



Navigating a Sea of Interests: Japan's Foreign Policy towards the Middle East, 1973-1981

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**Navigating a Sea of Interests: Japan's Foreign Policy towards the
Middle East, 1973-1981**

(交錯する利益の調整：中東地域に対する日本の外交政策の考、
1973～1981年)

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ABSTRACT

This study aims to understand the foreign policy making process of Japan during the Arab-Israeli conflict in 1973 and the Iranian hostage crisis in 1979, in light of its alliance with the United States (US).

The choice of these two case studies comes from the fact that Japan was in a similar situation during both of them. While it shared important energy interests with the Middle East from one side, it had to support its ally, the US from the other. However, the difference in the dynamics between the parties involved set both cases apart. Indeed, during the first oil crisis, in order to avoid an oil embargo from the Organization of Arab Petroleum Exporting Countries (OAPEC), Japan had to state its support for the Arab position in the Middle East. The Palestinian problem, being at core the Arab-Israeli conflict, Japan's relations with Arab countries tightly depended on its position on the Israeli-Palestinian conflict. Therefore, in studying Japan's policy toward the Arab-Israeli conflict, several elements are examined through its policy towards the Israeli-Palestinian conflict. Therefore, since Japan's energy interests were with OAPEC and not with Palestinians, the policy of Japan to ensure its interests with OAPEC was often studied indirectly through its relationship with Palestine. Furthermore, despite not being Israel's ally, Japan still had to take into consideration its relationship with the country, upon the US's request. Since the US is Israel's ally, avoiding a complication of its relationship with Israel meant, in this case, supporting the US. As for the second case study, Japan's security and energy interests were with the US and Iran, respectively, both being directly involved in the conflict. Therefore, the relationship between interests and policy was indirect in the first case study and direct in the second one.

The study's main objectives are to determine the domestic and international factors that influenced the foreign policy decision-making process in Japan during both case studies and to compare the importance of their influence in each case study. Moreover, the margin of freedom that Japan had when implementing its policy towards the Middle East in light of its alliance with the US is examined.

Consequently, this study's main research question is the following:

- Which factors influenced Japan's foreign policy towards the Arab-Israeli conflict and the

Iranian hostage crisis in light of the indirect and direct relations between the concerned parties?

In order to answer this question, three sub-questions are examined:

- a. What was Japan's foreign policy towards the Arab-Israeli conflict during the first oil crisis of 1973, considering Japan's economic interests in the Middle East and the fact that Israel is a US ally?
- b. What was Japan's foreign policy regarding its economic interests with Iran during the Iranian Hostage Crisis of 1979 in the midst of the hostile relationship between Iran and the US?
- c. To what extent can Japan manipulate its limited margin of freedom towards the United States in order to preserve economic interests with a third party that has hostile relations with the United States?

This study describes, interprets, and contextualizes Japan's foreign policy in each case study. The method of collection of data for this paper relies essentially on primary sources as well as secondary sources, including official government documents, books, academic journals, and official news websites.

Having examined nine domestic and international factors and compared their influence in each case study, this study concludes the following:

The factor of economic development and natural resources had a stronger impact on the Japanese government's policy in the first case study. The first oil crisis came after a decade of economic prosperity and it was then that Japan first realized its dependence on Middle Eastern oil. By 1979, Japan was more conscious about the possible interruption of oil and the consequences of such an occurrence. Therefore, by the time the Iranian hostage crisis started, Japan had supplies of oil that could sustain it for more than three months and consequently, had a larger sense of security as reflected in some of its measures such as rejecting twice in thirty days the National Iranian Oil Company's oil offer due to its high price. In contrast, this study showed that Japan's vulnerability in during the oil crisis of 1973 guided some of its policies. For instance, it only took a week for Japan to declare a statement supporting OAPEC after the US refused to provide it with oil. This shows that oil supplies was a strong determinant in Japan's decision to support OAPEC and to go against what the US requested it to do.

Examining the political system shed light on the dynamics within the Japanese government and exposed the strong likelihood of a rise in disagreements within the government in times of crises. While the Ministry of Foreign Affairs (MOFA) wanted to consult with the US first, the Ministry of International Trade and Industry (MITI) prioritized oil supplies and oil prices and the latter's view was the one adopted in both cases. The influence of the political system on the government's policies was significantly stronger in the second case study. Indeed, the inter-ministerial disagreement that was created upon Iran's request for Japan to purchase its oil, led to a decision that had damaging consequences on Japan's alliance with the US. Despite MOFA's request to consult with the US before the purchase of the Iranian oil, MITI's only concern was the price. The structure of the Japanese political system is put into question as it allowed for disagreements of this nature to take place and reflected a lack of coordination between ministries and Japanese oil importers. Indeed, even after MITI's view eventually aligned with that of MOFA and when it asked Japanese companies to stop purchasing Iranian oil, its request was ignored and oil importers still purchased large amounts of spot oil at a high price. Several reasons were given by Japanese officials to explain the actions of oil importers and while some believed that the importers consciously dismissed MITI's order, others said that they had already ordered the oil before MITI's request reached them. This means that either MITI is not very influential or that there is a strong lack of coordination between the actors of the Japanese government.

The influence of the political parties on the Japanese government's policies in the first case study is difficult to assess since most political parties were in agreement with the government on the Palestinians' right for self-determination. However, regarding Japan's relationship with the US, the LDP wanted a focus on Japan's alliance with the US, while the Opposition Parties (OPs) wanted the government to support OAPEC. Eventually, the government's official position toward the Arab position in the Middle East was aligned with the OP's position that and not the LDPs. As for the interest groups, their influence on the government was stronger in the second case study. Indeed, the business sector, to avoid an over intervention from the government in its managing of the oil crisis of 1973, implemented measures to ensure that. Whereas, in the second case, the business sector initiated a collaboration with the government resulting in the nationalization of the IJPC project. Government officials perceives oil projects as part of their country's foreign

policy and therefore, the nationalizing of the IJPC project played a significant role in Japan's foreign policy towards Iran.

There is a possibility that the international law and international organizations had an influence on the Japanese government during the oil crisis and the Iranian hostage crisis. While this study concluded that OAPEC's use of economic force violated article 2(1) of the UN Charter, there is no indication that the Japanese government viewed it as a violation as well. If it did consider OAPEC's measure illegal, then this factor had no impact on the government's policies. However, if the Japanese government considered OAPEC's measures legal, it is therefore possible that Japan wouldn't have supported OAPEC otherwise. In that case, the international law and international organizations would have had an influence on the government's policies. In the second case study, Japan's policies were aligned with the ICJ's judgement. Therefore, while the option of a possible influence from the ICJ cannot be eliminated, the extent of that influence is difficult to evaluate.

The alliance with the US limited Japan more in the second case study than in the first one. In 1973, after the US refused to supply Japan with oil, the latter announced on November 22 its support to Arab countries and Japanese officials visited the Middle East and offered considerable amounts of economic aid to several countries in the region. Whereas, in the second case study, Japan took a pro-Iran decision early in the crisis but, following the pressure and criticism that it received from the US, its policies shifted to align with the latter's position.

The press and public opinion's influence was greater during the Iranian hostage crisis. During the first oil crisis, Japan's awareness on the Palestinian question was still low and the Japanese public never proposed any concrete policies to the government to create a change. As for the second case study, there was a strong wave of reactions from the public and the press following Japan's purchase of Iranian oil. Japanese public opinion and press as well as the US's reaction, strongly influenced the subsequent policies taken by the government in support of its ally. Since the Japanese public had a much deeper connection with the US than with Palestine, it seems natural for Japanese people and the press to be more active and react more strongly in the face of the US disapproval of the Japanese government's purchase of Iranian oil.

The influence of the international system on the government was stronger in the second case study because there was a direct collaboration between the European Community (EC) and Japan and an active effort to develop sanctions against Iran. The influence of the EC on Japan, in 1973,

was indirect since Japan was reacting to OAPEC's reaction to the EC's policies. It is when OAPEC approved the EC's statement and rejected the Japanese one that the latter started to deploy more efforts towards OAPEC. Despite the similarities in the EC and Japan's respective statements, the fact that OAPEC rejected the Japanese one supposes that it had higher expectations from Japan and that it possibly believed that Japan could influence the US more than European countries could.

The culture factor played a similar role in both case studies since the theory of comprehensive security was established as having guided Japan's foreign policy throughout the 1970s. The elements that reflected the existence of that theory were: a focus on ensuring an economic stability, the vagueness of Japan's statements toward OAPEC, its shifting policies during the Iranian hostage crisis, its diplomatic gestures, economic assistance, and the modeling of its steps to those of the EC.

As for the personality of the leader, Tanaka Kakuei proved that constitutional and administrative constraints could not prevent a prime minister from actively participating in the foreign policy making process. As for Ohira Masayoshi, he was strongly criticized by the Japanese public for lacking political leadership following inter-ministerial disagreement and the purchase of Iranian oil by Japan. Since Japan had enough oil supplies to last it more than a hundred days, this action was even less justifiable.

This study holds significance in several aspects and further explores the role of domestic factors on the Japanese government's policies, missing in the existing literature. By offering a complete analysis of the influence of domestic and international factors on the policies of the Japanese government, this study allows to understand who are the actors in charge of Japan's decisions and their respective responsibilities. It separates the country (Japan) from its actors. This study will need to be followed by further studies that tackle Japan's foreign policy during other crises and from different periods, a necessary step to get a more complete understanding of Japan's foreign policy towards the Middle East.

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INTRODUCTION

The defeat of Japan by the United States in the Pacific War, following three and a half years of bitter fighting, led to its surrender in August 1945 and consequently to the occupation of its territory by the Americans; an occupation regulated by a series of international documents, instructions from the American government to its commanding officer, and General MacArthur's private channel of communication with Washington.¹

The imbalance of power between Japan and the US was illustrated in 1951 when the Treaty of San Francisco was signed between Japan and the Allied Powers. Indeed, according to the treaty, the US had no obligation to defend Japan while having the right to use bases and troops located in Japan in order to intervene in disputes in other countries. On the other hand, Japan had no say over the stationing of nuclear weapons on its territory.

In 1960, the Treaty of Mutual Cooperation and Security replaced the Treaty of San Francisco and was considered to be an adjustment of the latter. According to articles 5 and 6 of this new treaty, the US now had the responsibility to defend the Japanese territory and to establish a permanent military presence in Japan. However, the new treaty still represented an asymmetrical relationship between the US and Japan, in which one country's security was completely dependent on the other. In order to avoid becoming involved in Cold War politics, Japan adopted an inconspicuous security policy and minimized its contribution to the US-Japan alliance.²

In the 1970s, the fast transforming geopolitical situation led to a change in the dynamics of Japanese-American relations. Indeed, following the failure of the US's involvement in Vietnam, on top of the approximate military parity with the West achieved by the Soviets, Japan sensed a diminished American commitment towards Asia and the Far East. Furthermore, the Japanese fear of US abandonment deepened following the American rapprochement policy towards China, and the establishment of Sino-American talks without the prior knowledge of the Japanese.

¹ Roger Buckley, *US-Japan Alliance Diplomacy 1945-1990* (Cambridge: Cambridge University Press, 1995), 6.

² Matteo Dian, *The Evolution of the US-Japan Alliance: The Eagle and the Chrysanthemum* (Oxford: Chandos Publishing, 2014), 59.

Combined, these factors led to an increase in Japanese autonomy through the 1970s and a revision of the guidelines of the alliance in 1978 which enhanced the level of cooperation between the US and Japan.³

There were some instances during which Japan took a divergent position from the one taken by the US, demonstrating that it could be autonomous from its main ally. One example is the Iranian revolution that took place in Iran in 1979. The revolution illustrated a radical change in the position of Iran towards the US and changed their status from friends to enemies. Furthermore, after the Shah of Iran, Mohammad Reza Pahlavi, was exiled from the country, his successor, Ayatollah Khomeini, established an Iranian republic, thus ending 2,500 years of Persian monarchy. Japan, which was being protected by the US at that time from the Cold War and from other threats in Asia, initially reacted by blocking all contacts with Iranian leaders and suspending the economic assistance that had been provided to Iran up until that time. However, Japan eventually decided that isolating the new Iranian regime would not have the desired effect and so officially recognized it. Japan risked its relationship with the US in order to avoid jeopardizing the Iranian oil supply.⁴ Consequently, it is of interest to examine if Japan, having prioritized its energy security at the expense of its relationship with its ally, would take the same or a different path during the first oil crisis as well as during the Iranian hostage crisis.

It is important to point out that that both case studies take place during the Cold War and that the reasons and motivations behind certain US policies toward the Middle Eastern conflicts were directly related to its dynamic with the Soviet Union. Indeed, during the Cold War, the US aimed to contain the Soviet Union politically, economically, and militarily. To satisfy that purpose, the US implemented a series of policies such as the promotion of economic prosperity that necessitated the control of world oil.⁵ Therefore, the oil crises in 1973 and 1979 put into question

³ Ibid., 101.

⁴ Morgane Humbert, *Japanese-Iranian Diplomacy: Energy and American interference: Reconciling the irreconcilable* (Editions L'Harmattan, 2015), 37.

⁵ David S. Painter, "Oil and Geopolitics: the Oil Crises of the 1970s and the Cold War," *Historical Social Research* 39, no. 4 (1970), <https://doi.org/10.12759/hsr.39.2014.4.186-208>, 203.

the supremacy of the US in the international scene and challenged the US's goal to control world oil.

By 1970, the US oil production had reached its peak with 9.6 million barrels a day. Therefore, the US became more and more dependent on oil imports that were closing the gap between its oil production and consumption. By the time the first oil crisis took place in 1973, the US's oil imports had doubled to reach a total of 36%. This meant that the US was incapable of providing its allies with oil in times of crises and oil embargos. Consequently, the oil crises in the 1970s and the conflicts between the US and the Middle East at that time, led the US to worry about not being able to preserve an access to Middle Eastern oil and have its influence decreased.⁶ The fact that the crises in the Middle East opened the door for the Soviets to increase their influence in the region only raised the US's concerns. Indeed, following the Yom Kippur War, the Soviet Union's exports of arms and military equipment to developing countries in the Middle East increased since the high oil prices allowed those countries to increase their imports. For the majority of their sales, the Soviets obtained hard currencies or oil that they later exchanged for hard currency. Between 1974 and 1984, the Soviets earned about \$19 billion in hard currency and \$23 billion in soft currency from selling weapons. From the earnings of their oil exports, they imported large amounts of grain and food to compensate their unsuccessful harvests and to bring Western technology into their country that could advance their military potential.⁷

Furthermore, when the Soviet Union invaded Afghanistan in December 1979, it confirmed the US's worry that the latter was taking advantage of the regional chaos including the Iranian hostage crisis to satisfy its interests which include the direct access to the Indian Ocean if Afghanistan and Pakistan were to have been successfully invaded. The invasion of Afghanistan modified US's policy as it delayed its plan to launch a military attack on Iran.⁸

⁶ Ibid.

⁷ Ibid., 195.

⁸ Ibid., 200.

Research objective

This study allows to understand if and how, in an asymmetric alliance between two countries (in this case the US-Japan alliance), the weaker state (Japan) can manipulate its limited margin of freedom to satisfy its interests with a third party that has hostile relations with the stronger power (US). Various authors have defined an asymmetric alliance in different ways and the one adopted in this dissertation is by James Morrow, which states: “The minor power will make autonomy concessions to the major power in return for the security the major power can provide.”⁹

Additionally, this paper aims to determine which factor(s) influenced foreign policy decision-making in Japan during the first oil crisis and the Iranian hostage crisis. It also plans to examine whether foreign policy during the Iranian hostage crisis had changed from that during the 1973 oil crisis.¹⁰

Research relevance

The cases selected for this dissertation are critical because both have had significant short- and long-term implications on the general course of Japanese foreign policy. Therefore, an integral examination of both domestic and external components of Japanese foreign policy will help open the black box of foreign policy decision-making processes in these two cases to allow us to understand, highlight, and draw conclusions about the nature of Japan’s foreign policymaking process and diplomatic strategy. Furthermore, examining and comparing the factors behind a

⁹ James D. Morrow, “Alliances and Asymmetry: An Alternative to the Capability Aggregation Model of Alliances,” *American Journal of Political Science* 35, no. 4 (November 1991): 904–933, <https://www.jstor.org/stable/2111499>.

¹⁰ Malang Bojang, “Domestic factors affecting foreign policy decisionmaking process: The case of the Gambia,” in 3600 With Youth 4th International Student Conference (Manisa, Turkey, 2018), https://www.researchgate.net/publication/325579786_DOMESTIC_FACTORS_AFFECTING_FOREIGN_POLICY_DECISION-MAKING_PROCESS_THE_CASE_OF_THE_GAMBIA.

country's policies in particular and its behavior in general can be used to foresee future actions and to better predict, control, and possibly even avoid potential global conflicts.¹¹

Even though there is an increasing number of studies that focus on the role of certain domestic factors in Japanese foreign policy, the role and perceptions of Japanese policymakers have been neglected by existing studies which concentrate on states as individual actors. The current dissertation puts under light those undervalued and important factors. Indeed, even during the Cold War years, when the international system was seen as the most important determinant of the foreign policy behavior of states, a number of scholars showed that decision-making processes still mattered and had the capability to diminish or amplify the influence of international systemic factors.¹²

Research questions

This research aims to shed light on the policies that Japan adopted in two separate instances. The first was during the 1973 oil crisis and the second during the Iranian hostage crisis in 1979, following the Iranian revolution.

