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# Mansfield Library

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The following index lists the major topics in the audio recording and the approximate point when they occur in the recording according to an analog cassette recorder's tape counter. This tape counter index (TCI) has not been edited for accuracy by Archives and Special Collections.

Mansfield Oral History Collection  
Ambassador YIES address and Questions and Answers (no date)  
OH #22-360

[SIDE A]

- 000-050     Someone is speaking in Japanese.
- 051-100     MJM talks about the severe economic problems that are affecting the countries of the world. Yet these economic problems shouldn't be allowed to come between an important relationship like that of the US and Japan. MJM goes on to say that the US-Japanese relationship is the most important bilateral relationship in the world.
- 101-150     Although there is a great relationship between the two countries there are also many problems. MJM talks about the great cooperation between the US and Japan. The US and Japan are both supporting the position of trying to get the Vietnamese to withdraw from Cambodia. MJM mentions that the Japanese are now providing large amounts of economic assistance to other countries of the world.
- 151-200     MJM talks about the Japanese as being the ones who are the most benefitted from the world trading system. MJM says that the Japanese ought to take more on to their own responsibility as the second largest economic nation of the world. There aren't enough warning signals going up in Japan to make them aware of the conflict in trade relations between the US and Japan. the \$15.8 billion US trade deficit with Japan in 1981 is likely to go up this year and he makes the point that this is one of the most sensitive issues with the politicians in the US.
- 201-250     MJM suggests that Japan open its markets more to avoid any possible protectionist legislation. It is the mood in the Congress at this point to invoke trade restrictions and many of these calls for trade restrictions are coming from people who are usually known as free traders. MJM talks about the upcoming vote on local content legislation in the Congress. MJM feels that it has a chance of passing.
- 251-300     MJM emphasizes the point that it would be very wrong to invoke trade restrictions on the Japanese. MJM proposes that the US use some ingenuity and increase the productivity in the US to solve some of the problems. MJM talks about the importance of the Japanese market to the US.
- 301-350     The two way investment between Japan and the US now exceeds \$14 billion. Japan purchased \$22 billion in US

exports in 1981 while the US purchased \$37 billion in Japanese products. Japan buys over 15% of all American agricultural products, twice as much as any other country. MJM mentions that 25% of all autos sold in the US are Japanese made. In steel the Japanese held 10-15% of the US market last year. In TVs 30% and in motor cycles the Japanese had 90% of the US market. In radios they had 50%, in cameras over 30%, recording equipment over 50% and the list go on.

- 351-400 US products had the following market status in Japan. Cigarettes, 1.3%; communications equipment, 1.3%; oranges, 3%; medical equipment, 6.3%; office equipment, 11%; beef, 7%. MJM then turns to talking about the trade barriers in Japan that are stopping the flow of US exports to that country. MJM mentions a few of the import tariffs.
- 401-450 MJM talks about the negotiations between the US and Japan to get some of the trade barriers removed. MJM mentions that there were a couple of trade packages released this year and they are helping to reduce some of the trade barriers.
- 451-500 MJM says that the Japanese should continue to get rid of these trade barriers and open their markets more along the way. MJM talks about Prime Minister Nakasone's commitment to the reducing of trade frictions.
- 501-550 MJM says that the Japanese should do more to keep the world trading market running smoothly because they are the ones who are benefitting from it the most. They must also reduce the trade frictions between themselves and the US because the US is now becoming very concerned about the rapidly increasing trade deficit with that country. MJM talks about the importance in keeping the export industry in the US on its feet. 8% of the US' GNP is made up of exported items.
- 551-600 MJM talks about the recession in the US and the large unemployment figures. MJM talks about the success that the Reagan administration is having in reducing the effects of the recession. Inflation is down to 5% from 13% two years ago. Interest rates have come down from 21.5% to 11.5%. MJM talks about the heavy spending on defense in the US and the fact that it is still increasing even with the recession. Currently the US spends 6% of its GNP on defense each year.
- 601-650 The Japanese, on the other hand, spend a little over 1% of their GNP on defense. MJM talks about the weakness that Japan once had and the need for protectionist measures to get the economy and the industries going. Now, however, the Japanese are very strong as is the

US.

651-700 MJM notes that the Japanese have the second largest economy in the free world. The Japanese also have one of the highest per capita incomes in the world. MJM talks about the great strides that the Japanese have made in selling technology abroad and they have become a world leader in this respect. The Japanese were able to accomplish this by the commitment that the Japanese people made to accomplishing the task set before them.

