybe it is referred to as the Silver Rule of Confucius, in the negative: "Do not do unto others as you would not have done unto you," or the Golden Rule as we Christians understand it: "Do unto others as you would have done unto to."

But my job is to carry out faithfully, and I do, the directions of the President and the Secretary of State. My job is to report honestly back to my government, and if people disagree with me it's just too bad. Honesty is the best policy.

Q: First, I would like to ask you to comment on the American political scene. As you understand the Democrats are now considering its own so-called "industrial" policy. But one concern is there might be a possibility that the Democrats' industrial policy would become protectionistic because of the political commitments. They must help unions and the declining industries. Do you mind commenting on that point?

A: Frankly, I don't know what we mean when we speak to industrial policy, and I don't think anybody else in my country does, either. If it means government intervention in the affairs of business, I am against it, and I think that's the best definition you can find at this time, and it's far from definite.

What I think we ought to do instead of coming up with slogans, which might be useful in a campaign year, is to bring about a better relationship between labor and industry, all too often adversarial, between industry and government, all too often adversarial, and I think we all ought to work together and make the sacrifices necessary if we are going to compete in the world which confronts us today and which will become more competitive in the future.

Slogans may win elections but they don't necessarily produce the desired results. I'm sorry I can't give you a definition for "industrial policy" because I just don't know what they mean.

Q: I have a few questions for Mr. Ambassador.

A: Maybe one at a time, please.

Q: The first point is I have been here for a little over a year, and your statement on the Northern Territories is the
first official U.S. support for Japan's claim on the Northern Territories. Could you please tell me what...

A: That is a well established policy of the United States Government and has been for many years.

Q: Well, would the U.S. come, for example, to the U.N. and help Japan and U.N. arrange negotiations with Gromyko?

A: They would leave that matter I think up to the Japanese.

Q: The second thing was the chance of Alaskan oil and gas, particularly oil, being exported to Japan. There is a lot of political pressure in Congress right now. Do you think, realistically speaking, trying to look ahead to the future, that the chances of Japan relenting more on beef and citrus will be more likely than the U.S. releasing oil?

A: Yes, I would anticipate -- this is anything but official, it is just my personal feeling -- that there is a possibility for further concessions in the area of beef and citrus. I could be 100 percent wrong. I have been before. I will be again.

Despite the fact that the Japanese last year bought 62.1 percent of all the beef we exported worldwide, high grade, high priced stuff -- we don't ship the cheap stuff out, we bring it in from Australia and New Zealand -- on citrus the Japanese have a very big mikan industry of their own, and quite often they have surpluses. They are good oranges the mikans, but since I have been out here -- and I'm not taking credit for it because I don't deserve it -- the imports from the United States have increased from 15,000 metric tons a year to approximately 82 or 83,000 tons at the present time. About the only oranges that come into Japan are from Florida and California, California primarily. In lemons, part of the citrus family, California has a lock on the Japanese market, and on grapefruit Florida has a lock on the Japanese market. I would say the figures for citrus overall amount to 52 or 53 percent thereabouts, but the big factor, of course, is orange and orange juice. What will be done there as far as concessions are concerned I can't say definitely but, to repeat, my feeling is that there well may be some liberalizing in the matter of both orange and orange juice and beef imports.

Q: I asked...Alaskan oil coming to Japan...

A: That is always more difficult because you've got a strong block in the Congress, and that's where the power is and that's where the changes have to be made, and the prospects do not look good.

Q: One final question. A lot of people have said that the Reagan visit was a masterpiece of choreography. It was like a Kabuki, it was so smooth. Could you give us perhaps something
maybe we haven't seen in the newspapers already, anything concrete which came from this visit, anything perhaps that we didn't see publicized that may have happened because of Reatan's visit besides good kimochi (feelings)?

A: I think that the Reagan visit was a success both ceremonially and substantially. Every subject practically, except beef and citrus, and I missed a couple of meetings, may have been discussed there, but the other subjects were discussed, between reasonable people, with good arguments, and with sufficient emphasis.

There have also been agreements to set up a group to study the question of the yen-dollar differential. Incidentally, I think it might be well to state here that despite some reports or some allegations made that the Japanese have been monkeying the yen, we have found no evidence to that effect, and it isn't just a yen-dollar differential. It isn't just the yen that the dollar is strong against because the dollar is strong against all currencies. But at least from the yen-dollar angle an agreement has been reached to set up a committee under Vice President George Bush to look into this matter and see what can be done to bring about an alleviation of the situation which is pricing us out of overseas markets and making imports much easier at lesser prices.

So I think that overall it was a good, very worthwhile meeting. I think the President indicated an increased interest in Asia, and as far as George Shultz is concerned I think he is the best Secretary of State we've had as far as this part of the world is concerned, and if you need any proof I think you need just refer to his speech at the time of the Habib farewell dinner in San Francisco some months ago and the speech he made at the Shimoda Conference held in Virginia on September 3rd.