The two case studies share the crucial similarity of Japan's delicate position in both conflicts. Indeed, in the crisis of 1973, Japan found itself in a position in which it had to conciliate between Israel, the US's ally, from one side and the Organization of Arab Petroleum Exporting Countries (OAPEC) from the other. With Japan and Israel both being allies of the US, Japan had to navigate carefully its relationship with Israel. At the same time, in 1973, the Middle East was the main source of Japan's oil imports which meant that securing oil from that region was crucial to Japan. Similarly in 1979, Japan found itself again in a difficult position during the Iranian hostage crisis,

¹¹ Juliet Kaarbo, Jeffrey S. Lantis, and Ryan K. Beasley, "The Analysis of Foreign Policy in Comparative Perspective," in *Foreign Policy in Comparative Perspective: Domestic and International Influences on State Behavior*, 2nd ed. (California: SAGE Publications, 2013).

¹² Esra Çuhadar-Gürkaynak and Binnur Özkeçeci-Taner, "Decisionmaking Process Matters: Lessons Learned from Two Turkish Foreign Policy Cases1," *Turkish Studies* 5, no. 2 (2004): 43–78, <https://doi.org/10.1080/1468384042000228594>.

a conflict between the US and Iran. On one side, Japan had to honor its obligation to stand by its ally, the US, while preserving its economic interests with Iran on the other.

Apart from the similarity in both instances regarding the position of Japan, one main difference sets the cases apart. During the first oil crisis, the interests Japan had with Palestine were mostly indirect because its main motivation was to have friendly relations with the supporting Arabic countries with whom it shared economic interests. In the same vein, the desire of Japan to avoid a complication in its relationship with Israel came from the fact that its ally, the US, was also an ally of Israel. On the contrary, in 1979, the interests that Japan shared with both the US and Iran were direct since the US was its direct ally and Iran shared economic interests with Japan directly.

Consequently, this paper's main research question is the following:

- Which factors influenced Japan's foreign policy towards the Arab-Israeli conflict and the Iranian hostage crisis in light of the indirect and direct relations between the concerned parties?

In order to answer this question, three sub-questions will be examined:

- a. What was Japan's foreign policy towards the Arab-Israeli conflict during the first oil crisis of 1973, considering Japan's economic interests in the Middle East and the fact that Israel is a US ally?
- b. What was Japan's foreign policy regarding its economic interests with Iran during the Iranian Hostage Crisis of 1979 in the midst of the hostile relationship between Iran and the US?
- c. To what extent can Japan manipulate its limited margin of freedom towards the United States in order to preserve economic interests with a third party that has hostile relations with the United States?

These questions will be answered by referring to the factors presented by Alieu S. Bojang¹³ which determine a country's foreign policy and by examining the ones that had the most important influence on Japan's foreign policy towards Iran.

Literature Review

In order to better understand a country's foreign policy, it is important to focus on the role of both domestic and international factors behind that country's policy. But despite having an increasing number of studies that focus on the influence of certain domestic factors in Japan's foreign policy, the role and perceptions of Japanese policymakers has been neglected by most existing studies, which concentrate on states as individual actors. Decision-making processes are too crucial to be overlooked and even during the Cold War years when the international system was seen as the most important determinant of the foreign policy behavior of states, a number of scholars showed that decision-making processes had the capability to diminish or amplify the influence of international systemic factors.¹⁴

There is, however, a number of studies that focus on Japan's domestic policy toward the Middle East such as the one by Yamakoshi Atsushi with *A study on Japan's Reaction to the 1973 Crisis* in 1981. Yamakoshi examined Japan's reaction to the 1973 oil crisis on a political, economic, and business level. He concluded that Japan could deal with the crisis efficiently due to the commitment of different sectors including the government, the private sector and the business community, to reach a practical solution rather than setting fixed actions aimed at reaching that solution. Although Yamakoshi talks about the political aspect of Japan's reaction to the oil crisis, it is primarily in the context of the crisis. This means that Japan's policy toward the Arab-Israeli conflict is studied to better understand the oil crisis and not the other way around, as it is in this study. Still, Yamakoshi offers a great contribution in understanding the interactions

¹³ Alieu S. Bojang, "The Study of Foreign Policy in International Relations," *Journal of Political Sciences & Public Affairs* 06, no. 04 (October 18, 2018): 3, <https://doi.org/10.4172/2332-0761.1000337>.

¹⁴ Çuhadar-Gürkaynak and Özkeçeci-Taner, "Decisionmaking Process Matters," 44.

between the government, the private sector, and the business community towards the oil crisis, and by extension the Arab-Israeli dispute.

Yoshida Fumihiko tackles Japan's policies towards the Iranian hostage crisis with *Testing Models of Foreign Policy Decision-Making in Japan, using the Iranian Hostage Crisis, Moscow Olympics Boycott, and History Textbook Issue* in 1987. Among the three cases that Yoshida chose and that are mentioned in the title of his work, the focus of the current dissertation was on the part regarding the Iranian hostage crisis. In his study, Yoshida goes through a detailed and chronological description of the main events and policies taken by Japan throughout the crisis. Yoshida's study main purpose is to demonstrate through the above-mentioned case studies that there is no existing conceptual model of Japan's foreign policy decision-making process that can be set as a general model. It also aims to propose a quantitative technique to be used when studying the foreign decision-making process over a long period. Therefore, Yoshida's work is mostly focused on quantitative research, but it still greatly contributes to better comprehend all important events throughout the Iranian hostage crisis. In his evaluation of Japan's policies throughout the crisis, Yoshida focuses on its interaction with all involved parties including the US, Iran, and the European Community.

Some authors focused more on Japan's policies toward the Middle East in light of its alliance with the US. In other terms, those authors' studies have as a main purpose the evaluation of whether Japan could navigate between protecting its energy interests from one part and standing by the US from another. This relates to the third sub-question of this paper.

Yoshitsu M. Michael and Morgane Humbert both adopted this topic in their respective books *Caught in the Middle East: Japan's Diplomacy in Transition* in 1984, and "*Diplomatie Nippo Iranienne*" [*Japanese-Iranian Diplomacy*] in 2015.

Yoshitsu, in one of his book's chapters, examines the shift of Japan's foreign policy with the United States in the 1970s as it started to increasingly manage strategic, economic, and political matters independently from the US. More particularly, Yoshitsu focuses on the policies that Japan adopted during the Iranian hostage crisis in light of that transitional phase. As for Morgane, she studies the evolution of the diplomacy between Japan and Iran from 1929 until 2005, a period among which the Iranian hostage crisis took place in 1979. She explains that after the Iranian revolution and the hostage crisis that followed, relations between the US and Iran became

hostile. Therefore, Japan's task to maintain cooperative relations with Iran became complicated, due to the US's frequent interventions between them and the pressure it exercised on Japan to align with its policies. Yoshitsu and Morgane both reached the same conclusion that Japan succeeded in maintaining a balance between its interests in the Middle East and traditional ties with the US.

William Nester and Kweku Ampiah are added to the list of authors who examined Japan's navigation between its alliance with the US and its energy interest in the Middle East with *Japan's Oil Diplomacy: Tatemaie and Honne* in 1989. William and Kweku focus on the style of Japan's diplomacy and as the title of their work suggest on distinguishing between the two elements of "Tatemaie" and "Honne" in Japan's diplomacy. While "Tatemaie" refers to the behavior and opinions a country shows publicly, "honne" refers to its real intentions and desires. The authors suggest that Japan started to adopt the concept of comprehensive security from the first oil crisis in 1973 when Japan dramatically increased its diplomatic initiatives toward the Middle East. Comprehensive security consists in separating economy from politics and on constantly using diplomatic initiatives and adopting economic measures aimed at decreasing Japan's dependence on oil by diversifying its energy sources. William and Kweku offer an interesting approach since the majority of studies such as *Japan's Comprehensive Security Policy* by Akaha Tsuneo, consider that this concept of comprehensive security was not applied before 1980 when it was publicly declared by former Prime Minister Suzuki Zenko.

As can be seen several studies have presented research of high interest to the current dissertation including Japan's policy towards the Middle East following the 1973 oil crisis and towards Iran following the 1979 Iranian hostage crisis. While some authors examined primarily Japan's policy toward the Middle East and Iran like Yamakoshi and Yoshida, others like Yoshitsu and Morgane focused more on Japan's dilemma and navigation between its interests with the Middle East and its alliance with the US. Authors such as William and Kweku interpreted Japan's oil policy toward the Middle East in terms of the diplomatic style that Japan adopted which, according to them, was comprehensive security.

Despite the existence of those studies and the valuable contribution that they offer to a better comprehension of the topic, there is still a lack in the existing literature which exhibits two common problems. The older studies are usually missing significant documents that have

recently been declassified. Other studies have focused on providing a rather general description of the evolution of this relationship between the concerned parties: there is often a gap illustrated by a lack of depth crucial to grasp the real dynamics [between the relevant parties]. Furthermore, there is no known study comparing Japan's foreign policies during the 1973 oil crisis and the Iranian hostage crisis by direct and indirect relationships.

Research Method

To answer the questions presented in this dissertation, a qualitative research was conducted by describing, interpreting, and contextualizing Japan's foreign policy in each case study. In order to determine the change and continuity across foreign policies, this paper relies on the comparative method that allows to select and explore recurrent factors behind Japan's policies in the context of its indirect and direct relations, in 1973 and 1979, respectively.

In addition to aiding in policy-relevant research, comparison is the bedrock of many visions of analysis and of the scientific accumulation of knowledge. As James Rosenau argued in his seminal article that defined the study of foreign policy, it is "only by identifying similarities and differences in the external behavior of more than one national actor can analysis move beyond the particular case to higher levels of generalization."¹⁵

The method of collection of data for this paper relies essentially on primary sources as well as secondary sources, including official government documents, books, academic journals, and official news websites.

For the data analysis, the neo-classical theoretical framework will be used to determine which factor(s) are more compelling. Neo-classical realism is a result of foreign policy studies through studying both the structure of international systems and domestic factors and their complex interactions with each other.

¹⁵ James N. Rosenau, "Comparative Foreign Policy: FAD, Fantasy, or Field?," *International Studies Quarterly* 12, no. 3 (1968): 296, <https://doi.org/10.2307/3013508>, 308.

Selection of case studies

i. First case study

The first oil crisis in 1973 started with the Yom Kippur War, also known as the October war that took place from October 6 to 25, 1973. The trigger of the war was when Egypt and Syria's armed forces initiated a coordinated attack against Israeli placements in Sinai and Golan Heights in an attempt to take back the Arab territories captured by Israel during the Six-Day War of 1967. Through the Yom Kippur War, former president of Egypt, Anwar Sadat, was hoping to open the door for negotiations. As for Syria, its incentive to launch the attack was to take back the Golan Heights, occupied by Israel in 1967. In Judaism, Yom Kippur is considered to be a day of rest, fasting, and praying.¹⁶ Since there was no intensified tension in the Middle East before the war, the Arabic countries counted on surprising Israel with their attack so it would not be prepared. Indeed, Israel did not realize that there was an approaching attack until 4 a.m. on the morning of October 6.¹⁷ At first, Egypt forces crossed the Suez Canal and cease-fire lines before reaching the Sinai Peninsula. Three days later, Israel successfully blocked the Egyptian initiative which resulted in a military impasse. Syria, on the other side, planned an attack on the Golan Heights but was also blocked by Israel within three days, once it made gains into Israeli-held territories, and was pushed back to the ceasefire lines of before the war. Once the Israeli artillery began to fire on the outer parts of Damascus, Sadat ordered Egypt's forces to go back on the offensive, but their attack was rebuffed, and Israel counterattacked. It took two ceasefires by the United Nations and heavy fatalities on both sides for the war to end on October 25.

The Yom Kippur War led to the first global oil crisis, which took place from October 1973

¹⁶ Mohamed Abdel Ghani el-Gamasy, *The October War: Memoirs of Field Marshal El-Gamasy of Egypt* (Cairo: The American University in Cairo Press, 1993), 181.

¹⁷ Istvan S. Pogany, "The Security Council and the Yom Kippur War," in *The Security Council and the Arab-Israeli Conflict* (Aldershot: Gower, 1984), 115.

Until March 1974. It started when the members of OAPEEC imposed an oil embargo on nations that were suspected of having supported Israel during the Yom Kippur War.¹⁸

As a general rule, most OAPEEC members decreased their exports to limit the options of countries from which embargoed countries could obtain oil.¹⁹ Following a meeting in Kuwait on October 17, 1967 OAPEEC decided to cut their production by 5% and an additional 5% every month until the withdrawal of Israel. On November 4, 1967 OAPEEC decided to make more cutbacks reaching 25% with an extra 5% for the month of December.²⁰ OAPEEC separated the nations into three categories: friendly nations which received their usual production quotas; neutral nations which were imposed the general production cutbacks; and unfriendly nations which faced a full embargo.²¹ The first countries on which the embargo was imposed were the United States, who supplied Israel with weapons, and the Netherlands for its military assistance. The amount of oil received by other countries, including Japan, depended on their position regarding Arab countries in their conflict with Israel.

In this dissertation, Arab countries refer to OAPEEC members and Palestinians.

ii. Second case study

From the end of 1978 until the beginning of 1979, Iran witnessed an Iranian revolution.²² The revolutionaries were the leaders of the opposition against the US. The Iranians perceived the US as a threat to their religious and cultural values to which they should oppose. They also accused the US of monopolizing trade concessions, influencing the Shah Mohammad Reza Pahlavi, and

¹⁸ “The Price of Oil - in Context,” CBC News, April 18, 2006, <https://web.archive.org/web/20070609145246/http://www.cbc.ca/news/background/oil/>.

¹⁹ Roy Licklider, “The Power of Oil: The Arab Oil Weapon and the Netherlands, the United Kingdom, Canada, Japan, and the United States,” *International Studies Quarterly* 32, no. 2 (1988): 205, <https://doi.org/10.2307/2600627>.

²⁰ Nester and Ampiah “Japan's Oil Diplomacy”, 77

²¹ Ibid.

²² Kazuhiko Tōgō, *Japan's Foreign Policy, 1945-2009: The Quest for a Proactive Policy* (Leiden: Brill Publishers, 2010), 293.

treating the Iranians unequally by paying higher salaries to Americans. Furthermore, the US was held responsible of the economic and cultural shock in Iran that caused a strong inflation and an outbreak in the prices of housing and foodstuff. Turmoil and instability dominated the daily life in Iran and the pressure on the shah to leave the country kept on increasing until January 16, 1979, when the shah and his wife Empress Farah left to Egypt where they were welcomed by the Egyptian president, Anwar Sadat.²³

On February 1, 1979 the leader of the Iranian revolution, Ayatollah Khomeini, returned to Iran after he was exiled from it in 1964. The reason of his exile was that in 1962-1963, Khomeini opposed the shah's reduction of religious estates in a land-reform program and spoke against the liberation of women. He was imprisoned for a year before being forced to leave the country where he first went to Iraq and stayed until 1978 and then went to live in a suburb of Paris. Even from outside the country, Khomeini kept on fighting against the shah and for the establishment of an Iranian republic in Iran. Khomeini's influence in Iran started to increase during the mid-1970s due to the growth of the Iranian's discontent with the shah's regime, paving the way to his popularity after his return to Iran, following the shah's exile. It only took him 4 days to designate a new government and by December Iran became officially an Iranian republic. This social and economic discomfort that led to the Iranian revolution, also led to a second oil crisis in 1979 where the price of oil was doubled.

Shortly after, the Iranian hostage crisis took place on November 4, 1979. The direct trigger was when Carter reluctantly allowed the shah to come to the US for treatment on October 22 after he had been diagnosed with terminal cancer.²⁴ This action was perceived by Iranians as an American interference in their affairs and strengthened radical Iranians' conviction that there might be a plot between the shah and Americans, aimed to take down Ayatollah Khomeini's regime.²⁵ The Iranians' suspicions of a plot between the US and the shah coupled with the resentment towards the US that was building up during the shah's reign led to the Iranian hostage

²³ Ernest Tucker, *The Middle East in Modern World History* (NY: Routledge, 2016), 290.

²⁴ Ibid.

²⁵ David Patrick Houghton, *US Foreign Policy and the Iran Hostage Crisis*, vol. 75 (Cambridge: Cambridge University Press, 2001), 58.

crisis. On November 4, a group of Iranian students gathered outside the US embassy, climbed its walls, and took hostage the sixty-five Americans that were inside.²⁶

The next day, Khomeini approved the embassy takeover and Iran proceeded by abrogating the Cooperation Treaty that was concluded with the US in 1959.²⁷ When President Carter sent a letter to Khomeini with former Attorney General Ramsey Clark, and Senate Intelligence Committee staff chief, William Miller, in which he requested the hostages be released, Khomeini refused to meet with them.²⁸

The relationship between the US and Iran severing even more, Japan's will to secure its energy interests with Iran and to avoid angering the US became further complicated to ensure.

iii. Similarities and differences between both case studies

There are two main elements to be pointed out regarding the similarities in both case studies.

The first one is that in both the first oil crisis and the Iranian hostage crisis, Japan had important energy interests with the Middle Eastern party involved. Indeed, following the oil crisis, OPEC threatened the countries who would not take a strong position in favor of the Arab nations in their conflict against Israel, with oil cuts. Japan was among the countries that were at risk of having an oil embargo imposed at them. Declaring a pro-Arab position was not enough as narrated below and Japan had to take additional diplomatic and economic measures to be on the friendly side of Arab countries. During the Iranian hostage crisis, the US imposed an embargo on Iran with the exception for food and medicine. It also implemented a series of sanctions against Iran and needed

²⁶ Ibid., 51.

