

## Conclusions and Recommendations

As a general conclusion, the Committee draws attention to the great contrast between pre-War and post-War Japan. Since 1945, the influence of the United States, minimal defence commitments, the new Constitution and the favourable conditions for world trade have had a major impact on Japan and have aided prosperity, the acceptance of democratic forms of government and the emergence of a freer society. The future, however, is less clear. The real question, which cannot be answered with certainty, is what will happen in Japan if current world circumstances change significantly? The Committee believes that the first concern of Japanese leaders will always be the country's national self interest.

### *Foreign Policy*

The Committee's more specific conclusions and recommendations are:

1. While existing world conditions continue, with no threat to Japan and its sea lanes, Japan's foreign policy is expected to be directed towards retaining its strong links with the United States but with a clear recognition of its own nearness to Russia and China, and to:
  - place emphasis on trade, the assurance of raw material supplies and the broadening of peaceful relationships on a global basis; and
  - avoid involvement in external defence commitments, relying on its Self-Defence Forces for limited protection of its shores and on the wider protection of the Treaty of Mutual Co-operation and Security with the United States.
2. There can be little doubt that Japan has the capacity and technology to develop speedily nuclear armaments but it appears to the Committee that it is unlikely to desire to do so in the immediate future. Factors which could bring about a change in current attitudes are if external influences deny the opportunity for continued economic prosperity, or if the country is given cause to doubt the credibility of the United States nuclear umbrella.
3. Japan is increasing the value of its overseas aid and there have been suggestions that it would welcome participation with Australia in some joint aid projects. Nevertheless, the Committee **RECOMMENDS** that Australian aid programmes should continue to be on a direct basis with recipient countries and through comprehensive multilateral programmes.
4. The Committee considers existing Australia-Japan trading relations are to the advantage of both countries and acknowledges that a degree of mutual dependency exists in trading in some raw materials. While no immediate danger to Australian export trade is seen in

### *Trade*

this, the Committee **RECOMMENDS** that continuing Government support be given to seeking a wider diversification of markets.

5. The Committee strongly supports the suggestion for an Organisation for Pacific Trade, Aid and Development. Such an organisation should include developing countries of the area from the outset. The Committee **RECOMMENDS** that the Government officially support the establishment of such an organisation.
6. The Committee believes that a need has been demonstrated for a balanced and orderly development between open cut and deep pit coal mining and for orderly marketing arrangements for coal exports, and therefore **RECOMMENDS** that efforts be made to achieve this objective by Commonwealth and States co-operation, having in mind that the Commonwealth holds the reserve power to control exports. The Committee suggests an extension of the area of Joint Coal Board operations as one possibility for consideration.
7. There is a need for wider understanding in each of the two countries of the nature of contracts and of contract law in the other. Accordingly the Committee welcomes the establishment of the Australia-Japan Trade Law Foundation and **RECOMMENDS** that it be given every support.
8. In the writing of long term contracts, the Committee **RECOMMENDS** that means be sought to insulate against changes in the value of the currencies concerned.
9. In recognition of Australia's geographic position and the tremendous importance of the transport of exports to world markets, the Committee **RECOMMENDS** that means be sought of extending the Australian maritime industry.
10. The Committee believes there is a necessity for Australia to have a clearly defined natural resources policy, including energy conservation. The Committee makes the following comments with regard to such a policy:
  - Australia can continue to seek export opportunities for coal, iron ore and bauxite without fear of depleting its own reserves;
  - there is a need for cost-benefit studies to determine the economics of exporting raw materials as compared with their processing to various stages in Australia prior to export; and
  - if a decision is made to build a uranium enrichment plant in Australia, control should be retained in Australian hands.
11. In view of the importance of Australia-Japan relations, the Committee **RECOMMENDS** the establishment of a consultative and planning agency, incorporating the present Interdepartmental Committee on Japan and representatives from industry, to advise the Government on all aspects of Australia's relations with Japan. This organisation should be supported by adequate research facilities.

## *Resources*

12. The Committee sees a need for an improvement in the co-ordination between Commonwealth and State Governments, and between government generally and industry in matters of development and exploitation of Australia's natural resources. In this connection the Committee RECOMMENDS that means be found to facilitate an increase in the exchange of personnel particularly on a short term basis between government and industry. The Committee also RECOMMENDS that machinery be established for consultations between the Government and industry prior to the next meeting of the Australia-Japan Ministerial Committee.

*Investment*

13. While there are advantages in the growing Japanese investment in Australian industries, the Committee believes, particularly in relation to projects for the development of natural resources, that it is a desirable objective for a controlling interest to be retained in Australian hands.

*Immigration*

14. Criticisms about the conditions of entry of Japanese into Australia have centred on tourists and business visas and relate to earlier procedures rather than the more relaxed conditions now applying. The Committee does not see that any serious objection can be sustained to the current procedures.

*Mutual  
Understanding*

15. The Committee believes that the future stability of Australia-Japan relations must be based on cultural and social factors, as well as the economic relationship. The Committee is strongly of the view that emphasis must be given in the future to the further stimulation of mutual understanding between Australians and the widely differing cultures of Asia.

16. The Committee believes that there are insufficient opportunities for the study of Asian languages and cultures in Australia. It therefore RECOMMENDS that provision be made for:

- a. a study of Japan in social studies at the primary school level, not necessarily incorporating language training;
- b. a wider opportunity for the Japanese language to be studied in secondary schools;
- c. specialised teaching in Japanese language to interpreter or equivalent level at a limited number of tertiary institutions, with more general courses available to those studying Japanese in association with another discipline;
- d. adult education opportunities covering the broad spectrum of Japan and its culture.

17. In promoting mutual understanding and increased contact between the Australian and Japanese peoples, the Committee makes the following points:

- air fares between Australia and Japan are disproportionately high and travel is impeded because Australia is not included in one of the round trips available to the Japanese;
- there is a need for a greater exchange of journalists and an expanded programme of news dissemination in Japan about Australia;

*A Treaty of  
Friendship  
Commerce and  
Navigation*

- the Australian Government should reciprocate the action of the Japanese Government and promote the organisation of goodwill cruises to Asian waters for young Australians; and
  - Australian visitors to Japan should be provided with a pamphlet explaining Japanese customs and courtesies.
18. The Committee welcomes the decision to reinstate the position of Cultural Counsellor within the Australian Embassy in Tokyo and **RECOMMENDS** the negotiation of a cultural agreement between the two countries.
  19. The Committee **RECOMMENDS** that the Government give consideration to the establishment of an Australian cultural foundation, with Government financial support, to foster Australian cultural relations with other countries.
  20. The Committee has reservations about the Treaty of Friendship, Commerce and Navigation as discussed to date, but is of the opinion that a treaty framework could be devised which would confer equal and mutual benefits to both parties—however, it is important that other Asian nations should not feel that Australia was subordinating their interests to those of Japan.