

## **Part 1**

**Introduction**

**Contemporary Japan**

# Chapter 1 Introduction

## The Work of the Committee

The Standing Committee on Foreign Affairs and Defence was established by Resolution of the Senate on 6 October 1971 and on the following day it received its first reference for investigation and report. This reference was 'Japan'. The reference was unique for two reasons—firstly, it is customary to spell out in greater detail the terms of reference of the subject to be investigated and, secondly, it was not the previous practice for a committee of the Senate to be directed to inquire into relations with another country. This simple, one-word reference left the Committee free to determine the scope of the inquiry and the course it would pursue.

At its first meeting Senator J. P. Sim was unanimously elected Chairman and procedural arrangements for the conduct of the inquiry were determined. The Committee considered that the Senate would not wish the inquiry to be limited to Australia-Japan relations in the fields of foreign affairs and defence only, but that consideration also should be given to trade and cultural relations and, importantly, to the steps which could be taken to increase mutual understanding between the two countries. The Committee also believed that it was important to examine Japan in the context of its relations with Asia and, to a lesser extent, with the rest of the world.

The Committee adopted a general rule that evidence would be taken in public hearing except where the national interest dictated otherwise. This decision enabled the public to be informed of the nature of the evidence coming forward and stimulated persons who might otherwise have been unaware of the inquiry to offer information of value. At first, some Commonwealth Ministers showed a reluctance to authorise officers of their Departments to give evidence in public hearing. This reluctance apparently stemmed from the sensitive nature of some of the areas of the inquiry, but the Committee itself recognised that there could be occasions when the public interest would dictate that some evidence should be tendered during *in camera* sessions. However, it was the view of the Committee that the public interest and the interests of the witnesses themselves could be adequately protected by the procedures of the Senate—a responsibility which the Committee fully accepted. Following assurances that the Committee would observe these procedures, the Departments concerned were authorised by their Ministers to give evidence in public and the end result was that all Departments with an interest in Japan co-operated fully with the Committee and provided most valuable information both in public and private session. The Committee records the high regard it has for the calibre of the

senior officers of major Departments who appeared before it and considers that in their exposure to public examination they reflected great credit on themselves and their Departments.

Public hearings commenced on 22 November 1971 and since that time the Committee has had thirty days of sittings, principally in public hearing, and has received evidence from seventy-eight witnesses, including a number of Japanese citizens visiting Australia. In addition, the Committee was fortunate to receive a number of written submissions from interested parties in both Australia and Japan and studied a wide range of published material. A list of witnesses and others from whom written submissions were received appears at the end of this report. To the many persons who gave of their time and knowledge to assist the Committee in its task, we express our sincere appreciation.

The Committee especially appreciated the interest and assistance of:

- the Japanese Embassy, and in particular that of Mr Satoshi Kinase, Counsellor of the Embassy, who attended many of its meetings;
- the Vice-Chancellor of the Australian National University for his concurrence in Mr David Sissons, Fellow in International Relations, serving as Specialist Adviser to the Committee during the course of its taking of evidence; and
- the Department of Foreign Affairs for making available the services, over consecutive periods, of Mr J. A. Benson and Mr T. D. Wilson as liaison officers.

Because of the significance of the iron ore trade with Japan, inspections were made of some of the mining areas and associated port facilities in Western Australia. In conjunction with these inspections, visits were made to a number of Defence establishments. The courtesies extended to members on all of these inspections were greatly appreciated.

In its report, the Committee has attempted to reflect the profound changes which have occurred since the end of World War II in the factors influencing Australia-Japan relations. Australia's former dependence on the British market has undergone significant change and this has been accelerated by Britain's entry into the European Economic Community. The result has been a need for Australia to seek alternatives to its long established markets. The circumstance was fortuitous that search for diversification in Australian export outlets coincided with the so-called 'economic miracle of Japan' and the widespread discovery of mineral wealth in Australia. As a result, Japan has become Australia's major trading partner and its largest market during the past decade. However, this is not a one-way advantage, for natural resources are the life-blood of Japan's industry and the ability of Australia to provide such a large share of essential resources has been a benefit mutually shared.

Apart from the knowledge gained by those engaged in trade between Australia and Japan—and even here there are limitations—it is obvious that not enough is known in either country of the people and culture of the other. The need to foster mutual understanding emerged as a vital

issue in this inquiry and, therefore, has been given considerable attention in the report.