²⁷ "Case Studies in Economic Sanctions and Terrorism Case 79-1 US v. Iran (1979–81: Hostages)," Peterson Institute for International Economics, accessed December 11, 2021, <https://www.piie.com/publications/papers/sanctions-iran-79-1.pdf>.

²⁸ Letter from Jimmy Carter to Ayatollah Ruhollah Khomeini regarding the Release of the Iranian Hostages, 11/06/1979, File Unit: Iran: 11/1-14/79; JC-NSA: Records of the Office of the National Security Advisor (Carter Administration), 1977 - 1981; Jimmy Carter Library, Atlanta, GA, accessed December 12, 2021, <https://www.archives.gov/historical-docs/todays-doc/?dod-date=1106>.

the support of its allies including Japan and the European Community (EC). Japan was in a similar situation as in 1973 since its energy interests with Iran were at risk here as well. Indeed, Iran did not want US's allies to join the US sanctions or it would stop providing them with oil. In addition to its oil supplies from Iran, Japan was working on a project with Iran called IJPC (developed in the third section of the second chapter) that was also threatened. This project was Japan's largest private overseas investment and its loss would have had severe consequences on Japan's economy.

The second main element to point out is that, in both cases, the US was requesting Japan to do exactly the opposite of what the Arab countries (in the first case) and Iran (in the second case) wanted. The US exercised pressure on Japan, as shown in the first section of chapter 3, during a series of meetings among which the one between Prime Minister Tanaka Kakuei and US Secretary of State Henry Kissinger in the first case study and the one between US Secretary of State Cyrus Vance and Japanese Foreign Minister Okita Saburo in the second case study. Therefore, Japan was stuck in a situation where it had to navigate between supporting its ally from one side and protecting its energy interests from the other.

As for the difference between both case studies, the main one is in the dynamics between the different parties involved. During the first oil crisis, in order to avoid an oil embargo from OAPEC, Japan had to state its support for the Arab position in the Middle East. The Palestinian problem, being at the core the Arab-Israeli conflict, Japan's relations with Arab countries tightly depended on its position on the Israeli-Palestinian conflict. Therefore, in studying Japan's policy toward the Arab-Israeli conflict, several elements are examined through the angle of its policy towards the Israeli-Palestinian conflict. Since Japan's energy interests were with OAPEC and not with Palestinians, the policy of Japan to ensure its interests with OAPEC is often studied indirectly through its relationship with Palestine. Furthermore, despite not being its ally, Japan still had to take into consideration its relationship with Israel upon the US's request. Indeed, since the US is Israel's ally, avoiding a complication of its relationship with Israel meant, in this case, supporting the US. As for the second case study, Japan's security and energy interests were with the US and Iran, respectively, both being directly involved in the conflict. Therefore, the relationship between interests and policy in the first case study was indirect, whereas it was direct in the second study.

Organisation of the thesis

This dissertation is divided into two main parts and contains a total of 6 chapters. The first part explores the interaction between the nine factors behind Japan's foreign policy and contains 4 chapters.

Chapter 1 provides a description of the evolution between the concerned parties from both case studies. It examines the evolution of the US-Japan alliance and the historical evolution between Japan and Arab oil producing countries as well as the one with Iran.

The factors behind Japan's foreign policy are divided into the following three chapters. Chapter 2 includes the ones that were a direct consequence of the oil crisis in 1973 and the Iranian hostage crisis in 1979. These factors are the economic development and natural resources, political system, political parties and interest groups, and international law and organizations. Chapter 3 includes the three factors that constituted a reaction to the above-mentioned factors. These factors are the alliances, the press and public opinion, and the international system studied through the European Community. As for chapter 4, it tackles the two factors that consisted in the way and method that the Japanese government dealt with the first seven factors. These two factors are the culture and the personality and character of the leader.

Part two consists of the analysis and discussion and contains two chapters-5 and 6. Chapter 5 examines the influence of the nine factors on the policies of the Japanese government in each case study separately. As for chapter 6, it compares both case studies in order to determine the similarities or changes in the influence of the same factor in different case studies.

**PART I. THE INTERACTION BETWEEN THE FACTORS BEHIND JAPAN'S
FOREIGN POLICY**

**CHAPTER 1. HISTORICAL EVOLUTION OF THE RELATIONSHIPS BETWEEN
CONCERNED PARTIES**

I. The evolution of the US-Japan alliance

(1) The 1960s

The Treaty of Mutual Cooperation and Security that replaced the Treaty of San Francisco was signed in 1960.¹ Among the changes that the renewed treaty declared was the elimination of the provision that permitted American military intervention in Japan. Furthermore, the treaty gave the US and Japan the right to terminate the agreement after a period of ten years and required consultation before American forces deployed in combat from Japanese bases or placed nuclear weapons on Japanese soil.

Moreover, article 5 of the treaty gave the US an obligation to defend Japan against any external threat and article 6 allowed the US forces to use Japanese facilities and areas in order to guarantee Japan's security as well as the security of the Far East.

As for article 2 of the treaty, it stipulated that Japan maintain its own self-defense force.² This period also marked the end of the administration of the American president, Dwight D. Eisenhower and the beginning of the administration of his successors, John F. Kennedy and Lyndon B. Johnson. While Eisenhower used a massive retaliation approach as a strategy to contain communism, Kennedy and Johnson had different approaches in favor of a more flexible response.

¹ Matteo Dian, *The Evolution of the US-Japan Alliance: The Eagle and the Chrysanthemum* (Oxford: Chandos Publishing, 2014), 27.

² *Ibid.*, 41.

The 1960s “represented one of the peaks of intensity of the Cold War military struggle.”³ The competition between the US and the USSR led to an increase in their military spending. The military spending of China continued to be far behind the US and the USSR but showed a gradual increase in military spending.

Moreover, the US and Japan faced several threats due to the East Asia environment during this period and Japan’s main concern was to avoid being pulled into Cold War politics in direct or proxy clashes. Moreover, Japan tried to reduce its role in the alliance to escape any mandatory commitments.

Eventually, Japan managed to achieve minimal military cooperation with the US and avoided getting involved in any military disputes that took place in East Asia.

It is important to note that the Japanese foreign and security policies through the Cold War era and beyond were shaped by the Yoshida Doctrine. This doctrine was set up in the 1950s by the first post-war Japanese Prime Minister Yoshida Shigeru who sought an alliance with the US that could protect Japan from the Soviet threat and boost Japanese internal political stability. This doctrine encouraged Japan to focus on its natural energy resources, and economic reconstruction while leaving the matter of Japanese security to the US under the US military umbrella.

Furthermore, the Yoshida doctrine was rooted in article 9 of the Japanese Constitution which prohibits Japan from using force or to maintain war potential but allows for a self-defense force. However, the low-profile security policy that Japan adopted not only reduced its role within the alliance, but also prevented it from accomplishing diplomatic autonomy. For instance, Japan was forced by the US to adopt the one-China policy in favor of Taiwan which led to cutting all diplomatic communication with Beijing.

(2) The 1970s

The 1970s were marked by two main events: the Nixon Doctrine and the revision of the guidelines of the alliance in 1978.

- Nixon Doctrine

³ Ibid., 28.

On 25 July, 1969, the Nixon Doctrine was put forth by US President Richard Nixon at a conference in Guam. This doctrine marked the beginning of the American withdrawal from Asia and contained three main principles.

The first principle declared that the US would keep its treaty commitments and the second affirmed that the US would protect its allies and other countries who were considered important to the US's security, from threats resulting from a nuclear power. Lastly, when faced with invasions where conventional weapons were used, the allies were expected to protect themselves by preparing the required military support.⁴

The idea of the doctrine was that peace would be achieved through a partnership with the US's allies. Moreover, Nixon's national security advisor, Henry Kissinger, stated, "The US will participate in the defense of allies but America cannot and will not conceive all plans, design all programs, execute all decisions and undertake all the defense of the free world nations." He added, "Our interests will shape our commitment rather than the other way around."⁵

The strategy of a flexible approach was revised by the Nixon administration when the US government realized that this strategy was draining American resources and creating domestic chaos. The Nixon administration aimed at "promoting détente with the USSR, opening up to China and trying to disengage from Vietnam."⁶

The US intervened in the Vietnam War in order to block Soviet and Chinese expansion. Six years later, the US had to persuade both communist powers to leave Indochina. This led the US to pursue détente with the Soviet Union and to recognize its inability to endure the consequences of containment in Europe and Asia. Moreover, the US witnessed an economic and military overstretch which forced it to acknowledge its limited ability.

The Japanese government worried that the US would abandon Japan by not being able to protect it, and the two Nixon shocks that followed confirmed this concern.

⁴ Makoto Iokibe and Tosh Minohara, *The History of US-Japan Relations: From Perry to the Present* (Singapore: Palgrave Macmillan, 2017), 172.

⁵ Dian, *The Evolution of the US-Japan Alliance*, 81.

⁶ Ibid.

The US began opening up to China through Sino-American talks. Kissinger believed that “excluding a country of the magnitude of China from America’s diplomatic options meant that America was operating internationally with one hand tied behind its back.”⁷ However, as the US did not inform Japan about these talks through official channels, Japan believed that the US was trying to replace Japan with China as a tool for containment in Asia.

The second Nixon shock started on August 15, 1971 when Nixon declared a new economic policy in which he proposed tax cuts and a freeze on prices and wages for a period of 90 days. The aim of the proposed changes was to generate more and improved jobs and reduce the cost of living. Another proposition was to suspend the conversion of the dollar into gold to “protect the dollar from attacks of international money speculators.”⁸ Additionally, Nixon declared a 10 percent tariff on all imported products.

Nixon’s new economic policy soon became known as the “Dollar Shock”, which marked the end of the Bretton Woods monetary system that was based on fixed exchange rates. It was replaced by the system of floating exchange rates.

This constituted another indication of the hegemonic crisis that touched the US during this period and changed the environment in which Japan had developed its security strategy. Furthermore, when Jimmy Carter was elected US president in 1977, Japan anticipated that his administration would apply the Nixon Doctrine which called on Asian countries to prepare their own first line of defense with the US providing military support exclusively from the sea and air. These developments led to a redefinition of the US-Japan Security Treaty.

- The revision of the alliance’s guidelines

It is important to note that the letter of the treaty was not modified. In the Guidelines for Japan-US Defense Cooperation, the modified political settings became official in 1978 and indicated a reaffirmation and a renewal of the alliance.

⁷ Iokibe and Minohara, *The History of US-Japan Relations: From Perry to the Present*, 172.

⁸ “Nixon and the End of the Bretton Woods System, 1971–1973,” Milestones-1969-1976, Office of the Historian, Public Affairs Bureau, US Department of State, accessed April 12, 2021, <https://history.state.gov/milestones/1969-1976/nixon-shock>.

Among the main aspects of the guidelines were the institutionalization of Japan's obligation to organize efficient ways of self-defense and the description of Japan's independent military contribution when explaining the requirements necessary to resist an aggression on Japanese territory. In this context, the US's role would be to support Japan in case the latter was not able to deter the aggression, to take care of areas outside the scope of the Self Defense Forces (SDF), and to provide nuclear deterrence and forward placement of combat troops.

The renewal of the alliance created key improvements and mutual coordination and collaboration between the SDF and the US army and allowed Japan to acquire "its own functional capacity to fall back on."⁹ Overall, the renewed alliance represented one of the most important developments in the alliance since the signing of the Treaty of Mutual Cooperation and Security in 1960.

II. Japan's relations with Arab oil producing countries: A historical evolution

The oil crisis that followed the Yom Kippur War in 1973 motivated Japan to elaborate a clearer policy towards the Middle East but relations between those two regions existed well before that period. During the Meiji Restoration, Japanese and Arab merchants connected their respective regions through trade using the Silk Road.¹⁰ The ties between Japan and the Middle East strengthened through cotton and textile trade during the interwar period.¹¹ However, the amount of trade was not significant and up until the Second World War, only two Japanese legations were established in Arabic countries, one in Egypt and one in Iraq, and three consulates in Beirut, Alexandria, and Casablanca.¹²

In 1952, Japan shifted from coal to oil thus, while only 7 % of Japan's energy needs depended

⁹ Dian, *The Evolution of the US-Japan Alliance*, 89.

¹⁰ Juzo Kimura, "Japan's Middle East Policy: Impact of the Oil Crises," *Kobe University Law Review* (2006), 17–37: 20.

¹¹ The interwar period was the period between the end of the first world war and the beginning of the Second World War. It represented a time of important changes.

¹² Kimura, "Japan's Middle East Policy," 20.

on oil, its dependence started to gradually increase from that year along with the growth of its economy.¹³ As for its post war diplomatic relations with the Middle East, they were first established with Israel and Egypt in 1952, Saudi Arabia in 1954, Iraq in 1955, Libya in 1957, and Kuwait in 1961. Envoys were exchanged with Bahrain, Oman, Qatar and the United Arab Emirates after 1971. Oil and trade were the main incentives for these relations.¹⁴

By the mid-1960s, Japan was the third nation behind the United States and Soviet Union to consume oil globally. Its dependence on Middle Eastern oil reached 75% and by 1973, Japan was already the leading importer of Middle Eastern oil.¹⁵

The dependence of Japan on Middle Eastern oil was triggered by its low production costs and its large amount of reserves. For example, the cost of a barrel of crude oil was around 3 dollars in the second half of the 1950s, 2.30 dollars in 1960, 1.90 dollars in 1965, and 1.80 dollars in 1970.¹⁶ As a result, Japan's policy towards the Middle East was primarily based on economic dimensions, specifically oil, and its political involvement in the region was limited.

Indeed, in both Arab-Israeli wars preceding the Yom Kippur one, Japan kept a low political profile.

In the war of 1956¹⁷ when the Arab league requested Japan to declare its position on the matter,

¹³ William Nester and Kweku Ampiah, "Japan's Oil Diplomacy: Tatemaie and Honne," *Third World Quarterly* 11, no. 1 (1989): 72–88, <https://www.jstor.org/stable/3992221>, 75.

¹⁴ Sezai Özçelik, "The Japanese Foreign Policy of the Middle East Between 1904-1998: Resource, Trade and Aid Diplomacy," *Humanity & Social Sciences Journal* 3, no. 2 (2008): 129–142, 130.

¹⁵ Nester and Ampiah "Japan's Oil Diplomacy", 75.

¹⁶ *Ibid.*, 75.

¹⁷ The Suez Crisis, also known as the Second Arab-Israeli War, was when Israel, followed by France and the UK, invaded Egypt in 1956 to eliminate its president Gamal Abdel Nasser after he nationalized the Suez Canal and took back control of the canal for the western powers. Israel, the UK, and France eventually withdrew due to political pressure exercised by the US, the Soviet Union and the United Nations.

Japan vaguely said that the conflict should be resolved according to the UN charter and International Law.¹⁸ The state of mind of Japan in regards to its relations with the Middle East is well summarized in a statement made by MOFA and published in its Blue Book of 1957: “It is desirable that peace be maintained in this area in order for commercial relations between Japan and the Middle East to make smooth progress.”¹⁹

As for the war²⁰ of 1967, also known as the Third Arab-Israeli War, Japan avoided requests from the Arab countries to take a position. It was not until November 22, 1967 that Japan declared its support of Resolution 242 that called for Israel to withdraw from the occupied territories. In parallel though, Japan also stated its support of Resolution 338, which did not mention Palestine’s rights but recognized the right of existence of all nations, including Israel.²¹

III. Japan’s relations with Iran: A historical evolution

Official diplomatic relations between Japan and Iran were established under the reign of Reza Shah Pahlavi in 1929. They resulted from commercial relations when on March 30, 1929 a temporary commercial treaty was signed by representatives from Japan and Iran. During the same year, the temporary legation that the Japanese had established in Iran in 1926 became permanent.²² The commercial relationship between Japan and Iran started to gradually improve, and by 1939 Japan became Iran’s second largest trading partner. During that time, Iran’s exports

¹⁸ Nester and Ampiah “Japan's Oil Diplomacy”, 76.

¹⁹ Ibid.

²⁰ The third Arab-Israeli war or the Six-Day War took place from June 5 to 10, 1967. It was an armed conflict between Israel and an alliance of Arab countries that included principally Jordan, Syria, and Egypt. One of Israel’s main purposes was to reopen the Straits of Tiran that were shut by Egypt from 1950. Israel ended up withdrawing with an assurance that the Straits would stay open. The United Nations Emergency Force, aimed at preserving peace, was positioned along the border between Egypt and Israel but no demilitarization settlement between both parties was installed.

²¹ Nester and Ampiah “Japan's Oil Diplomacy”, 76.

²² Humbert, *Japanese-Iranian Diplomacy*, 19.

to Japan were twice as much as they were in 1924-1925 with raw cotton being the most important Iranian product while Iran's imports from Japan were twelve times more than what they were a decade earlier with cotton fabrics being considered the most important Japanese product.²³

However, two years after the beginning of World War II and more particularly in 1941, the Soviet and British armies invaded and occupied Iran. As a consequence, Reza Shah abdicated, Iran was forced into the Tripartite Treaty, and all diplomatic relations were cut with Japan and the Japanese legation in Iran was closed.²⁴

The situation between Japan and Iran started to gradually improve again after the end of the war in 1945. Indeed, in 1947, trading between Japan and Iran resumed and by 1956 Japan ranked as the fourth largest importing nation and the eleventh largest exporting country for Iran.²⁵ Furthermore, despite the fact that the state of war between Japan and Iran officially ended when the latter signed the Treaty of San Francisco in 1951, it was not until 1953 that diplomatic relations between them resumed when the Japanese envoy to Iran Hirose and the Iranian Minister of Foreign Affairs Allah Entezam agreed to it. This period (1953) is an important period in the history of Iranian-Japanese relations as Japan started to have energy interests in Iran.

