

BOOK REVIEW

Japan's Relations with Southeast Asia: 1952-1960 by K. V. Kesavan, Bombay, Somaiya Publications, 1972, ix+243pp.

I

The anti-Japanese boycott in Thailand added momentum to the criticism of Japanese economic expansion in Southeast Asia. At the same time, there is a growing realization in Japan of the need to re-examine the relationships with Southeast Asia. However, as the author points out in the preface, there have been very few books devoted to the subject since the war. In particular, studies on the 1950s, the preparatory decade for which Japan's economic expansion began in Southeast Asia, are almost nonexistent in Japan.¹ K. V. Kesavan's *Japan's Relations with Southeast Asia: 1952-1960* is significant because the book helps to fill this gap and because it has come out just at the time when Japan is being urged to reconsider its policies toward Southeast Asia.

The author is a promising young Indian scholar. Born in 1938, he obtained his M.A. degree from Madras University and continued his research at the School of International Studies (New Delhi) from 1963 to 1969. During this time he traveled widely in Southeast Asia and visited Japan (1967-68, 1970) to collect material. The

¹ Other than academic papers and magazine articles, Japanese publications on the subject of reparations consist of the following:

Kanki Okano, *Nihon baishō-ron* [Japanese reparations argument] (Tokyo: Tōyō-keizai-shinpōsha, 1958): a full-scale study of the process and content of reparations negotiations between Japan and Southeast Asia. All facts and events are here. Moreover, comparisons with reparations problems after the First World War provide useful reference. Detailed bibliography (in Japanese) at the end of the book is useful for further research.

Takeo Suzuki, *Gendai Nihon zaisei-shi* [History of modern Japanese finance], Vols. I and II (Tokyo: Tōdai-shuppankai, 1952, 1956): a study of U.S. policy vis-à-vis the Japanese reparations problem.

Kazuo Nishi, *Keizai kyōryoku* [Economic cooperation] (Tokyo: Chūō-kōronsha, 1970): though not a specialized work, it is a recent publication and is excellent for its global grasp of the meaning of reparations.

Sangyō-keizai-shinbunsha, *Rinjintachi no sugao—baishō-to enjo no tanima de* [The true faces of neighbors—between reparations and aid] (Tokyo: Sangyō-keizai-shimbunsha, 1971): a foreign correspondent's report valuable for depicting the actual state of reparations in Southeast Asia.

Now, the most up-to-date paper on the subject of Japanese war reparations is Hiroji Baba, "Senzen sengo no sekai keizai—Nihon baishō mondai ni kanren shite" [World economy before and after the war—some aspect of the Japanese reparations problem], in *Sengo-kaikaku 2, kokusai-kankyō* [Postwar reform 2, international environment], ed. Social Science Institute of Tokyo University (Tokyo: Tōdai-shuppankai, 1974). This paper treats the subject in the context of its position in the world economy.

book is based on the author's doctoral dissertation incorporating his research during this period.

II

Before discussing the subject matter, I would like to say a few words about the analysis and framework of the book. According to the author, Japan's relations with Southeast Asia have been influenced by two principal factors, and these factors have in turn constituted "formidable obstacles" to the progress of those relations.

The first factor is the influence of cold-war politics, or the role of ideology in international relations, and the second factor is the war legacy. To bring home his point, the author limits his analysis to two "model" countries in Southeast Asia. Using their different responses to the international environment as a basis for comparison, the author has selected the Philippines, a member of the Western bloc, and Indonesia, a country that takes an independent diplomatic stance, as two contrasting models, to compare their relations with Japan. The period under study is roughly divided into two phases: the first focuses on the policies of the United States, China, and the Soviet Union leading up to the San Francisco Peace Treaty and Southeast Asia's response to these policies, the second concentrates on Japan's policy toward Southeast Asia and the Southeast Asia's attitude toward Japan.

III

Postponing evaluation of the approach, quick examination of the contents is necessary.

Chapter 1 surveys Japan-Southeast Asia relations before and during the Second World War. The author states that the Japanese occupation was first and foremost aimed at a successful conclusion of the war. To be sure, the Japanese occupation also encouraged the rise of nationalism in the region but that was mainly through the destruction of the established order. For the author, the more important by-product of the Japanese occupation is the "war legacy," an influence of the "bitterness of war memory" and distrust of Japan upon relations after the war.