The report deals with two countries whose peoples have very great differences in attitudes, culture and environmental background. These circumstances alone make the presentation of clearly defined recommended courses of action difficult—difficult because of their complexity and because, quite properly, a Committee of the Australian Senate can only make recommendations for implementation by Australia. Members of the Committee, however, appreciate the keen interest already shown by the Government of Japan in the inquiry and hope that the report may help the people of Japan towards a better understanding of Australia and Australians. Areas of our present relationships in which difficulties have arisen are discussed frankly in the report, and where this has been done the sole purpose has been the clearing of obstacles to greater understanding.

### **Background to Modern Japan**

#### ***Geographical Context***

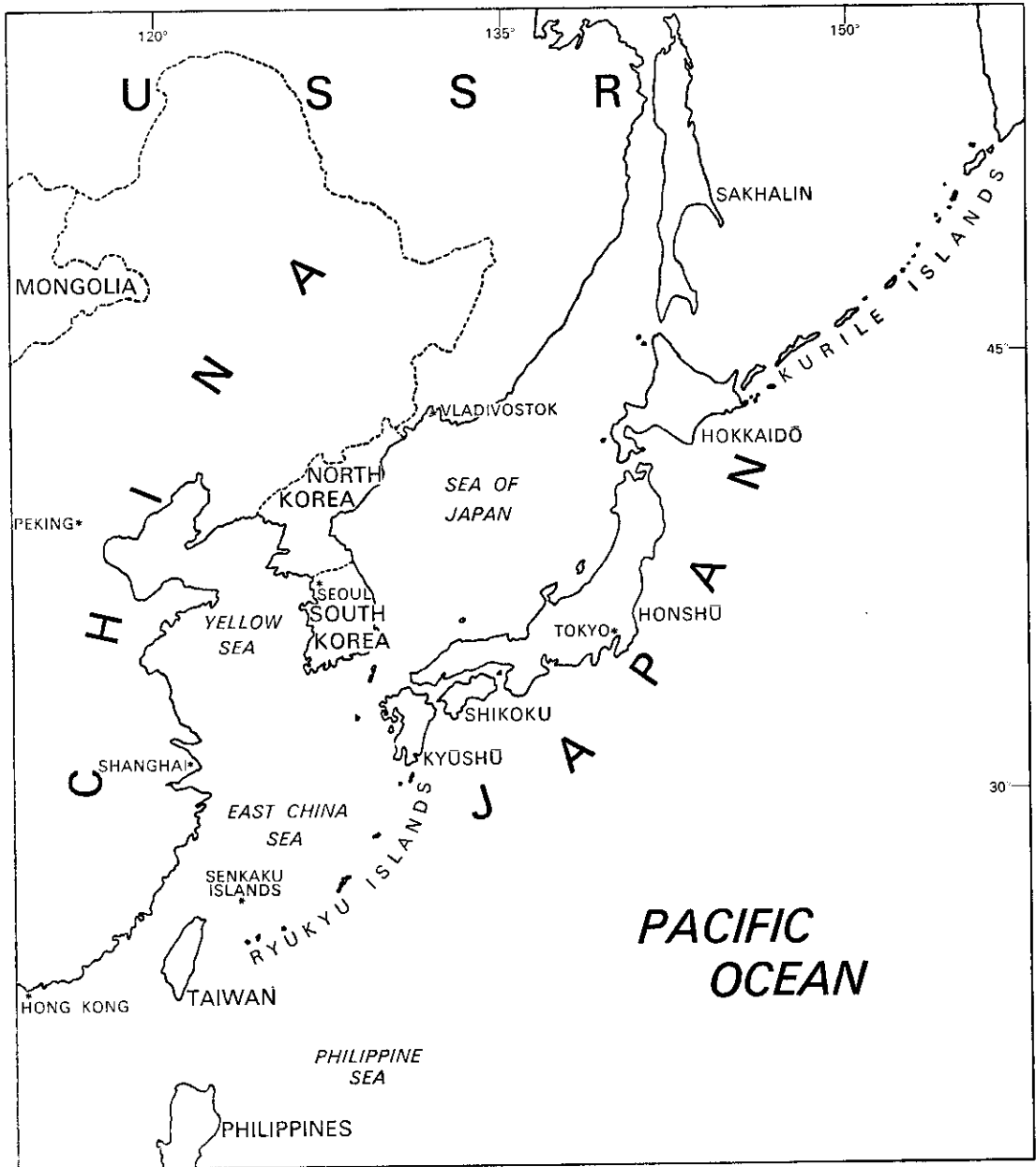
The Japanese archipelago consists of four main islands—Hokkaido, Honshu, Shikoku and Kyushu—and over 3,000 lesser islands.