Before World War II, the main energy source that Japan relied on was coal. It soon became evident to Japan that the national industry of coal was not sufficient in supplying the increasing demand. Thus, Japan decided in 1953-1954 to turn to petroleum and use it as a main source of energy despite the fact that the national industry of petroleum could only supply up to 2% of the country's needs. As a result, by 1963, petroleum accounted for 60% of the total energy consumption in Japan.²⁶ Consequently, Japan turned to the Middle East as a main supplier of petroleum, a choice that was justified by the following reasons:

²³ Nobuaki Kondo, "JAPAN II. Diplomatic and Commercial Relations with Iran," Encyclopaedia Iranica, accessed December 19, 2021, <https://iranicaonline.org/articles/japan-ii-diplomatic-and-commercial-relations-with-iran>.

²⁴ Ibid.

²⁵ Ibid.

²⁶ Humbert, *Japanese-Iranian Diplomacy*, 23.

Firstly, the US used to be an exporter of petroleum and a supplier to Japan. However, after the end of the war in 1945 and the start of its economic expansion, the US became an importer of petroleum in the 1950s.

Secondly, the development of oil fields in Iran, Iraq, Kuwait, and Saudi Arabia allowed a rapid growth of the production of petroleum that were eventually adapted to Japanese needs.

Thirdly, almost all important Japanese refineries were associated with international petroleum companies in the early 1950s in order to obtain long term loans and a guaranteed supply of crude oil. These companies engaged Japan in long term contracts to purchase crude oil from sources that were principally designated in the Middle East.

Naturally, Japan became rapidly dependent on the Middle East for more than 80% of its petroleum needs in 1970.²⁷ In the early 1970s, Japan's principal trading partner for crude oil imports was Iran, the possessor of the third largest oil reserves globally, exporting as much as 1,505,554 barrels per day.²⁸ By 1973, Iran's crude oil was considered number one in Japan's oil imports, which was receiving 1,554 thousand barrels per day (31 per cent of Japan's total oil imports). By 1975, the number of daily barrels decreased to reach 1,122 thousand barrels. This fact pushed back Iran's rank to second behind Saudi Arabia but still with an important share of 24.8 per cent²⁹.

The reason behind Japan's preference to import petroleum from Iran toward the end of the 1960s was because Iran was considered safer than other Middle Eastern countries in regards to the Israeli-Arab conflict due to Iran not being an Arab nation.

Japan's relationship with the Middle East became complicated after the first oil crisis and the formulation of a policy towards the Middle East started to become more relevant.

²⁷ Ibtisam Habchi and Faten Al-Elaoui, "The October 1973 war and Its Repercussions on the Oil Market." (dissertation, People's Democratic Republic of Algeria Ministry of Higher Education and Scientific Research, 2020), 65.

²⁸ Ibid., 25.

²⁹ Raquel Shaoul, "Japan's Energy Security Policy Towards Iran (1979–2010)," in *Secure Oil and Alternative Energy* 27, ed. Mehdi P. Amineh, (Oxford: Brill Publishers, 2012), 249.

At that time, Japan was on friendly terms with Iran and chose it as the first country that the Vice Prime Minister Miki Takeo should visit on his trip to the Middle East. Iran was given a special priority due to the popularity of the Shah of Iran, Mohammad Reza Pahlavi, among Japanese. This popularity was reciprocated by the Shah who even promised Japan that his country would not join any oil freeze against it.

After the first oil crisis, Japan intensified its bilateral relations with Iran in order to negotiate oil contracts directly with its suppliers. In January 1974, MITI Minister, Nakasone Yasuhiro, signed an agreement with Iran for economic cooperation. Iran promised to supply 160 million tons of petroleum in the next ten years, in exchange for a loan of a billion dollars. Furthermore, Japan granted important economic assistance to Iran and continued to develop the IJPC project. In parallel, the diplomatic relations between Iran and Japan were intensifying with the opening of the General Consulate of Japan in Khorramshahr³⁰ in 1977 and the visit of Iran in 1978 by Japanese Prime Minister Fukuda Takeo, who was the first Japanese prime minister to visit Iran.³¹

The dynamics between Japan and Iran dramatically changed following the Iranian revolution, the exile of the Shah, and the Iranian hostage crisis.

³⁰ Khorramshahr is a city in and the capital of Khorramshahr County, Khuzestan Province, Iran.

³¹ Humbert, *Japanese-Iranian Diplomacy*, 33.

CHAPTER 2. DIRECT EFFECTS OF THE CRISES ON THE JAPANESE GOVERNMENT

I. Economic Development and Natural Resources

According to Bojang,¹ the economic development and natural resources of a state affect the way it implements its foreign policy. Natural resources involve minerals, gas, petroleum or crude oil, and water resources. For instance, since the Middle East is a region that is abundant with natural resources, even small countries there like Qatar, Bahrain or Kuwait play an important role in international politics.

Unfortunately for Japan, despite being a strong economic power, its lack of natural resources makes it dependent on oil producing countries particularly in the Middle East. This limits the freedom with which it can decide its foreign policy as this paper demonstrates through both case studies.

In this section, the effect of Japan's dependence on Middle Eastern oil on the Japanese government's policies in 1973 and 1979 toward the United States (US), the Organization of Arab Petroleum Exporting Countries (OAPEC), and Iran is examined.

(1) First case study

i. OAPEC

Before explaining the repercussions of the oil crisis of Japan's economic situation, a brief explanation is given on the major actor during the crisis which is the OAPEC.

The Organization of Petroleum Exporting Countries (OPEC) was created on September 14, 1960 by Iran, Iraq, Kuwait, Saudi Arabia, and Venezuela during a meeting in Baghdad.² The

¹ Alieu S. Bojang, "The Study of Foreign Policy in International Relations," *Journal of Political Sciences & Public Affairs* 06, no. 04 (October 18, 2018), <https://doi.org/10.4172/2332-0761.1000337>, 6.

² Charles Issawi, "The 1973 Oil Crisis and After," *Journal of Post Keynesian Economics* Vol. 1 , no. No. 2 (n.d.): 3-26, <https://www.jstor.org/stable/4537467>, 8.

organization later expanded to include a total of 13 countries.³ Its purpose is to “coordinate and unify the petroleum policies of its member countries and ensure the stabilization of oil markets, in order to secure an efficient, economic and regular supply of petroleum to consumers, a steady income to producers, and a fair return to capital for those investing in the petroleum industry.”⁴

In the 1960s, OPEC’s members were in control of over 85% of global exports. They managed to gain this much influence by designating a staff with important expertise, encouraging the governments to collaborate with each other, and explaining to them the oil market.⁵

As for OAPEC, it was created in 1968 by Kuwait, Libya and Saudi Arabia, at a conference in Beirut, Lebanon. It has a total of 11 members⁶ and its purpose is to coordinate energy policies among them. OAPEC's primary goal is to maintain a cooperation of its members’ economic activity within the oil industry and to preserve solid relations among them. Furthermore, OAPEC gives its members legitimate means to preserve their efforts within the industry and access to consumer markets on fair terms. It also supplies its members with conditions, capital, and experience of investors in the oil industry.

Initially, OAPEC’s creation was to separate the production and sale of oil from politics following the oil embargo that was triggered by the Six-Day War in 1967. The suggestion of use of oil as a weapon in the Arab countries’ fight against Israel was made during several Arab Petroleum Congresses, but it only happened for the first time during the Six-Day War. However, since Saudi Arabia’s oil production had increased by 9% that year, the embargo was lifted after ten days.

³ The eight additional countries that joined were: Algeria, Angola, Equatorial Guinea, Gabon, Libya, Nigeria, Republic of the Congo, and United Arab Emirates.

⁴ “Our Mission,” Organization of the Petroleum Exporting Countries (OPEC), https://www.opec.org/opec_web/en/about_us/23.htm. (Accessed on November 2, 2021).

⁵ Issawi, “The 1973 Oil Crisis and After,” 9.

⁶ The eight remaining members are Qatar, Bahrain, Abu Dhabi, Algeria, Iran, Iraq, Syria, and Egypt.

The oil crisis of 1973 was the second attempt to use their oil production for political purposes. This time, the embargo lasted for five months and was only lifted in March 1974 following talks at the Washington Oil Summit.

ii. The oil crisis of 1973

On October 16, Arab oil ministers from Saudi Arabia, Iran, Iraq, Kuwait, Abu Dhabi, and Qatar gathered in Kuwait.⁷ The purpose was to discuss oil strategies that would raise awareness in the international community about the unjust situation of Arab countries in the Middle East without creating an economic collapse.⁸

They decided not to include the countries with which they have friendly relations thus dividing countries, as explained in the introduction, into three categories: friendly, neutral, and hostile. Among the decisions reached, was the increase of the cost of oil by 21% from the following day and the decrease of their countries' oil production by 5% every month.⁹ These measures would last until Israel withdraws from the occupied territories and Palestinians are granted their rights.

On October 18, upon Libya's suggestion to impose an oil embargo on the US, the other Arab countries approved and joined Libya's initiative.¹⁰

⁷ Atsushi Yamakoshi, "A Study on Japan's Reaction to the 1973 Oil Crisis," Open Collections (University of British Columbia, January 1, 1986), <https://open.library.ubc.ca/handle/2429/26635>, 3.

⁸ "Communiqué Issued by the OAPEC Member Countries (Kuwait, 25 December 1973)," CVCE.EU by UNI.LU, https://www.cvce.eu/en/obj/communique_issued_by_the_oapec_member_countries_kuwait_25_december_1973-en-9e37c930-15cf-4466-9e82-0845b41a46e6.html.

(Accessed December 7, 2021).

⁹ Yamakoshi, "A Study on Japan's Reaction to the 1973 Oil Crisis," 3.

¹⁰ Ibid.

In response to OAPEC's oil embargo, the US's main oil companies, also called the Majors,¹¹ followed by non-American Majors, increased their oil prices. For instance, Exxon and Shell companies announced an increase of 30% of their oil prices to all their customers which included Japan.¹²

Additionally, when the Arab National Oil Company declared on October 24 that it was going to decrease its oil supply to Arabia Oil Co. Ltd. in Japan by 10%, Japan realized it was categorized among the "unfriendly" countries.¹³

On November 4 and 5, OAPEC reached a new decision which was to cut back their oil production by 25% compared to their production level of September and an additional 5% for the month of December.¹⁴

Because of all the above states measures, the cost of a barrel of oil jumped up from \$3 in October 1973 to \$11 in January 1974.¹⁵

iii. Japan's economic situation before the oil crisis

In 1953, Japan started to use petroleum as a main source of energy instead of coal. Consequently, Japan's production of products based on fuel or petroleum highly increased and Japan's economy witnessed a high rate of growth in the 1960s until early 1970s.

Among the reasons for this economic prosperity were the high savings rate, technology imports, free trade system that increased Japan's exports, and government's policies including agriculture and labor reforms.¹⁶ External trade was among the crucial elements behind Japan's economic growth since its economy's structure is based on importing raw materials and exporting

¹¹ The Majors generally include the following companies: Exxon, Gulf Oil, Standard Oil of California, Texaco, Mobil, Royal Dutch Shell, British Petroleum and Compagnie Francaise Petroles (CFP).

¹² Yamakoshi, "A Study on Japan's Reaction to the 1973 Oil Crisis," 4.

¹³ Ibid.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Ibid., 45.

processed products.¹⁷ Indeed, Japan's external trade increased by more than 15% during the 1960s and toward the end of the decade, the country's trade balance revealed a surplus except during the first oil crisis in 1973 and the second one in 1979.¹⁸

iv. Nixon shock

On August 5, 1971 former US President Richard Nixon announced a new economic program known as the "Nixon shock" in which he unilaterally stopped the convertibility of US dollars into gold. This new measure was implemented as a reaction to the country's inflation and to dissuade foreign governments from exchanging more dollars for gold. Indeed, the US witnessed a negative balance of payments, an increased public debt caused by the Vietnam War, and monetary inflation by the Federal Reserve, led to the dollar becoming overvalued. By 1970, the US's gold coverage decreased from 55% to 22%. In 1971, more dollars were being printed in the US and sent abroad to cover government expenditure on military and social programs.

As mentioned above, a main reason for Japan's economic growth was the gradual increase of its external trade, largely related to the exchange rate of the yen.¹⁹ The official exchange rate of the yen against the US dollar was fixed at 360 yen per dollar on April 25, 1949. The yen appreciated from 360 yen to 308 yen per dollar at the Smithsonian conference held on December 17 and 18, 1971 in Washington DC. During that conference, leaders of 10 developed countries, including Japan, tried to restore the Bretton Woods²⁰ monetary system but were unsuccessful. The yen appreciation had major consequences on Japan's economy including an increase of

¹⁷ Ibid., 46.

¹⁸ Ibid.

¹⁹ Yamakoshi, "A Study on Japan's Reaction to the 1973 Oil Crisis," 49.

²⁰ Although Nixon's measures did not officially end the Bretton Woods system of international financial exchange, the suspension of one of its main components effectively made it inoperative.

monetary liquidity by the Bank of Japan which led to inflationary pressure²¹ and a decrease in the international competitive influence of some Japanese industries.²²

Soon after having to adjust to the appreciation of the yen, Japan was challenged with another problem: the increase of the price of oil.²³

v. The impact of the oil crisis on Japan's economy

According to the Economic Planning Agency (EPA), the wholesale price from January to March of 1973 to the same period of 1974 was raised by 35.4%.²⁴ The rise in the cost can be explained by both a national imbalance between demand and supply and an increase in the price of oil.

Additionally, the price increase of oil led to a deficit in Japan's international payments. According to the EPA, the five following elements were the reasons behind the deficit:

- The supply/demand

The expansionary economic situation in Europe and the US, which led to a rise in the cost of primary products, created an increase in Japan's exports to Europe and the US. In parallel, the rise in the cost of primary products increased the value of Japan's imports. Part of the deficit in Japan's international payments can be explained by the higher value of Japan's imports compared to its exports.²⁵

- The oil prices

Following the dramatic rise of oil prices in October and November 1973, the price of the oil imported by Japan from the beginning of 1974 had increased although the quantity imported had decreased.²⁶

- The exchange rate adjustment

²¹ Inflationary pressures refer to the demand and supply-side pressures that can cause a rise in the general price level.

²² Yamakoshi, "A Study on Japan's Reaction to the 1973 Oil Crisis," 53.

²³ Ibid.

²⁴ Ibid., 54.

²⁵ Ibid., 55.

²⁶ Ibid.

The yen appreciation from February 1973 despite leading to an increase in the cost of Japan's exports, decreased the overall quantity of the country's exports.²⁷

- The structural change

The change in Japan's structural economic activities was another reason behind Japan's deficit. For instance, the increase in outgoing foreign investments triggered an increase in capital outflow.²⁸

- Others

Some other factors such as climate change in 1972 contributed to the deficit since it led to the food shortage problem and an increase in the cost of primary products.²⁹

vi. Observations

After shifting from coal to oil in 1953, Japan's economy grew as its production of petroleum and fuel related products started to increase. Other reasons behind that economic prosperity included the high savings rate, technology imports, government's policies including agriculture and labor reforms, and free trade system that increased Japan's exports. External trade was one of the core elements in Japan's economic growth and increased by 15% during the 1960s and led to a surplus in Japan's trade balance at the end of the decade.

However, Japan's economy took a hit during the Nixon shock in 1971 that caused the country to suffer inflationary pressures and the oil crisis in 1973 that followed shortly after.

In 1971, former US President Richard Nixon presented a new economic program also called the "Nixon shock" in which he unilaterally suspended the convertibility of US dollars into gold. The yen appreciated from 360 yen to 308 yen per dollar. Since external trade was one of the main elements in Japan's economic growth, the yen appreciation caused its economy to suffer with the increase of monetary liquidity by the Bank of Japan which led to inflationary pressure and the decrease in the international competitive influence of some Japanese industries.

²⁷ Ibid.

²⁸ Ibid.

²⁹ Ibid.

Less than two years later, the oil crisis started in 1973 contributing even more to the decline of Japan's economic prosperity. Indeed, the price increase of oil triggered a deficit in Japan's international payments which, according to the EPA, was due to several reasons including the imbalance in the supply/demand, the increase of oil prices, the yen appreciation, the change in Japan's structural economic activities, and climate change.

The 1970s were a challenging time for Japan starting with the yen appreciation in 1971, the oil crisis in 1973, and finally the second oil crisis in 1979 as shown below.

(2) Second case study

i. The oil crisis in 1979

The second oil crisis that took place in 1979 was triggered by the Iranian revolution that started in January 1978 and led to a drop in oil production. Although the world's oil supply was only decreased by around 4%, the oil market's reaction led to the increase of the price of crude oil for the following year. The price of a barrel more than doubled reaching \$39.5 and created fuel shortages and long lines at gas stations, just like during the first oil crisis in 1973.³⁰

The second oil crisis drove Japan to look for substitute sources of energy and to diversify its purchases abroad whenever it can.³¹

In July 1979, MITI Minister, Esaki Masumi took a trip to Baghdad during which he proposed that Iraq's oil be supplied to Japan from government to government instead of going through international oil companies, some of which had started to decrease its shipments to Japan. In return, Esaki promised to supply \$2 billion in loans to support Iraq's industrial growth.