Chapter 2 compares and analyzes the responses of the Philippines and Indonesia to the re-emergence of Japan. Here, the author's typological method of analysis is very effective. It is well known that since 1947-48, the United States gave great importance to the threat of the Soviet Union, and so, in addition to including Japan in an anti-Communist alliance, gave priority to Japanese economic self-sustaining on the question of war reparations. The Philippines and Indonesia reacted differently to the U.S. occupation of Japan. Due to the bitterness of war memories the Philippines sought appropriate reparations and assurance of a ban on Japanese rearmament (in other words, assurance of security from Japan) and adamantly opposed United States policy. Particularly in respect to war reparations, the Philippines and Indonesia made strong demands. As a result the United States was forced to restore the clause on war reparations in the peace treaty. On the question of security though, the Philippines was in ideological agreement with the policies of the United States. With the

assurance of a dual defense—premised on a military anti-Communist alliance and an alliance against Japan—the Philippines signed a bilateral security pact with the United States and opted for an anti-Communist, U.S.-reliant policy.

However, Indonesia had a different reaction. Like the Philippines, Indonesia made strong demands for war reparations, but the country did not place such a great importance on a threat from Japan. Adopting a nonalignment policy, Indonesia rather opposed the ideological aspect of U.S. policy and insisted on a bilateral peace treaty. Nevertheless, it participated in the peace treaty because the promotion of Japan's independence was vital to the peace in Asia. Hence, the Philippines and Indonesia signed the peace treaty for different motives. But final solution was delayed, with the Philippines due to strong anti-Japanese sentiment, and with Indonesia due to ideological antagonism. For both countries, normalization of relations with Japan was postponed until separate negotiations were made in the 1950s.

Chapter 3 is a detailed account of the process of negotiations for war reparations. There were two points of controversy in the negotiations: the exact amount of the reparations—opinions were divided on whether this should be based on Japan's ability to pay or on the extent of the war damages suffered by Southeast Asian countries—and method of payment—the parties were divided on whether reparations should be made in the form of services alone or whether it should be extended to capital goods. This chapter carefully details these points of controversy in the stages of negotiations. The author's analysis on the Philippine situation is fully documented.

This is followed in Chapters 4 and 5 by an exhaustive multifaceted study of Japan's Southeast Asian policy in the fifties. The decade is divided into a formative first phase (1952-57) and a fully evolved second phase (1957-60).

The Southeast Asian policy of the Yoshida cabinet was the core of the first phase and it possessed the following features. While emphasizing reliance on the United States and opposition to Communist countries, the Yoshida administration sought to promote economic union through normalization of diplomatic relations. With this policy, the administration tried to oppose the Sino-Soviet bloc and secure a new market to replace that of China. While the Kishi cabinet in the second phase carried on this line of policy in principle, based on the ideas of "national strength and self-confidence," the administration evolved a more active policy. That is to say, under the Kishi cabinet, Japan pushed for a normalization of diplomatic relations with "multilateral economic co-operation, economic diplomacy, mutual exchange of visits" (p. 181). Japan's increasingly active Southeast Asian policy in economic terms coupled with the needs on the part of the Philippines and Indonesia for economic union with Japan, was an important factor in the establishment of relations between Japan and the two countries. But Japan's relations with Southeast Asia had two different barriers, in the form of "Cold War impact" and "bitterness of war memories." Japan's cooperative relations with the United States in the Cold War gave ideological agreement between Japan and the Philippines and was a factor for mutual understanding of the two countries. At the same time, it caused conflicts with nonaligned countries like Indonesia, which came to regard Japan as a country with a Western orientation, particularly after the aggravation of the West Irian dispute. On the other hand, "the bitterness of war memories" prevented anti-Japanese sentiments in the Philippines

and Indonesia from going away. Especially in the Philippines, this sense of resistance was strong enough in fact to offset the country's ideological agreement with Japan.

Thus, even though diplomatic relations had been normalized by the end of the fifties, the author considers that Japan was far from realizing its attempts to regain the confidence of the Southeast Asian countries.

Now, this chapter also examines Japan's reaction to the two main trends in Southeast Asia during the same period—the formation of SEATO of which the Philippines was a member, and the Afro-Asian Conference in which Indonesia took a leading role.

Chapter 6 analyzes the actual conditions of reparations payment and trade after the normalization of diplomatic relations and the reparations agreement. Japanese reparation payments had vital significance for Southeast Asia in terms of economic development and industrialization. At the same time, the author stresses, reparations were a means for Japan to expand its exports.

The conclusion is in Chapter 7. Having summed up the above discussions, the author says that Japan after the war was no longer able to ignore nationalism in Southeast Asia and push its way into the region as it did previously. Japan itself has consistently opposed such political involvements. On the other hand, Japanese interest in economic involvements in Southeast Asia grew and is increasingly active today (p. 214).