So there is a renewed interest, a reawakening of interest or a continuing of interest, depending how you look at it, on our part towards this part of the globe.

Q: The Philippines. If Marcos falls and U.S. forces are forced out of the Philippines, in your opinion how will this impact on Japan's current share of the defense responsibility for the Pacific Basin?

A: Sorry, I just can't answer your question. For one thing, the Philippines is outside my area of responsibility. Secondly, I cannot read the minds of those who are charged with the answer to the question which you have raised.

Q: I'm not a journalist so this will probably be a couple of easy ones. At an age when most men would retire as you did from the U.S. Senate, you decided to become an ambassador, so I'm kind of curious...

A: Somebody asked me.
Q: ...as to why you did, and when you came over to this part of the world what has been, if you will, your most interesting experiences and new revelations?

A: Well, I don't think I would have accepted any other ambassadorial appointment -- my mind wasn't running in that direction. No other appointment except to Japan because I have had an intense personal interest in this part of the world since I first came out with the Marines in the twenties and served as a private in the Philippines and China, mostly in the Philippines. It's an interest which, when the girl who was later to become my wife became interested in me and found out that I hadn't even finished the eighth grade, she made me go to school to make up high school units which I lacked because I had never gone to high school, and then to enter the School of Mines in Butte, her home town where I was working in the mines at the time, as a special student. A year there was enough because the Mining School was a little bit too tough for me and I transferred to the University of Missoula, but I concentrated on history, especially on the history of the Far East, and when I finished at the university I was taken on as a professor and I taught Far Eastern history.

When I went to the Congress and the House I was appointed, luckily, in my first year to the Foreign Affairs Committee, and when I went to the Senate I was appointed, again luckily, in my first year to the Senate Foreign Relations Committee, and in both those committees my major area of interest was this part of the world because I was captivated by what I had seen out here. I was interested in what was developing. I thought I could see the potential, and that's the reason I came to Japan. It has been a very interesting experience. It has been difficult at times. I learned a lot. I have done a lot to learn, but I want to say that I firmly believe in this relationship, and I want to do what I can to accommodate, to compromise, to find solutions to our difficulties because not only does the future of the Pacific Basin depend upon this relationship but other parts of the world as well. It's too important to ignore, and we'd better pay attention to it in our own self interest, and I speak for both countries.

Q: My second question is, that we as member of FCC sincerely thank you for coming. As you may have noticed there are many of us who are Western and many of us who are Japanese. We all work in communications, and I think for better or for worse we all enjoy being here or we shouldn't in fact be here. What specific thing would you or could you recommend to us as international communicators that we can do to assist in building this relationship?

A: Tell the truth as you know it. That's all.

Q: Mr. Ambassador, I would like to ask you a question as a historian since before you retired you put out a very wonderful report which became a book and was sold through Tuttle which
became the basis I think of one of your concepts of what is happening out here. As a historian, listening to you today and the underlying overtone of what you are saying, if you put it all together, what is that it is that seems to concern you — off the record? Is it because you are seeing some parallel in history over the last 10 years which we were battling in terms of trade, or over the last 50 years, or is it something else? Could you tell me?

A: What I have been impressed by is the emotions which have shown themselves at home and the feeling with which they have been expressed. I want to see the relations between our two countries based on equality. I want to see better understanding develop. I want to see both countries stand up on their hind legs when they are in the right and express their point of view, and I want mutual understanding, honest understanding, to develop on the part of both nations so that we can arrive at reasonable conclusions to difficulties and get away from blaming the other fellow for everything and ignoring what is the responsibility of each of us. There are things we have to do at home — better labor-business-government relationship. There are things we have to do at home in the matter of greater productivity, better quality goods, more competitive pricing, follow-through servicing. There are things which the Japanese have to do, I think, in their own self interest — open their markets more, reduce or abolish some of the quotas and tariffs on agricultural products, try and keep this international trading system which has been so good to Japan and not at all bad to the United States in operation because if some degree of order is not maintained disorder will occur, chaos will result and all of us will be the losers.

Q: This may be a little outside your line of work. I have been doing a lot of thinking and a little writing about the status of women in Japan. You have been following trends in Japanese society for many more years than I so could you please share some of your observations about Japanese women?

A: Well, I never interfere in the domestic affairs of another country. I do think the status of women in Japan is improving, and I am sorry that the ERA didn't pass the House yesterday.

Q: Mr. Ambassador, a short question. Just tell me why only a very small percentage of Manhattan people know the name of our prime minister.

A: All I can say is that Japan is not only the nation with the highest longevity but it's also the nation with the highest literacy rate.

Q: I have been accorded the honor of having the last question of the evening according to our Program Chairman. As a person whose job is to read reports from some of the most authoritative and best informed people in the United States
Government, I would just like to ask you who are the reporters that you consider to be the best, the most authoritative and the most understanding on the Far Eastern situation in the United States media?

A: All of them.

* * *

- 14 -