In August that same year, Esaki and Foreign Minister Sonoda Sunao went to Mexico to meet with its former President José López Portillo y Pacheco who was also the president of PEMEX, an oil company owned by the government. They convinced the president to send 10,000 barrels of oil

³⁰ "NACS 50th Anniversary - 1970s: Education," NACS, <http://www.nacs50.com/decades/70s/> (Accessed December 7, 2021).

³¹ Donald W. Klein, "Japan 1979: The Second Oil Crisis," *Asian Survey* 20, no. 1 (January 1980): 42-52, <https://doi.org/10.2307/2644006>, 43.

to Japan daily, which was about 10% of Mexico's total oil production. In return, Japan will assist Mexico in various aid programs. Japan's assistance had already started a few days before when a Mexican oil official concluded a contract with a group of 16 Japanese banks in which they loaned \$125 million to finance Mexican oil development plans.³²

Additionally, Sonoda and Esaki, accompanied with other Japanese officials, visited Brazil on the second Joint Ministerial Conference between both countries. During the conference, Japan and Brazil assessed the various projects in which Japan was to provide investments and technological assistance.³³ Japanese officials visited Peru, Chile, Argentina, and Venezuela as well during that trip.

Before going to South America, Foreign Minister Sonoda stayed 11 days in Africa and where he went to different countries including Nigeria, Ivory Coast, Senegal, Kenya, and Tanzania. Although Africa has abundant natural resources, it only forms 5% of Japan's foreign trade.³⁴ Sonoda was only the second Japanese foreign minister to go to Africa. During his trip to Nigeria, he promised that the Japanese government would not recognize the government of Zimbabwe Rhodesia,³⁵ and that it would gradually decrease its trade with South Africa. Moreover, Sonoda offered developmental loans amounting to \$16 million to Senegal, \$21.5 million to Kenya (in addition to a grant of over \$9 million), and \$29 million to Tanzania.³⁶

In its attempt to diversify its energy sources, MITI announced that same year that it would considerably increase its coal imports to manage its dependency on oil.³⁷ The press reported

³² Ibid.

³³ Ibid.

³⁴ Ibid.

³⁵ Zimbabwe Rhodesia was an unrecognised nation that existed from June 1 to December 11, 1979. Zimbabwe Rhodesia was preceded by an unrecognised republic named Rhodesia and followed by the re-established British colony of Southern Rhodesia. Around three months later, the re-established colony of Southern Rhodesia was granted internationally recognised independence within the Commonwealth as the Republic of Zimbabwe.

³⁶ Klein, "Japan 1979: The Second Oil Crisis," 43.

³⁷ Ibid.

several news of governmental projects regarding alternative energy including solar, wave energy, and gasification and liquefaction of coal. Other efforts were aimed at energy conservation and included commercial lighting cutbacks, limited number of TV hours per day, closing of gas stations on Sundays, and lower speed limits.³⁸

As for nuclear energy, the Three Mile Island nuclear plant accident³⁹ in Pennsylvania caused temporary shutdowns in Japan in order to check equipment, but the latter did not stop its project to have more nuclear plants. According to a semi-official Japanese publication: “developing nuclear energy is essential for any long-range hope to liberate the country from its dependence on foreign oil.”⁴⁰ By 1980, Japan owned 19 operating nuclear reactors that produced around 11% of the country's electric power.⁴¹

Since Japan kept increasing its oil stock-piling capacity for the short term, it had, on October 1979, supplies that could last 102 days. Despite having that safety, Japan still experienced the repercussions of the prices increase that year. An illustration of that is the contrast between Japan's great surplus of \$13.7 billion during the first nine months of 1978 and its deficit of \$3.7 billion in 1979.⁴²

ii. Observations

The second oil crisis that took place in 1979 triggered an increase of the price of crude oil for the following year. Similar to the oil crisis of 1973, the second oil crisis led fuel shortages and long lines at gas stations with the price of a barrel more than doubling.

Japan was very active in looking for sources to diversify its sources of energy and used economic aids as a main tool to serve its purpose. MITI Minister Esaki Masumi, and Foreign

³⁸ Ibid., 44.

³⁹ In 1979 at Three Mile Island nuclear power plant in Pennsylvania, a cooling failure led part of the core to melt in the #2 reactor. The TMI-2 reactor was destroyed.

⁴⁰ Klein, “Japan 1979: The Second Oil Crisis,” 44.

⁴¹ Ibid.

⁴² Ibid.

Minister Sonoda Sunao visited leaders of several countries including Iraq, Mexico, Brazil, and Nigeria during which they offered to assist the countries in different ways.

For instance, Esaki proposed that Iraq's oil be supplied to Japan from government to government and promised to supply \$2 billion in loans to support Iraq's industrial growth in return.

Furthermore, Esaki and Sonoda promised to assist Mexico in various aid programs after they requested the receipt of 10,000 barrels of oil per day.

Japan's efforts to diversify its oil supplies included taking political stances like when Sonoda promised, while in Nigeria, that the Japanese government would not recognize the government of Zimbabwe Rhodesia and that it would gradually decrease its trade with South Africa.

In parallel, Japan worked on conserving the country's energy in its efforts to diversify its energy sources. This included commercial lighting cutbacks, limited number of TV hours per day, closing of gas stations on Sundays, and lower speed limits. It also focused on advancing its nuclear energy and had, by 1980, 19 operating nuclear reactors that produced around 11% of the country's electric power.

Despite having a series of economic challenges in the 1970s, Japan's reaction to the second oil crisis was quick. By diversifying its energy sources, conserving its energy, and developing its nuclear energy, Japan managed to increase its oil stock-piling capacity and had supplies that could last it more than three months by October 1979. By the time the Iranian hostage crisis started, Japan had a certain amount of security in terms of oil supplies and was less concerned with oil supplies as it was with the IPJC project that is not substitutable. This project is explained in the section related to political and interest groups.

II. Political system

In this part of the dissertation, the Japanese political system is explained, its main actors and their functions, as well as their role in policy making decisions.

The Japanese government is separated into three branches: legislative, executive and judiciary. The Diet is constitutionally in charge of the legislative power and is the main and only law-making state authority. It is separated into a lower house (the House of Representatives) and an upper house (the House of Councillors).

The Diet is responsible for selecting the Prime Minister (PM), endorsing the budget and treaties, managing trials regarding charges against judges, and revising the constitution.

The executive power is managed by the cabinet, which is composed of the PM and the ministers of state, each leading a ministry,⁴³ and is collectively responsible to the Diet in the implementation of its power. The cabinet is constitutionally in charge of several tasks, among which, establishing treaties, recommending the budget, and administering foreign affairs.

Lastly, the judiciary power is composed of the Supreme Court and inferior courts such as District Courts and Family Courts. The judges of the Supreme Court are designated by the cabinet and those of the inferior courts, but in this case, exclusively from a list of names selected by the Supreme Court. The courts have the authority to decide the constitutionality of every law.⁴⁴

Since this paper essentially examines the foreign policies of the Japanese government, it only elaborates the branch that is in charge of that which is the cabinet, and more particularly, the prime minister, the vice prime minister, the Ministry of Foreign Affairs (MOFA) and the Ministry of International Trade and Industry (MITI). Their functions will be studied as well as the decision-making process.

(1) Important actors in the Japanese government

i. Prime Minister

The prime minister is selected by a resolution from among the members of the Diet, and serves a term of four years or less, without being limited by a number of terms. The PM is in charge of the Cabinet, manages the executive branch, and is the commander-in-chief of the Japan Self-

⁴³ According to the second article of the Cabinet Law: “The number of Ministers of State provided in the preceding paragraph shall be not more than fourteen. However, if required by special circumstances, the number may be increased by not more than three, to make the total not more than seventeen.”

⁴⁴ Atsushi Yamakoshi, “A Study on Japan's Reaction to the 1973 Oil Crisis”, Open Collections (University of British Columbia, January 1, 1986), <https://open.library.ubc.ca/handle/2429/26635>, 13-14.

Defense Forces (JSDF). The PM is responsible of introducing bills to the Diet, signing laws, announcing state of emergencies, and can dismiss the Diet's House of Representatives.

The PM selects the ministers of state, more than half of which should be members of the Diet. The PM can also remove them, when necessary, to preserve the harmony and integrity of the cabinet, since the latter's key purpose is to guarantee the uniformity of governmental administration executed by different administrative departments. This is also why the PM has, constitutionally, the responsibility to control different administrative departments and possess the power to suspend the formal measures or instructions emanating from those departments including the cabinet.⁴⁵

A PM's public speech or private discussion can influence the development of policy making.⁴⁶ It is important for a PM to explain his or her main policy proposal in his or her policy speech, at the opening of the Diet.⁴⁷ For instance, former PM Tanaka Kakuei faced opposition when he tried to implement some policies that he did not mention in his speech. Specifically, in March 1973, the LDP's special research committee declared their long-term objective to change the electoral system. When Tanaka requested the committee to take into consideration the single-seat electoral system without having previously mentioned it in his policy speech, the speaker of the upper house, Kono Kenzo, protested, which led Tanaka to eventually abandoning it. The PM's role is not exclusively related to internal affairs and article 73 of the Japanese constitution allows him or her to manage foreign affairs. The PM represents the country in respect to foreign countries, functions as Japan's chief diplomat and enjoys a relative freedom in the domain of foreign affairs.⁴⁸

⁴⁵ "The National Administrative Organization in Japan," Constitution and Government of Japan, accessed April 25, 2021, https://japan.kantei.go.jp/constitution_and_government/frame_all_02.html.

⁴⁶ Tomohito Shinoda, *Leading Japan: the Role of the Prime Minister* (Westport, CT: Praeger, 2000), 49.

⁴⁷ *Ibid.*, 46.

⁴⁸ *Ibid.*, 53.

ii. Ministry of Foreign Affairs (MOFA)

The Ministry of Foreign Affairs is a ministry in the Cabinet of Japan that is in charge of the foreign relations of the country. Among MOFA's main constitutional responsibilities, is the conduct of foreign affairs, supervised by the Diet. Members of the Diet have the option to address policy questions, known as interpellations, to the minister of foreign affairs and the PM. The Minister of Foreign Affairs works as the PM's main adviser in issues of planning and execution. The Minister is helped by two vice ministers, one in charge of administrative matters and the other is responsible for political cooperation with the Diet.

MOFA officials play an important part in policy making settings due to their know-how and control over important information.⁴⁹ Their role is further reinforced by the fact that the Cabinet and the LDP rely on them to receive information, administrative know-how, and staff, all of which are necessary in the policymaking processes.

However, there are circumstances that decrease the efficiency of MOFA officials in the policymaking processes, particularly in the field of foreign policy. Since the administrative bureaucracy is constitutionally subordinate to the Diet, MOFA officials are naturally dependent on politicians. They have an even weaker political authority than officials working in other ministries. In some cases, politicians go as far as to choose to take an opposite direction from the bureaucrats' clear recommendations.⁵⁰

MOFA officials' subordination to the Diet largely depends on the nature of the matter in question. For instance, if the matter is bureaucratic, they will mainly be in charge of making the decisions with minimal interference from politicians. A bureaucratic matter involves regular and non-controversial issues that include technical or administrative decisions and do not have associations to political topics. On the other hand, if the nature of the matter is politically delicate and controversial, like it is the case in this study, the dominant role in making the needed decisions is played by politicians and others including interest group leaders and representatives from the mass media, while MOFA officials play a minimal role.⁵¹

⁴⁹ Ibid., 4.

⁵⁰ Ibid., 4.

⁵¹ Ibid., 5.

The next part will focus on examining some of the key positions in MOFA in regards to the decision-making process.

A. Vice Minister of Foreign Affairs

When there is a political problem of the sensitive and controversial type, a solid team is created on an ad-hoc basis. Generally, the team is composed of the vice minister, one or two bureau directors and counselors, and a few division heads and deputy division heads. The vice minister is usually the leading officer in the operational decision-making section. This is due to several reasons including his seniority in terms of age and rank and the fact that he is the central tie between the ministry team and the foreign minister (FM), the prime minister, and other external contributors.

Additionally, the vice minister is usually familiar with the opinions of the political leaders, the PM and the FM in particular, who decide whether or not to authorize the ministry officials' decisions and eventually establish the foreign policy of Japan.⁵²

B. Division Heads

The division head is where concrete measures are usually taken. Division heads are recognized to be the core of the decision-making mechanism in MOFA. According to one head of a vital division, "a division head and his deputy were a mini foreign minister and mini vice minister respectively."⁵³

The age of the division heads ordinarily varies between early to mid-forties. The division head relies on the staffing and intellectual resources that they can access in their divisions.

The division head can turn straight to the bureau director at the end of the first stage of interdivision work. The recommendation in question travel its way up from the division head level to the bureau director, the deputy prime minister, and ultimately reaches the foreign minister.

⁵² Haruhiro Fukui, "Policy-Making in the Japanese Foreign Ministry," in *The Foreign Policy of Modern Japan*, ed. Robert A. Scalapino (Berkeley: University of California Press, 1977), 10.

⁵³ *Ibid.*, 18.

According to a secretary of the foreign minister,⁵⁴ the division heads are normally granted by MOFA significant freedom in decision-making. Yet, without the consent of the bureau director and counselor, a division head cannot turn straight to the vice minister or minister of foreign affairs. It is, thus, very important for the division head to work alongside their bureau director, in order for them to increase their power and efficiency.⁵⁵

iii. Ministry of International Trade and Industry (MITI)

Japan's Ministry of International Trade and Industry (MITI) was created in 1949 to decrease the inflation that happened after World War II and offer government direction and support to increase Japan's industrial efficiency. It was considered among the most influential government agencies until 2001 when it was combined with other ministries to form the Ministry of Economy, Trade and Industry (METI).

Among MITI's main duties was the elaboration and realization of international trade policy and coordinate it on matters that relate to its interests. With time, trade matters' range was widened and MITI lost some of its control in the late 1980s compared to the 1950s and 1960s, when other ministries' capacities in international negotiations became more significant. Furthermore, the PM, the Diet, and the Fair-Trade Commission⁵⁶ limited MITI's functions.

Additionally, MITI was in charge of offering administrative assistance to local industries and businesses, some of them related to plant and equipment, energy and power, and foreign economic assistance. It also served as an architect of industrial policy, a mediator and a supervisor on industrial issues and clashes.⁵⁷

⁵⁴ Ibid., 13.

⁵⁵ Ibid.

⁵⁶ The Japan Fair Trade Commission is a government agency founded in 1949 that regulates economic competition.

⁵⁷ John Pike, "Ministry of International Trade and Industry (MITI)," Ministry of International Trade and Industry (MITI) (Federation of American Scientists), accessed April 29, 2021, <https://irp.fas.org/world/japan/miti.htm>

MITI played a positive role in the growth of most main industries by protecting them from import rivalry, technological intelligence, helping them access foreign exchange, etc.⁵⁸

In the next section, the disagreements between different ministries, the prime minister, and oil importers are examined. This will better reflect the structure of the Japanese political system that allows for such kind of disagreements to happen. This part is crucial to understand since it led to some of the major policies that Japan took during the oil crisis of 1973 and the Iranian hostage crisis of 1979. It will also allow us to understand who hold the power effectively to make final decisions.

(2) Policies taken by the Cabinet: first case study

This section of the dissertation examines the divergent views between MITI and MOFA regarding the Arab position in the Middle East and the discussions between MITI and PM Tanaka Kakuei regarding the method to ensure enough oil to moderate the crisis.

i. MITI vs. MOFA

A few days after the October War took place, MITI officials discussed the possibility for the Middle East to use its oil as a political weapon but no countermeasures were prepared. The situation changed on October 17, when MITI vice minister, Yamashita Hideaki initiated a study session in which oil experts explained to high-ranking members the meaning of the official price of oil and the way that crude oil arrives to Japan, among other things.⁵⁹ At this point of the crisis, neither MITI nor MOFA were aware that Japan was already considered as an unfriendly country by the Arabic countries.⁶⁰ On November 4, OAPEC decided to cut the production of oil by 25 percent compared with the production rate of September and to continue cutting the rate by 5 percent for every month from December and on.⁶¹

⁵⁸ Ibid.

⁵⁹ Kuroda, “The Oil Crisis and Japan's New Middle East Policy”, 163.

⁶⁰ Ibid.

⁶¹ Ibid., 164.

While MITI, responsible for the industrial policy of the country, was supportive of the Arab nations and concerned with the production cuts,⁶² MOFA had different priorities. Indeed, MOFA's vice minister, Hogen Shinsaku pointed out at a meeting of the ministry, "Even though we purchase most oil from the Middle East, we do it through Oil Majors. Japanese diplomatic policy is based on cooperative relations with the United States. Japanese trade cannot exist without the United States. If we support Arabian countries by violating pro-U.S. policies, the supply of oil by the Majors might be stopped, and Japanese exports to the United States might also be damaged. Such results would have a tremendous effect on Japan. It is important to adopt the most realistic policy."⁶³

ii. MITI vs. PM Tanaka

Although the disagreement between MITI and Tanaka concerns an internal issue, it is still relevant to mention it as it helps to better understand the dynamics between different members of the Japanese Cabinet.