701-750 MJM talks about the problem of the US penetrating Japanese markets. The US only wants to be able to be in the Japanese market as much as the Japanese have access to the US market. MJM turns to talking about the surplus Alaskan oil that is shipped to down the west coast, through the Panama canal and up the east coast.

751-800 MJM proposes that some of the US trade deficit with Japan could be reduced by the US shipping the Alaskan oil to Japan which would cost a lot less than the US shipping the oil to the east coast. The US could make up for the loss of oil by importing Mexican oil up to the US which would cost only \$0.50 a barrel extra. Shipping the Alaskan oil to the Gulf coast costs about \$5 extra a barrel.

801-850 Shipping the US oil to Japan would accomplish several things. It would decrease the Japanese dependence on Middle Eastern oil. It would benefit the maritime industry by creating more jobs. It would also strengthen the US-Japanese economic relationship. MJM turns to talking about the view of the US and Japan about Soviet defenses. The US and Japan see the Soviets as a serious threat to the area.

851-900 MJM talks about the US defensive role in the Pacific and East Asia. The US has made a commitment to this part of the world and we are out here to stay. MJM says that the US ability to protect its interests and the interests of its allies in the Pacific by the Japanese increasing their own defenses.

901-950 MJM says that the Japanese and the US agree on all defense issues but they do not agree on the pace at which the Japanese should increase their defenses.

[END OF SIDE A]

[SIDE B]

000-070 MJM says that the US should not lose sight of the fact

that the Japanese have been drastically increasing their defense budget. During the decade of the '70s the Japanese increased their defense spending by 8% per year. NATO increased their defenses by 2% and the US decreased defense spending by 2% during that same period of time. MJM says that the US-Japanese relationship is very strong at the present time but we cannot ignore the danger signals that are emerging, especially in the US. MJM concludes his speech by restating the importance of the US-Japanese relationship.

071-100 Someone is speaking in Japanese.

101-140 Someone is speaking in English. It may be a translation of a question. The person is asking about the trade packages announced by the Japanese this year. He wants to know if MJM thinks that the Japanese are making a genuine effort to implement that policy. MJM does believe that the Japanese are making the effort.

141-270 Someone else is speaking in Japanese.

271-350 The question was directly translated to MJM and it couldn't be heard. MJM agrees with the gentleman. MJM says that we have to be careful not to get too emotional otherwise protectionist legislation might come about. MJM is concerned about a return to the '30s. The farm sector is in very bad shape and a great number of bankruptcies are occurring. Another of the major problems is the high unemployment rate. MJM agrees that a recovery depends on what the US and Japanese do primarily. MJM feels that we can pull ourselves out of the situation if we think calmly enough. MJM recalls the difficulty that arose from Smoot-Hawley. MJM thinks that it deepened the already deep depression and was one of the factors that led to World War II.

351-400 Someone is speaking in Japanese. The last part of the question is translated. He wants to know if there has been any action in Congress to consider the shipping of the surplus Alaskan oil to Japan. MJM says that there have been some considerations in Congress but he doesn't know how serious they are at the present time. The major problem in getting into Congress is the fact that the maritime lobby is so strong and they are against shipping the oil to Japan because they would use some Japanese ships.

401-430 MJM hopes that these bills concerning the Alaskan oil situation will be considered but it will at least have to wait until next year because the agenda is full for this year. MJM restates that shipping the oil to Japan would solve a lot of problems especially by lowering

the US trade deficit by \$5 billion.

431-500 Another person says that he has talked to many Japanese businessmen and they are concerned that Japan is being made a political scapegoat. He asks MJM whether he has any comments on these claims. MJM says that Japan has too often been made the scapegoat. He notes that the US won't get anywhere by pointing the finger at anybody. MJM says that US relations with Europe are just as bad, if not worse, than the US trade problems with Japan. MJM says that the US really doesn't have that big a problem with the Japanese because they are the US' biggest customer, agriculturally.

501-550 MJM says that the relationship between the US and Japan is so close and dependency on one another so great that we do point the finger at Japan and expect them to come to the aid of the US whenever the US needs it. MJM recalls that during the Iranian hostage crisis the Japanese protested and the Iranians cut off shipments of its oil to Japan which made up 13% of Japan's total oil imports.

551-629 MJM talks about the problems that are currently facing the President. He is having a harder time suppressing protectionist legislation. MJM feels that the local content bill is likely to pass, if not this year then next.

630-655 Someone is speaking in Japanese. [Applause].

[END OF TAPE]