IV

As pointed out in Section II, the main feature is to look at Indonesia and the Philippines as "models" and make a comparative study of their relations with Japan. This method of analysis is effective particularly in examining Japan's relations with Southeast Asia within the Cold War framework. In this, the author is successful.

Furthermore, he makes use of a vast quantity of materials including newspapers and magazine articles on Japan, the United States, and the two Southeast Asian countries to make a multiphase analysis of the relationship between separate national interests and international relations. Thus, for someone who wishes to know the factual background of the establishment of Japan's relations with Southeast Asia after the war, the book is extremely informative.

On the other hand, the book is not without some ambiguities concerning the interaction of separate factors. In the opinion of the reviewer, there are doubts about (i) the meaning of "war legacies" and (ii) the understanding of the historical characteristics of Japan's Southeast Asian policy in the fifties. In discussing this point, it is of course necessary to consider the author's speciality and field of interest. Nevertheless, the reviewer feels that there is some problem in the author's approach to the subject itself. I would now like to comment briefly on the two points.

As a basis for comparing the Philippines and Indonesia, the author attaches importance to the difference in the foreign policy of the two countries in relation to the Cold War. With respect to "war legacies," however, this factor is not a yardstick of comparison due to emphasis on "the bitterness of war memories." The difference between the two countries is merely one of degree. This kind of typological analysis based on the Cold War is influenced by the author's understanding of Southeast Asia

under the Japanese occupation and in the process of independence after the war. He reduces the problems of the Japanese occupation period to the motives of the Japanese military government, and has not probed deeply into the objective impact of Japanese military rule on the communities in Southeast Asia. Consequently, there is little attention given to Japanese military rule in relation to the subsequent process of winning independence. Moreover, even in analyzing the process in which independence was attained after the war, the primary focus is on the Cold War, so much so that the difference in response of the two countries to their respective colonial powers is not probed. As a result, the difference in the postwar power structure of the Philippines and Indonesia is not seen as a positive basis for comparison between the two countries. The author has merely stressed national sentiments of antagonism against Japan or distrust of Japan in a manner divorced from the dynamic process of power. From such a limited angle, is it not impossible to sufficiently understand the close, adhesive relationship between Japan and the Sukarno regime after the second half of the 1950s? In that sense, what the author terms "war legacies" should have been explained not only in terms of "the bitterness of war memories," but also in relation to the postwar power structure.

The evaluation of Japan's economic growth under the system of reliance on the United States is an important key in examining Japan's relations with Southeast Asia in the fifties. Reparations negotiations constituted, in one sense, a final solution to the peace treaty, but in another aspect, they acted as a springboard for economic expansion in the 1960s. In other words, Japan's Southeast Asian policy in the fifties had a transitory character. In the second half of the 1950s Japan began heavy chemical industrialization as part of its high economic growth. At the same time, financial powers in Japan required Southeast Asian countries to provide a market for heavy industrial goods and to supply raw materials. These new needs were reflected in the reparations which centered on capital goods and loans made on a private basis in combination with the reparations. These trends had of course not become pronounced. But it is noteworthy that these became a premise for normalization of relations and a foundation for Japan's economic expansion in the 1960s. In this sense, Japan's rapid economic growth started with the dynamic force that pushed through the restoration of diplomatic relations in the fifties.

Moreover, this high economic growth gave a certain degree of independence to Japanese foreign policy, so heavily dependent on the United States. A good illustration is the Development Fund Plan. The author focuses on the U.S.-reliant, anti-Communist aspect of the Kishi Plan (Southeast Asian Development Plan) and says that it failed because of the lack of financial assistance from the United States. On the other hand, in the 1958 budget, Japan appropriated the Development Fund without U.S. aid—a positive side of foreign policy that should not have been overlooked.

To be sure, the author does not ignore these points altogether. As mentioned in Section III, he evaluates the policy of the Kishi cabinet as one evolving primarily on the basis of economic diplomacy and economic cooperation. But due to the fact that the period under study does not extend beyond the fall of the Kishi cabinet, and because the Cold War has been accorded such an important place, the historical characteristics of Japan's Southeast Asian policy in the fifties—its transitory nature

and a certain degree of independence—have receded into the background.

It needs to be mentioned that these points are outside the scope of the author and his manner of treating the subject does not lower the value of the book. In conclusion, I would like to emphasize that the results of the study cannot be overlooked by anyone who wishes to examine Japan's relations with Southeast Asia today or in the previous era, the decade of the fifties.

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