As a way to guarantee enough oil to avoid a crisis, Tanaka originally suggested letting the government supervise the distribution of oil by delivering coupons via post offices.⁶⁴ MITI turned down that suggestion due to the fact that the number of employees at MITI was, to a large extent, insufficient compared to the number needed to achieve such a task.⁶⁵

Consequently, Tanaka's alternative solution consisted of determining a fixed price for oil and other similar products. He decided that those who sold oil at a greater cost would face a penalty. Tanaka requested that the new law should take effect straight away.⁶⁶

⁶² Ibid.

⁶³ Yamakoshi, "A Study on Japan's Reaction to the 1973 Oil Crisis", 20.

⁶⁴ Yasumasa Kuroda, "The Oil Crisis and Japan's New Middle East Policy, 1973", *Japan Association for Middle East Studies* 1 (1986): 150-187, https://doi.org/https://doi.org/10.24498/ajames.1.0_150, 166.

⁶⁵ Ibid.

⁶⁶ Ibid.

Tanaka's solution diverged from that of MITI's since the latter desired a regulation of the cost of oil and its products, whereas Tanaka wanted to regulate the cost of oil as well as the cost of anything that might rise as a consequence of the rise of the cost of oil.⁶⁷

Tanaka's bill was established on December 7 and passed the house the following day. It was authorized by the House of Councillors on December 21.⁶⁸

The bill revolved around two main principles: the first one was to form a price regulation system by developing a cartel where the upper limit would be determined by the oil ministry. The second one was to fine companies that did not respect the price limit in order to make considerable profits.⁶⁹ However, since the first principle, went against the anti-trust law, the Economic Planning Agency (EPA)⁷⁰ established a standard fixed price instead.⁷¹ Tanaka performed astutely and promptly within the existing structural limits and managed to escape a crisis. It would not have been feasible for that bill to pass if it was not done quickly during the crisis.⁷²

iii. Observations

Following the oil production cuts by Arab countries during the oil crisis of 1973, MITI and MOFA had different priorities and consequently did not agree among each other on what is the best step to take under the pressure exercised by OAPEC.

MITI considered that ensuring oil imports was a priority and that supporting the Arab position in the Middle East was necessary in order to accomplish that goal. However, MOFA believed that

⁶⁷ Ibid.

⁶⁸ Ibid., 168.

⁶⁹ Ibid.

⁷⁰ The Economic Planning Agency (EPA) is an independent office officially attached to the PM's office. Among its responsibilities are the stabilization of the country's economy, the planification of economic policies for the Japanese government, and the study of internal and external economic trends.

⁷¹ Kuroda, "The Oil Crisis and Japan's New Middle East Policy," 168.

⁷² Ibid.

remaining loyal and preserving good relationship with the US should be Japan's focus as the country's trade would not exist without the US.

Eventually, Japan took several initiatives aimed at avoiding an embargo from OAPEC at the risk of jeopardizing its relationship with the US which indicates that MITI's view was the one adopted.

Furthermore, there was another divergence in views between MITI and Tanaka when discussing about efficient ways to ensure oil in order to moderate the crisis. While MITI believed a regulation of the cost of oil and its products was enough, Tanaka wanted to include anything that might rise as a consequence of the rise in the cost of crude oil in the regulation. It is the will of Tanaka that prevailed and a bill illustrating that was established on December 7, 1973. That bill is further developed in the section on the "personality and character of the leader".

(3) Policies taken by the Cabinet: second case study

In this part of the paper, the divergent views of different ministries within the Japanese government as well as oil importers regarding Iran's request are examined, their interactions with each other, and the way they executed their respective views.

i. MITI vs. MOFA

On the day of the US embargo against Iran, President Carter sent a message to Prime Minister Ohira to inform him about the US embargo and to explain that the purpose was to end the use of hostages as political leverages and to oppose the disrespect of diplomatic personnel and property. Carter ended his message by saying "I know you share your concerns about the situation in Tehran, and I wanted you particularly to have an explanation of this latest step."⁷³

⁷³ Department of State to Embassy Tokyo, Telegram 294956, November 12, 1979, 1979STATE294956, Central Foreign Policy Files, 1973-79/Electronic Telegrams, RG 59: General Records of the Department of State, National Archive, <https://aad.archives.gov/aad/createpdf?rid=248488&dt=2776&dl=2169>. (Accessed April 26, 2021).

However, the situation got more complicated for Japan when it became directly involved in the issue upon the Iranian government's request to buy the excess oil stock remaining in Iran due to the US ban, at a high cost.

At the time of the crisis, Japan depended on Iranian oil for more than 10% of its oil imports. Furthermore, major international oil companies, most of which are Americans, reduced their oil shipments, after President Carter's embargo. Consequently, sales to Japan have been cut from oil companies from 1.9 million barrels a day to 400,000 barrels a day and would have eventually decreased to zero, according to Ohira.⁷⁴

Iran's request created a disagreement between MOFA and MITI on November 15, 1979. While MOFA believed that an increase of oil imports should not be realized before consulting with the US and European nations, MITI did not see a problem with Japanese oil importers purchasing oil from the spot market as long as the price was not too expensive.

ii. MITI vs. oil importers

Japanese oil companies were afraid that Iran would suspend all oil exports to US's allies. They believed that to guarantee Japanese energy security, it was necessary to buy Iranian oil on the spot market even though the price was high. While MITI did not warn Japanese oil importers against any quantitative increase of oil imports, it requested them against purchasing unreasonably high-priced oil. Despite the warnings, some Japanese oil importers still purchased large amounts of spot oil at a high price, ignoring MITI's request.

MITI's view shifted after discussing with top foreign ministry officials and the Japanese ambassador to Washington Fumihiko Togo. They believed that it was necessary not to purchase

⁷⁴ Robert Trumbull, "Japan Limits Oil Imports From Iran To Counter Growing U.S. Criticism Bankers Asked to Cooperate Imports \$9.8 Percent of Needs U.S. 'Understanding' Sought," *The New York Times*, last modified December 14, 1979, <https://www.nytimes.com/1979/12/14/archives/japan-limits-oil-imports-from-iran-to-counter-growing-us-criticism.html>. (Accessed on April 27, 2021).

Iranian oil in order to avoid being viewed negatively by the US.⁷⁵ Consequently, MITI's minister demanded Japanese companies to stop purchasing spot-market oil.

However, twelve Japanese companies disregarded the minister's order and bought over half the petroleum that was initially destined for America at almost twice the posted Iranian price.⁷⁶

iii. Observations

As seen above, Iran's request to Japan to buy the excess Iranian oil that was initially destined to the US created, once more, a disagreement between MITI and MOFA. In both case studies those disagreements occurred, and their relative frequency reflect a structure in the Japanese political system that allows for such disagreements to happen between different ministries.

MITI and MOFA had opposite views on which decision to make regarding Iran's request. Just like in the first case study, MITI's will prevailed over that of MOFA's since the former gave directions to oil importers to buy the Iranian oil. Even though MITI ended up on the same page as MOFA, it was already too late and oil importers had already bought the oil.

This leads to the other problem which is that the Japanese oil importers disregarded MITI's request. The actions of Japanese oil importers were explained by different officials in different ways. While one official believed that lower-level MITI bureaucrats and Japanese companies overlooked the minister's order, another one stated that the "oil came in on tankers that were en route to Japan when the decision not to buy was made."⁷⁷

If the Japanese oil importers did indeed overlook MITI's order, this put into question the effective power of MITI and how much influence it actually holds in regard to Japanese companies. If the second explanation is what actually happened, this reflect a lack of organization and coordination between different actors within the Japanese government.

⁷⁵ Michael M. Yoshitsu, *Caught in the Middle East: Japan's Diplomacy in Transition* (United States: Lexington Books, 1984), 44.

⁷⁶ Fumihiko Yoshida, "Testing Models of Foreign Policy Decision-Making in Japan, Using the Iranian Hostage Crisis, Moscow Olympics Boycott, and History Textbook Issue." (1989), 47.

⁷⁷ Yoshitsu, *Caught in the Middle East*, 44.

In any case, the purchase of Japanese oil importers of Iranian oil led to Japan being viewed negatively by the US and suffer a series of negative consequences that will be developed in the sections on the “alliances” and the “press and public opinion”.

III. Political parties and interest groups

Political parties can be defined as organizations that aim at promoting policies and principles in order to run the government by working for the interest of the public. Political parties play an important role in the foreign policy of a country and usually communicate their interests either directly or indirectly via interest groups.

Interest groups are organizations that share similar interests and aim at influencing the public policy of a country in order to ensure the interests of their members.

Therefore, while the main motivation of political parties is to govern and that of interest groups is to influence policy makers, they both have a great impact on the formulation on a country's foreign policy.

(1) Political parties and interest groups in Japan

The relationship between political parties and interest groups in Japan is quite particular since the latter, regardless of whether their motive is political or not, work from inside the Diet and party systems. Interest groups in Japan look for direct representation in the Diet and to do so, they encourage their own members to become part of recognized Japanese political parties. Therefore, it is not surprising to find a leader of a certain interest group holding a position in the Diet as well. For instance, the leaders of Japan Agricultural Cooperatives, also known as Nōkyō, represent their organization in the House of Councillors and the House of Representatives, the two houses of the Diet. In the former house, the elevated number of Nōkyō's leaders over a prolonged period enabled the organization to form a permanent group called the Nōkyō Diet Members Council, which increased its chances of influencing governmental policies.

According to a survey regarding the associations of Diet members elected in the House of Representatives in 1980, to interest groups, 22% of them were leaders of interest groups.⁷⁸

Nevertheless, being a member of the Diet is not enough in order to be part of the decision-making process since the party to which members are associated is a crucial factor. Therefore, an interest group has a much higher chance to influence policies if some of its members are part of the Liberal Democratic Party (LDP), a party that has been in power, almost uninterruptedly, since 1955. For instance, labor unions which elect a rather larger number of their members to the Diet but only within the opposition parties, don't have a major influence on policies since opposition parties are officially kept aside from actual decision-making groups.

After shedding light on how political parties and interest groups function in Japan and the methods that facilitate their access to the decision-making process, this paper assesses their influence on the Japanese government's policies taken during the oil crisis of 1973 and the Iranian hostage crisis of 1979.

(2) First case study

i. The position of political parties on the Arab-Israeli conflict and their influence on the government

To understand the influence that political parties had on the Japanese government during the oil crisis of 1973, this study will first examine what their views were regarding the Arab-Israeli conflict—the trigger of the oil crisis, and whether those views were compatible with the policies implemented by the Japanese government at that time.

A. The position of different political parties in the Diet

During the oil crisis, Japan was aware that its stance on Palestine was directly and closely related to how its position towards the Arab-Israeli conflict would be viewed by other countries.

⁷⁸ Peter P. Cheng, "Japanese Interest Group Politics: An Institutional Framework," *Asian Survey* 30, no. 3 (January 1990): 251-265, <https://doi.org/10.2307/2644564>, 253.

Both the ruling and the opposition parties (OPs) of the Diet wanted the Japanese government to have a more direct opinion on the Palestinian matter. The OPs encouraged the government to look beyond its economic interests with the Middle East and requested it to answer the calls for international justice by pushing for the Palestinians' right to self-determination, which included their right to create an independent state.⁷⁹

Overall, the different political parties in the Diet at that time did not have divergent views toward the right of Palestinians to self-determination. Even the Democratic Socialist Party (DSP),⁸⁰ which was known to have had a good relationship with the Labor Party of Israel through the Socialist International,⁸¹ adopted the same view as other political parties in regard to the right of Palestinians to self-determination.⁸² The establishment of the Parliamentarian League for Japan-Palestinian Friendship⁸³ in June 1979, is an indication of the general consensus that existed in the Diet regarding Palestine. That association was joined by members from all political parties of the Diet. By July 1990, the association included 32 Liberal Democrats, 26 Socialists and 4 Communists among members of other political parties as well.⁸⁴

⁷⁹ Juzo Kimura, "Japan's Middle East Policy: Impact of the Oil Crises" (dissertation, Kobe University law review, 1985), 17-37, http://www.lib.kobe-u.ac.jp/infolib/meta_pub/G0000003kernel_00166912, 28.

⁸⁰ This party was dissolved in 1994.

⁸¹ The Socialist International is a global organization founded in 1951 that aim to establish democratic socialism and improve relations between the affiliated groups and align their political opinions and actions. It is mostly composed of democratic socialist, social-democratic and labor political groups.

⁸² Kimura, "Japan's Middle East Policy," 29.

⁸³ This association was founded by former foreign minister Kimura Toshio. It was behind the invitation of the former chairman of the PLO, Yasser Arafat to Japan in October 1981.

⁸⁴ Eisuke Naramoto, "Japanese Perceptions on the Arab-Israeli Conflict," *Journal of Palestine Studies* 20, no. 3 (January 1991): 79-88, <https://doi.org/10.2307/2537548>, 88.

B. The position of the Japanese government

On November 22, the Chief Cabinet Secretary, Nakaido Susumu declared the position of Japan regarding the Middle East. Among the four principles⁸⁵ announced in his statement was a call for a peaceful coexistence of Israel and Palestine as well as an acknowledgement of the Palestinians' right to self-determination. That view was developed later by the Japanese representative to the UN, Nishibori Masahiro on November 27, 1979. He added that Palestine had the right to establish an independent state following the principle of self-determination. This view was the one officially adopted by the Japanese government and confirmed by Ohira in his speech at the plenary session of the House of Councillors on December 1, 1979.⁸⁶

C. The influence of the Diet on the Japanese government

An important incentive for a political group to propose new policies for the public and work on implementing them is the existence of other groups running against it.⁸⁷ When different groups have different ideas regarding what is best for the public, it is in their interests to prove to the public why their policies are better than the other group's policies, gain the majority of votes during elections, and implement those policies.⁸⁸

In Japan, since the LDP has continued to be a majority in the Diet almost continuously from 1955, there was no major motivation for groups to engage in inter-party debates.⁸⁹ Moreover, the government, the LDP as well as the OPs were, for the most part, in agreement regarding the Palestinian matter in 1973. Both of these factors led to a decrease in the role of the Diet in the policy-making process and a rather scarce number of policies taken by the Diet regarding Middle Eastern issues at the time of the oil crisis.⁹⁰

⁸⁵ Ibid., 79.

⁸⁶ Kimura, "Japan's Middle East Policy," 29-30.

⁸⁷ Surbhi, "Difference between Political Party and Interest Group."

⁸⁸ Ibid.

⁸⁹ Sezai Özçelik, "The Japanese Foreign Policy of the Middle East Between 1904-1998: Resource, Trade and Aid Diplomacy," *Humanity & Social Sciences Journal* 3, no. 2 (2008): 129-142, 136.

⁹⁰ Ibid.

Therefore, the influence of the political parties on the Japanese government regarding the implementation of policies towards the Middle East during the oil crisis of 1973 is difficult to identify since the majority of the groups' views were aligned with that of the government and its policies. However, this does not mean that there were no issues that the political parties disagreed on. The next section of this chapter will examine these issues and observe if and how they affected the policies of the Japanese government.

ii. Divergence of views between political parties on the Arab-Israeli conflict

A. Changes in the Diet at the time of the oil crisis

Before examining the issues on which the LDP and the OP had different inclinations, this study will examine the power changes that took place in the Diet at the time of the oil crisis.

Under former Prime Minister Sato Eisaku, who was in power from 1964 to 1972, the LDP enjoyed a steady majority in the Diet. The LDP's dominance was partly due to the accomplishment of Sato when he successfully returned Okinawa from the US to Japan, following an agreement with former US President Richard Nixon in 1969.⁹¹

However, towards the mid-1970s, the LDP's majority slowly decreased while the seats of the JSP and JCP slowly increased. In the general elections of 1972, under Tanaka, the LDP won 271 seats, the lowest number since the formation of the party in 1955, while the JCP's seats increased from 87 to 118 and the JSP from 14 to 38. Consequently, the LDP found itself in a more vulnerable position just before the oil crisis of 1973, while the OPs were stronger and more capable of condemning the government's policies.⁹²

What were the issues that the OPs criticized the government on, and did their strengthened position in the Diet make a change regarding the impact they could have on the government?

⁹¹ Atsushi Yamakoshi, "A Study on Japan's Reaction to the 1973 Oil Crisis," Open Collections (University of British Columbia, January 1, 1986), <https://open.library.ubc.ca/handle/2429/26635>, 14.

⁹² Ibid., 15.

B. The influence of the opposition parties on the Japanese government

Regarding Japan's relationship with the US, the Japan Socialist Party (JSP)⁹³ and the Japan Communist Party (JCP) disapproved of the government's compliance with US policies and wanted it to implement independent policies from those of its ally towards the Middle East. As for the LDP, it considered that it was important for Japan to take into consideration their alliance with the US when implementing policies toward the Middle East.⁹⁴

The policies taken by the Japanese government throughout the oil crisis of 1973 show that the government did indeed take an independent path from that of the US, aligning with the OP's preferences. Indeed, despite Kissinger's request from Japan to not surrender to the pressure of the Arab nations because it would complicate peace efforts, Japan still declared on November 22, 1979 "that it supported, in accordance with UN Security Council Resolution 242, no acquisition or occupation of foreign land by force; the withdrawal of Israeli forces from all occupied territories; respect for all countries in the region; and recognition of Palestinian rights to self-determination."⁹⁵ Japan's government added that it would continue examining the situation and could reconsider its policy with Israel if no future developments were made.