With a population of 105 million people and a total land area of approximately 146,000 square miles (about one-twentieth the area of Australia), Japan has a population density of the order of 700 per square mile, which is one of the highest in the world. Over the course of the last century, Japan has transformed itself from a predominantly rural society into an urbanised, industrial nation, with a level of economic development exceeded only by the United States and the Soviet Union. Modern Japan has seen a massive movement of people out of the countryside into the cities and the encroachment of urban areas on the countryside. Today about three-quarters of the population live in urban areas and this concentration has brought problems to Japan not uncommon in Western nations, such as inadequate housing, traffic congestion and pollution.

Most of Japan is steeply sloping and mountainous, with a temperate climate similar to that of the east coast of the United States. Because of the topography, considerable areas of the country are only sparsely populated, and the pattern of human occupancy is strongly attracted to the coastal plains. Other than forests, Japan has been poorly endowed with natural resources and has relied for its industrialisation on the ability to import raw materials such as crude oil and iron ore. Trade has been the key to Japan's economic success.

Japan's precise position on the globe is not always fully appreciated. Tokyo is approximately as far north of the equator as Canberra is south, and the 135° line of longitude is common to both Japan and Central Australia. More particularly, however, there is sometimes confusion as to Japan's proximity to the U.S.S.R., the Korean peninsula, the People's Republic of China and to Taiwan.

To the north, the Japanese islands lie adjacent to the Russian mainland. Japan's most northern island, Hokkaido, is next to Sakhalin Island



(formerly partly owned by Japan and now fully under Russian control) and close to the controversial Kurile Islands, the sovereignty over which Japan is keen to regain from the U.S.S.R. Sakhalin and the Kuriles are strategically significant in the question of free northern access to the Sea of Japan, a matter of particular significance to the major Russian eastern seaport of Vladivostok.

In the south, the Japanese island of Kyushu lies about 100 miles from the Korean peninsula, forming the southern waterway to the Sea of Japan. The Chinese mainland is some 500 miles to the west of Japan and Taiwan is situated less than 1,000 miles to the south-west.

### *Historical Context*

The historical origins of the Japanese people and the development of their culture and traditions are complex matters beyond the scope of this inquiry. The relative isolation of an island people, the disciplines imposed by the rugged terrain and limited natural resources, the impact of the cultures of neighbouring China and Korea—these and other factors merged to forge the essential Japanese character.

From early in the seventeenth century, Japan endeavoured to the greatest extent possible to close itself off from the outside world, although it has been suggested that some scientific knowledge was absorbed from the West. However, as a result of growing pressure, the country's shores were opened to outside commerce and influence about 120 years ago. With the Meiji Restoration of 1868, the feudal rule of the Shogunate came to an end and the country set about the task of modernisation. Within a comparatively few decades Japan incorporated many of the economic, political and social developments which had been evolved in the West over a period of several centuries. Victories in the Sino-Japanese War of 1894-95 and in the Russo-Japanese War of 1904-05 attested to the country's growing military capability, and with its rapid industrial growth during World War I Japan began to be regarded as an emerging world power.

As the inter-War period developed, the Government came increasingly under the influence of the military and the country pursued an expansionist policy which brought it into conflict with the Western powers and eventually resulted in the Pacific War of 1941-45. Japan's commercial and industrial base was destroyed by the War, and its overseas territories were lost. Defeat in war was followed by an Allied Occupation and ever since Japan has been closely associated with the West, especially the United States.

Under the Occupation, the concepts of democracy and anti-militarism were emphasised. Public office was denied to those who had been prominent in the War at both national and local levels, and the Constitution provided for a civilian Cabinet. The educational system was reformed, women were given the right to vote and political freedom was extended to all shades of opinion. In addition, there were changes

of profound social and political importance, such as the reform of land ownership, labour conditions and the legal aspects of the traditional family system.

Throughout the post-1945 era Japan's military budget has been small and the Japanese have concentrated on the rebuilding and expansion of their domestic economy. In this task the country has been outstandingly successful, and the policies and decisions of contemporary Japan have profound implications for a great number of other countries, not least of all Australia. It is with this situation—the Japan of today and tomorrow—that the Committee's inquiry has been principally concerned.