Other divergences of views between the LDP and the OPs regarding Palestine were reflected in their reactions towards Israeli actions and their opinions on how Japan's relationship with the PLO should have been.⁹⁶ Despite the fact that some of these events took place at a later time during the 1970s, examining them can help to shed more light on the political parties' views on the matter and possibly their influence on the government at the time of the oil crisis.

a. Reactions towards Israeli actions

Following the Arab-Israeli War in 1967, Japan requested Israel to retrieve its forces from the territories it occupied during the war. On September 12, 1978 that request was supported by a

⁹³ This party was dissolved in 1996 and succeeded by the Social Democratic Party.

⁹⁴ Kimura, "Japan's Middle East Policy," 29.

⁹⁵ William Nester and Kweku Ampiah, "Japan's Oil Diplomacy: Tatemae and Honne," *Third World Quarterly* 11, no. No.1 (January 1989), <https://www.jstor.org/stable/3992221>, 78.

⁹⁶ Kimura, "Japan's Middle East Policy," 29.

communique delivered by the Japanese government following the official trip of former Prime Minister Fukuda Takeo to Saudi Arabia. Throughout the years, Japan kept the same opinion that the occupation of Israel was illegal and could not be recognized.

In addition to creating settlements in occupied territories, Israel committed a series of actions deemed illegal by Japan such as the passing of the Golan Heights Law and Operation Opera in 1980. In December 1981, when three resolutions were passed at the emergency session of the UN, Japan had only voted in favor of the one that aimed at nullifying the Israeli annexation of the Golan Heights. Japan abstained from voting on the resolution that wanted to end all aid to Israel and against the one that wanted to impose sanctions against Israel.

The OPs largely disapproved with the Japanese government's actions and accused it of being inconsistent. The government responded that it still disapproved of illegal actions committed by Israel, but the conflict in the Middle East should be resolved by the parties themselves which meant that the crisis would not be resolved if Japan, a third party, imposed sanctions on Israel.

b. Japan's relationship with the PLO

The Japanese government perceived the PLO as being the representative of Palestinians and believed that it should have been permitted to partake in the dialogues on the conflict in the Middle East as one of the involved parties, whether at the UN or other organizations. The OPs went even further by requesting the Japanese government to consider the PLO as the only legitimate representative of Palestinians. The government's response to that request was that only Palestinians could decide that since Palestine was not an independent state nor a government, i.e. the question of formal recognition of the PLO was not necessary. Nevertheless, the insistence of the OPs did make a small change when the government upgraded its position and included the words "important and influential" when describing the PLO as being the representative of Palestinians.

In April 1976, the Director of the PLO's political department, Farouk Kaddoumi took a trip to Japan and met with Japanese officials including former Prime Minister Miki Takeo and former Foreign Minister Miyazawa Kiichi. During that visit, they decided to create a PLO office in Tokyo. In February 1977, the office was opened in a private capacity but was not granted diplomatic status, despite the OPs' request. Three years later, a representative of the PLO transferred to the Japanese

ambassador to the United Arab Emirates, Murata Ryohei, the request of the PLO's Chairman Yassir Arafat to be invited to Japan. Since the Japanese government did not grant the PLO diplomatic status, it did not want to invite Arafat officially to Japan and found an indirect way for Arafat to enter Japan through the Parliamentarian League for Japan-Palestinian Friendship previously mentioned. Its founder, Kimura Toshio invited Arafat and Kaddoumi on behalf of the league and confirmed to them that the invitation did not imply that diplomatic status was granted from the Japanese government.

iii. Influence of the business sector on the Japanese government's policies

A. Through government officials

Interest groups, particularly business ones, were an important pressure group during the first oil crisis and participated in the decision-making process of the Japanese government.

The most active and efficient business organizations, in the 1970s, at communicating to the government the interests of the business sector were Keidanren, Nissho, Nikkeiren, and Keizai Doyukai. In 2002, Keidanren and Nikkeiren merged and formed what is known today as the Japan Business Federation.

During the oil crisis of 1973, Japanese business organizations collaborated together in an attempt to influence their government's policies. On November 14, 1973 the president of Keidanren, Uemura Kogoro, accompanied by the vice chairman and the chairman of the energy committee of that organization, met with Tanaka and urged him to adopt policies that were in line with the requests of Arab countries.

The next day, a representative of Keizai Doyukai, Kigawata Kazutaka along with some other representatives, met with members of the LDP, including the Director General, Hashimoto Tomisaburo. During the meeting, the representatives of Keizai Doyukai emphasized that it was crucial for the Japanese government to declare a national state of emergency which would help the nation to conserve energy.

On November 18, 1973 Mizuno Sohei, the president of the Arabian Oil Company which was the principal independent producer in the Persian Gulf, met with the honorary president of Keidanren, Ishizaka Taizo and informed him of the gravity of the situation in the Middle East. He

also visited Tanaka, upon Ishizaka's advice, and clarified the urgency of the situation directly to him.

Following all these meetings initiated by the business sector, the Japanese government came to the conclusion that it needed the help of main business organizations and energy related industries in order to handle the oil crisis.

B. Through the Japanese public

Following the oil crisis, business leaders raised the awareness of the Japanese government and the public in order to obtain their sympathy and support, by explaining the seriousness of the situation. For instance, the president of Nippon Oil, Takiguchi Takeo explained that it was unlikely for OAPEC to end its oil embargo to the US or stop its oil production cuts, despite the cease fire.⁹⁷ Furthermore, the chairman of the Petroleum Association of Japan, Mitsuda Hirotaka predicted that it would take Japan up to half a year to return to its previous situation. A large number of electricity companies prepared the public for a possible rise in electricity rates. In the words of the president of Kyushu Electric Power Company, Kawarabayashi Kiyoshi: "We expected that the price of oil would be around five dollars in 1972 or 1973, but we came to know that the price increase was much larger than expected. Therefore, we have to decide to increase electricity rates since there is no room for further rationalization."⁹⁸

A common worry shared by the business sector was the over intervention of the government in solving the oil crisis. On November 21, 1973, a group of businesspeople announced to the public three main principles that the business sector would abide by and implied that it would collaborate with the government, but would also prevent it from over-intervening. The principles stated that the "major oil consuming industries should support policy measures adopted by the government and prepare horizontally cooperative conditions among the industries; that in case there is a doubt of violating anti-monopoly law in the process of voluntary adjustment in the business sector, the

⁹⁷ Yamakoshi, "A Study on Japan's Reaction to the 1973 Oil Crisis," 90.

⁹⁸ Ibid.

related ministries should discuss better solutions; and that the business sector should share social responsibility to solve problems caused in the process of dealing with the oil shortage problem.”⁹⁹

C. Business sector’s internal views and policies

There was a divergence in some of the views of certain groups within the business sector regarding the way to handle the oil crisis. For instance, one group named Zaikai Shigen (Resource Faction), which included the Advisor of MITI and the president of Japan Petroleum Development Corporation, believed that the most important focus of Japan should be to ensure a steady supply of natural resources. On the other hand, another group, which included the chairman of Nissho and the vice chairman of Keidanren, was against Japan shifting its diplomatic position and risking damaging its solid ties with the US. According to Kohno Bunzo of Mitsubishi Heavy Industries: “Japan will lose its credibility in diplomacy if we change our basic diplomatic stance to solve problem we presently face. Since the US maintains its powerful oil strategy, Japan should cooperate with the US.”¹⁰⁰

Despite their disagreements on certain issues, the different groups in the business sector worked on reaching a compromise and one consequence of that effort was the creation of the Energy Development Committee on November 21, 1973. This committee was under the direction of the advisor of Japan Industrial Bank, Nakayama Sohei, and focused on elaborating national projects and exchanging opinions with the Japanese government by collecting data related to energy.

iv. Observations

The OPs and the Japanese government shared the same opinion regarding the right of Palestinians to self-determination. However, the OPs wanted the government to deploy more efforts on the whole matter and be more active and consistent when it came to its policies towards the Middle East. This is illustrated through the OPs’ disapproval when the government abstained from voting on the UN resolutions concerning Israel, which did not consider the PLO as being the only representative of Palestinians, nor did it grant it diplomatic status. The OPs’ criticism of the

⁹⁹ Ibid., 91.

¹⁰⁰ Ibid., 92.

government did not lead the latter to change its policies according to their wishes, but it did create small changes that were a step in the direction that the OPs wanted the government to take. For instance, the addition of the words “important” and “influential” when describing the PLO as representing Palestinians.

Furthermore, some significant policies were taken by the government that were made possible by the mere existence of the Diet and its different political parties. Indeed, since the government could not invite Yasser Arafat officially because it did not grant the PLO the diplomatic status, it could do it indirectly through the Parliamentary League for Japan-Palestinian Friendship composed of members from all political parties. That way, the government’s actions remained compatible with its views, but that invitation strengthened its relationship with the PLO by allowing it to maintain contacts on a governmental level.

Lastly, regardless of whether a policy change happened or not according to the OPs’ wishes, their constant questioning of the government’s actions forced the latter to justify many of its actions and views. These justifications create a clearer image of the government’s views to the Japanese people as well as foreign countries which pushed the government to either be more consistent or be more easily accountable for not acting upon its views.

As for the interest groups, their influence on the Japanese government was studied through the business community, which was an important pressure group during the first oil crisis. The most active business organizations at that time were Keidanren, Nissho, Nikkeiren, and Keizai Doyukai. During the oil crisis of 1973, they worked together to try and influence the Japanese government to support the Arab position. For instance, on November 14, 1973 the president of Keidanren, Uemura Kogoro, along with two other employees, met with Tanaka and urged him to abide by OAPEC’s requests. Other efforts from the above-mentioned organizations were deployed to help the country manage the oil crisis. For instance, employees from Keizai Doyukai met with members of the LDP, including the Director General, Hashimoto Tomisaburo and informed them that a national state of emergency would help Japan to conserve energy. On November 18, 1973 Mizuno Sohei, the president of the Arabian Oil Company which was the principal independent producer in the Persian Gulf, met with Tanaka and informed him of the gravity of the situation in the Middle East.

Business leaders played a crucial role in raising the awareness of the Japanese government and the public regarding the gravity of Japan's economic situation. More particularly, they explained that OAPEC's oil measures would last even with the cease fire, that it would take Japan up to half a year to return to its previous economic situation, and that there would be a potential rise in electricity rates. On November 21, 1973, the business sector adopted main principles to deal with the oil crisis and avoid the over-intervention of the government.

As for Japan's alliance with the US, there were different inclinations in the business community. While one group named Zaikai Shigen (Resource Faction), which included MITI's advisor, believed that Japan should prioritize the supply of natural resources, another one including the chairman of Nissho and the vice chairman of Keidanren, advised against severing ties with the US. Nevertheless, business organizations were able to reach a compromise and the Energy Development Committee was established on November 21, 1973. Its purpose was to elaborate national projects with the Japanese government by collecting data related to energy.

(3) Second case study

In this section, the influence of the business community's policies on the Japanese government is examined through the Iran-Japan petrochemical project (IJPC). In addition to Iranian oil supplies and oil contracts, the IJPC was threatened by the conflict between the US and Iran and whose termination would have had devastating effects on the Japanese economy as explained in previous chapters.

The government and the business community being both involved in the IJPC, examining their views and interactions regarding which policies to take can give us a clearer image on the relationship between business and government in the implementation of Japan's policies towards the Iranian hostage crisis.

i. The IJPC project

In the beginning of the 1970s, Japan and Iran started a project known as the IJPC, which consisted of the construction of a petrochemical complex in Iran. The Japanese companies initially participating in this project included the leading trading company, Mitsui Bussan Kaisha (MBK, Mitsui & Co.), which was also designated as the representative of Japan's side in their

negotiations with Iran's side. Three additional leading Japanese chemical companies were included in the project: Mitsui Toatsu Chemical (MTC, now Mitsui Chemical,), Toyoh Soda Kaisha (TSK, now Tosoh Corporation,), and Mitsui Petrochemical Company (MPC, now Mitsui Chemical). As for Iran's side, its representative in the IJPC was the National Petrochemical Company (NPC), a subsidiary of the National Iranian Oil Company (NIOC).¹⁰¹

The IJPC project was significant to Japan, particularly to MITI, for several reasons. First, this project was Japan's largest private overseas investment, requiring almost \$2 billion in Japanese capital with over one hundred companies and twenty banks indirectly participating as shareholders and lenders.¹⁰²

Second, in 1979, Japanese companies such as Mitsubishi and Mitsui suffered from severe drops in petroleum imports. The major oil companies had to cut back shipments as much as one million barrels a day. This was an additional reason for MITI to hold on to the IJPC project with Iran, whose completion was linked to the acquirement of more oil and thus an eventual solution to the shortage of petroleum in Japan.¹⁰³

Third, there was for MITI a diplomatic motivation behind the revival of the IJPC project related to Iran being considered a geopolitical flashpoint. Since more than 70% of Japan's total oil imports passed through the Strait of Hormuz to the South of Iran, avoiding a breakdown in relations was very important to Japan.¹⁰⁴

The IJPC project was beneficial to Iran as well and was an important element in its economic prosperity; it helped Iran develop its ability to produce petrochemical products for both exports

¹⁰¹ Naotoshi Umeno, "Historical Analysis of the Early Stage of the Iran-Japan Petrochemical Project" (paper presented at Asia Pacific Economic and Business History Conference APEBH 2011, 2009) <https://apebhconference.files.wordpress.com/2009/09/umeno1.pdf>. (accessed September 16, 2021).

¹⁰² Michael M. Yoshitsu, *Caught in the Middle East: Japan's Diplomacy in Transition* (United States: Lexington Books, 1984), 41.

¹⁰³ *Ibid.*, 42.

¹⁰⁴ *Ibid.*

and the local market, and by 1981, Japan had contributed more than \$1.7 billion in equity and loans.¹⁰⁵

ii. Nationalization of the IJPC before the Iranian hostage crisis

The increase of Japan's dependence on oil with the increase of its energy consumption in the 1960s and the dominance of oil in the industrial process led more interest groups and government agencies to participate in the energy policy process. For instance, MITI, which was usually involved in domestic market policy, started contributing more to international energy markets. As for the Ministry of Finance and the Ministry of Transportation, they started playing a bigger role in energy budgeting and fuel economy, respectively.¹⁰⁶

This might have been a factor that facilitated the possibility of a collaboration between the business community and the Japanese government regarding the IJPC project that is explained in this section.

Problems that complicated the completion of the IJPC project started to arise in 1979 during the Iranian revolution. All the IJPC related construction work stopped in the spring of 1979. The Japanese companies involved in the project were concerned that Iran postpones the construction of additional facilities or increases the financing cost.¹⁰⁷

Government officials and businesspeople started their deliberations about the next steps to take regarding the IJPC. The business community believed that the project, initially private, should be turned to a national one with a solid backing from the Japanese government. In August 1979, Keidanren officially requested to nationalize the IJPC.¹⁰⁸

¹⁰⁵ Ronald A. Morse and Martha Caldwell, "The Dilemmas Of Japan's Oil Dependency," in *The Politics of Japan's Energy Strategy: Resources-Diplomacy-Security* (Berkeley: University of California. Institute of East Asian Studies, 1981), 71-72.

¹⁰⁶ *Ibid.*, 5.

¹⁰⁷ *Ibid.*, 72.

¹⁰⁸ Caldwell, "The Dilemmas of Japan's Oil Dependency," 72.

The following month, MITI Deputy Minister, Amaya Naohiro went to Iran and returned to Japan with confirmation from Iran that the project would not be nationalized, and that essential housing and natural gas supplies would be guaranteed. Consequently, Amaya strongly encouraged the creation of a national project and negotiations to support it started among officials of various ministries such as MITI Minister Esaki Masumi and Finance Minister Kaneko Ippei.

On October 12, 1979 the nationalization of the project was officially approved by the Japanese cabinet and the government granted 20 billion yen and an additional 80 billion yen in loans. Amaya and other governmental officials believed that this reorganization of the project was needed and appropriate in order to guarantee good relations with Iran, Japan's second main oil supplier.¹⁰⁹

Following the nationalization of the IJPC project, Esaki asked Iran to increase their oil supplies by 30%, and it appeared that the project was strengthened following the solid support of the Japanese government.

iii. Complications in the development of the IJPC during the Iranian crisis

During the Iranian hostage crisis in 1979 and the Iran-Iraq War in 1980, the complications in the relationship between Iran and the US suspended the development of the IJPC since Japan was caught in the middle of the conflicts. In May 1980, Iran stopped its oil supplies towards the project and threatened Mitsui by suggesting that the project could be assigned to Hungary for completion. Furthermore, in September and October 1979, the project was recurrently bombed by the Iraqi air force amid its war with Iran, which put the life of Japanese engineers and technicians on the site at risk.

In October 1980, the president of Mitsui, Yahiro Toshikuni, declared that further support from the Japanese government was strongly needed for the project, without which the private sector would have had to withdraw since it reached its limit of maximum feasible risk. Since supplies of material and natural gas were interrupted, the interest on loans was around 100 million yen per day, and the Iranian government was pressuring for further financing.¹¹⁰ However, a withdrawal from the project would not be advantageous to Mitsui since it was not sure of its eligibility to

¹⁰⁹ Ibid., 73.

¹¹⁰ Ibid., 74.

receive complete coverage under the government's export insurance, in case of a withdrawal that was not terminated by the second party, Iran.¹¹¹

At this point, the dynamics between the Japanese government and the business sector had changed to become more complicated. A year earlier, MITI officials were accused of openly favoring Mitsui whereas in 1980 MITI Minister, Tanaka Rokusuke, said that Yahiro's declarations were extremely "self-interested",¹¹² and that since more than a hundred companies were participating in the project, Mitsui could not make those decisions on its own. Tanaka also said that the president of the Iran Chemical Development Company (ICDC),¹¹³ Yamashita Eimei, was not ready to withdraw from the project and that Tanaka did not discuss this matter with him.¹¹⁴

Among the options presented by the private sector to the government regarding the IJPC, MITI officials agreed that no decision could be made before the end of the Iran-Iraq War and an examination of the damages on the site.

Following the government's response, Mitsui officials tried alternative solutions. They turned to private creditors such as the Japanese Export-Import Bank for loans, but their request failed since the Iranian government did not allow a delay on the repayment of loans, which was a requirement from the Japanese financial institutions. Mitsui officials' next plan failed as well when they asked Iran directly for more financing amounting to 9 billion yen. Lastly, the five ICDC firms examined the option to pay themselves a part of the amount due but they eventually decided to hold all payment to the IJPC.¹¹⁵

Part of the problem that created this disagreement between government and business sector was that the business sector, and more particularly Mitsui, should not have been responsible for large financial weights when unforeseen complications occurred. As for government officials, they

¹¹¹ Ibid.

¹¹² Caldwell, "The Dilemmas Of Japan's Oil Dependency," 74.

¹¹³ The ICDC is an investment corporation founded in 1971 to organize Japanese participation in the IJPC project. It had five participating firms all of which were from the Mitsui group.

¹¹⁴ Caldwell, "The Dilemmas Of Japan's Oil Dependency," 74.

¹¹⁵ Ibid., 75.

perceived oil projects as part of the nation's foreign policy which strengthened their commitments to those projects in order to not ruin their relationships with oil producing countries, in this case Iran.

Furthermore, the more firms that participated in the project and the more support the government gave, the more complicated it became to determine who should have had the final word when making decisions related to the IPJC.¹¹⁶

iv. Observations

For the second case study, this study examined the influence of the business community on the Japanese government's policies by focusing on the IJPC project. That project's purpose was to build a petrochemical project in Iran and was Japan's largest private overseas investment. However, following the Iranian revolution, the project started to face problems and all construction works stopped in the spring of 1979. There were more than a hundred Japanese companies involved in the project as shareholders and lenders and they had rising concerns including Iran deciding to postpone the construction of additional facilities or increasing the financing cost. Since the importance of oil quickly increased in the 1960s, more interest groups and government agencies were motivated to participate in the energy policy process. This led to the business community and the Japanese government collaborating regarding the IJPC project and strengthening it following its nationalization on October 12, 1979.

The development of the IJPC was suspended in the face of the problems created by the Iranian hostage crisis, the Iran-Iraq War, and the severing of the relations between Iran and the US. In October 1980, the president of Mitsui, Yahiro Toshikuni asked the government to support the project further since the private sector had reached its limit of maximum feasible risk. Despite the private sector having to withdraw from the project without the government's support, MITI officials still decided to wait until the end of the Iran-Iraq War and the examination of the damages on the site before making a decision. Mitsui officials tried alternative solutions with private

¹¹⁶ Ibid.

creditors and by asking Iran directly for more financing but their efforts failed. Mitsui ended up holding all payment regarding the IJPC.

IV. International Law and International Organizations

International law is usually described as a series of rules that manage relations between countries, formed by interstate treaties.¹¹⁷ It clarifies the status, rights, responsibilities, and duties of the countries in foreign policy. Despite the fact that international law has no mandatory judicial system for the resolution of quarrels or a coercive penal system, there are ways in which violations of international law are noticed by the international community and some methods for settling disputes. For instance, the establishment of the UN provided the international community with ways to impose international law on state members that disobey its charter through the Security Council.

Since the principles of international law and its implementation are tightly interrelated with international organizations, this study will investigate the extent of their impact on Japan's foreign policy together. It will first elaborate how international law and international organizations can have an impact on a country's foreign policy.

(1) Impact of international law on a country's foreign policy

According to Cali, international law is "a system of rules created deliberately and explicitly by States [...] where states have expressly willed to be bound by the rules."¹¹⁸ International law controls the foreign policy of countries and it is mandatory for them to respect it, since it puts forward a legal framework through which countries must cooperate.

¹¹⁷ Marthe Doviene Lafortune Sotong, "International Law and Foreign Policy: a Mutual Influence," 2014, https://www.academia.edu/7072829/International_Law_and_Foreign_Policy_a_mutual_influence.

¹¹⁸ Basak Cali, "Perspectives on International Relations in International Law," in *International Law for International Relations* (Oxford: Oxford University Press, 2010), 71-98, 74.

It is in the interest of countries to respect and comply with international law because, otherwise, it would complicate the implementation of their foreign policy, since other countries will hesitate to make treaties with them because of the “bad reputation”¹¹⁹ they will obtain.

There are different views in International Relations regarding the effect of international law and the degree to which countries actually respect its rules.

Realists believe that international law has a negligible effect on foreign policy and sometimes none whatsoever. According to them, states lean toward prioritizing their national interests, mostly military security and economic growth, which sometimes lead them to breach legal rules if vital interests are at stake.¹²⁰ According to realists, international law has a negligible effect due to the fact that its legislative, judicial, and executive roles are dispersed. Each country is, in world affairs, its own lawmaker, judge as well as interpreter of the law, depending on its interests, and should implement the law for itself.

Liberal institutionalists have a divergent opinion. They believe that international law’s effect on countries can be very important. They argue that when countries sign a treaty, it becomes more convenient for them to act according to the law since disobeying it would cost them financially. As for positivists, they believe that states are obliged to respect international rules to avoid sanctions and “naming and shaming”¹²¹ by international activists.

Lastly, constructivists argue that international law has an impact on countries, because when they conclude treaties among each other, they become legally obliged to respect the treaties in question by customary law and they choose to be legally obliged by them.

(2) Impact of international organizations on a country’s foreign policy

There are several international organizations that have an essential role in the existing international system. For instance, it is increasingly difficult for world affairs to function without

¹¹⁹ Lafortune Sotong, “International Law and Foreign Policy: a Mutual Influence,”.

¹²⁰ Bojang AS, “The Study of Foreign Policy in International Relations,” *Journal of Political Sciences & Public Affairs* 06, no. 04 (October 18, 2018), <https://doi.org/10.4172/2332-0761.1000337>, 3.

¹²¹ Ibid.

international organizations such as the UN, international monetary institutions such as the International Monetary Fund (IMF) and World Bank (WB).

Organizations of this type are active players in International Relations as they enable relations between nations at the global level. A country's foreign policy is, therefore, influenced by the organizations of which they are members, and to which they concede their authority, to some extent. Since member states have to follow the rules dictated by the organization's constitution, the policies of those states depend and are influenced by the nature of the organization.

There are several divergent views emerging from scholars of International Relations, regarding the role of International Organizations in a state's foreign policy.

Generally, realists have less trust in the efficiency of International Organizations compared to scholars of other schools of thought. Since the UN and most other international bodies cannot enforce their resolutions, nations possess the actual control in the international system. According to Mearsheimer, international institutions "are basically a reflection of the distribution of power in the world. They are based on the self-interested calculations of the great powers, and they have no independent effect on state behavior."¹²² This view is based on the 'bottom-up' perspective, which focus on the way foreign policies influence international organizations.

The constructivists and liberal institutionalists have a view that is based on the 'top-down' perspective, which is the way international organizations influence nations' foreign policies. According to constructivists, international organizations change, to a larger extent, nation behavior and have an important influence on the foreign policy of member states.¹²³

(3) First Case Study

¹²² John J. Mearsheimer, "The False Promise of International Institutions," *International Security* 19, no. 3 (1994): 5-49, 7.

¹²³ *Ibid.*, 4.

i. Economic force according to the UN Charter

The constituting document of the United Nations (UN), the Charter of the UN, was signed on June 26, 1945 in San Francisco during the UN conference on International Organizations. It became effective on October 24, 1945.

As a result of its charter, the UN is an instrument of international law and organizes the main principles of international relations from equality of nations to the use of force.

To understand whether the UN charter condemns the use of economic force of a country against another and, more particularly, if the Arab embargo in 1973 was in violation of the Charter, its article 2 (4) should be looked at. It states that member nations should “refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any State, or in any other manner inconsistent with the Purposes of the United Nations.”¹²⁴ “Force” is not clearly defined nor whether it refers to economic and/or military force.

Several scholars have adopted the view that that the use of economic force is a violation of article 2(4) of the UN Charter.

For instance, according to Bowett, “[much] of State economic activity is harmful to other States for the very obvious reason that State economies are competitive and that promoting one’s own economy may well be injurious to others.”¹²⁵ However, “it will be necessary to characterize unlawful economic measures by their intent rather than their effect.”¹²⁶ This means that an action that is not illegal by itself could be considered illegal once there is evidence of unlawful motivation behind it. The motivation behind the Arab oil embargo of 1973/74 was to break western support for Israel. It was an explicit effort to try to destabilize the “political independence”¹²⁷ of countries, illustrating an unlawful motivation that is in violation of article 2(4).

¹²⁴ “Purposes and Principles of the UN (Chapter I of UN Charter) Security Council,” United Nations (United Nations), accessed May 13, 2021, <https://www.un.org/securitycouncil/content/purposes-and-principles-un-chapter-i-un-charter>.

¹²⁵ Istvan S. Pogany, “The Security Council and the Yom Kippur War,” in *The Security Council and the Arab-Israeli Conflict* (Aldershot: Gower, 1984), 137.

¹²⁶ Ibid.

¹²⁷ Ibid., 137.

In evaluating the embargo, Paust and Blaustein state that the effect of economic force was considerable. It endangered the general prosperity, well-being, and authority of several nations and people, as well as their national defense and security. Therefore, the intensity and efficiency of the use of force can be described as being in violation of basic Charter purposes and of its article 2(4).¹²⁸

The suggestion that the Charter should be interpreted as prohibiting the use of economic force is in harmony with the ordinary rules of treaty interpretation. According to article 31(1) of the Vienna Convention of the Law of Treaties, “a treaty shall be interpreted in good faith in accordance with the ordinary meaning to be given to the terms of the treaty in their context and in light of its object and purpose.”¹²⁹ The “object and purpose” of the Charter are an indication of the implication of article 2(4). The “object and purpose” of the Charter is to preserve international peace and security. The use of economic force jeopardizes the international order.¹³⁰

Additionally, there are three resolutions, implemented at a later date, that support the view that article 2(4) can be interpreted as prohibiting the use of economic force. In 1965, the General Assembly implemented a Declaration on the Inadmissibility of Intervention into the Domestic Affairs of States, which opened the possibility to interpret the Charter as prohibiting the use of economic force. The second article of the declaration states that “No State may use or encourage the use of economic, political or any other type of measures to coerce another State in order to obtain from it the subordination of the exercise of its sovereign rights or to secure from it advantages of any kind.”¹³¹ In December 1973, the General Assembly implemented a resolution

¹²⁸ Jordan J. Paust and Albert P. Blaustein, “The Arab Oil Weapon—A Threat to International Peace,” *American Journal of International Law* 68, no. 3 (1974): 410-439, <https://doi.org/10.2307/2200513>, 439.

¹²⁹ Richard Gardiner, “Treaty Interpretation (2nd Edition),” Oxford Public International Law (Oxford University Press, 2015), https://opil.ouplaw.com/view/10.1093/law/9780199669233.001.0001/law-9780199669233_2.

¹³⁰ Pogany, “The Security Council and the Yom Kippur War,” 138.

¹³¹ Department of State, “The Department of State Bulletin,” 63 The Department of State Bulletin § (1971), 629.

on Permanent Sovereignty over Natural Resources. Its paragraph 6 stresses “the duty of all states to refrain in their international relations from military, political, economic, or any other form of coercion aimed against the territorial integrity of any state.”¹³² Lastly, the Charter of Economic Rights and Duties of States, implemented by the General Assembly on December 1974, states in its article 32 that “no state may use or encourage the use of economic, political or any other type of measures to coerce another state in order to obtain from it the subordination of the exercise of its sovereign rights.”¹³³

Despite the fact that the resolutions do not always have a binding nature, several jurists determined that the use of economic force can violate international law. The conclusion of the jurists is partly reached based on the fact that those resolutions are an indication of the “subsequent agreement” of the member nations regarding the interpretation of the Charter. Indeed, article 31(3) (a) of the Vienna Convention of the Law of Treaties declares that “any subsequent agreement between the parties regarding the interpretation of the treaty or the application of its provisions”¹³⁴ should be taken into consideration. Therefore, to understand the extent of the word “force” in article 2(4) of the Charter, one should look at the context of the variety of the General Assembly resolutions which prohibit the use of force.

Therefore, since this study concluded that OAPEC’s method was in violation of the UN Charter, the next question is to determine if it pressed the Japanese government to condone it. It was mentioned earlier that Japan made several statements regarding the conflict in which it confirmed its support of the Arab countries. Since it failed in changing its status to “friendly” right away, Japan deployed a series of efforts to be on OAPEC’s good side. Indeed, on October 19, 1973 Arab ambassadors asked Japan to support the Arab position in the Middle East War¹³⁵ and Japanese Vice Foreign Minister Hogen Shinsaku met with the Saudi Ambassador Auni Dejeni to confirm Japan’s support of Resolution 242. His statement was not enough and did not end the oil cuts to

¹³² Pogany, “The Security Council and the Yom Kippur War,” 138.

¹³³ Ibid., 137.

¹³⁴ Ibid., 138.

¹³⁵ Hafez Berjas, *The International Struggle for Arab Oil* (Bissan for Publishing Distribution & Information, n.d.), 261.

Japan. On November 4, OAPEC announced further oil cuts and the categorization of the world into three categories “friendly”, “neutral”, and “unfriendly”. Consequently, Japan made the November 22 statement, organized diplomatic trips to the Middle East, and offered economic assistance to several countries in the region. Japan’s status was eventually changed to that of a “friendly” nation.¹³⁶

ii. Observations

Based on the above interpretation of article 2(4) of the UN Charter as well as the three subsequent resolutions that were implemented in 1965, 1973 and 1974, this study determines that the use of economic force can be in violation of the UN Charter.

Despite the unlawfulness in the method of the Arab countries to impose an embargo on other nations, including Japan, the latter did not seem to be influenced by that in its foreign policy toward the Arab-Israeli conflict. Indeed, all of Japan’s policies in that case were implemented in reaction to the Arab countries’ demands and in a direction that would satisfy them. Japan deployed a series of measures aimed at being considered a friendly nation by OAPEC. It declared statements supporting the Arab position, sent officials to the Middle East and offered economic assistance to several countries in the region. Therefore, it is evident that Japan was not taking into consideration the method of the use of economic force in the implementation of its policies towards the Arab-Israeli conflict. However, the question remains whether the Japanese government considered OAPEC’s measure as being in violation of the UN Charter. There are not enough studies that confirm or deny that fact. Therefore, there are two possible scenarios; the first one being that the Japanese government supported OAPEC despite considering its measures unlawful, and the second one being that it believed OAPEC’s measures were not in violation of the UN Charter and that Japan might have not supported OAPEC if it thought otherwise.

¹³⁶ Sezai Özçelik, “The Japanese Foreign Policy of the Middle East Between 1904-1998: Resource, Trade and Aid Diplomacy,” *Humanity & Social Sciences Journal* 3, no. 2 (2008): 129-142, 132.

(4) Second case study

On November 29, 1979, the US presented an application before the International Court of Justice (ICJ) regarding the hostage crisis, based on article 40(1) of the Court's Statute.

The ICJ, also known as the World Court, is one of the six main bodies of the UN. It resolves clashes between nations based on international law and provides advisory opinions on international legal subjects. The ICJ is the single international court that settles general disagreements between nations, with its judgments and opinions functioning as primary sources of international law.

i. US claims before the ICJ

The US accused the Iranian government of violating several legal rules of customary international law.¹³⁷ The seizure of the embassy by the Iranian students, the detention of its staff, and counting them as hostages until the Shah returned to Iran, were approved by Ayatollah Khomeini. The students repeated that they would free the hostages if requested by Khomeini to do so, which confirmed the responsibility of the Iranian government in the hostage crisis and in the deprivation of the hostages, of their civil liberties.¹³⁸

The US added that Iran was also in violation of four treaties to which both of them were party: the 1961 and 1963 Vienna Conventions on Diplomatic and Consular Relations; the 1955 Treaty of Amity, Economic Relations, and Consular Rights; and the 1973 Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents.¹³⁹

¹³⁷ Amir Rafat, "The Iran Hostage Crisis and the International Court of Justice: Aspects of the Case Concerning United States Diplomatic and Consular Staff in Tehran," *Denver Journal of International Law & Policy* 10, no. 3 (2020): 425-462, <https://digitalcommons.du.edu/cgi/viewcontent.cgi?article=2023&context=djilp>, 425.

¹³⁸ Walter L. Williams, "International Law and the American Hostages in Iran," William & Mary Law School Scholarship Repository, 1980, <https://scholarship.law.wm.edu/facpubs/761/>, 31.

¹³⁹ Rafat, "The Iran Hostage Crisis and the International Court of Justice," 425.

A. The Vienna Conventions on Diplomatic and Consular Relations

According to the Vienna Convention on Diplomatic Relations, the Iranian government is legally obliged to guarantee the immunity of the US diplomatic, administrative, and technical personnel as well as their families, from “any form of arrest or detention” and to deal with them “with due respect” and protect them from “any attack on his person, freedom, or dignity.”¹⁴⁰

Towards the same people, the Iranian government is legally responsible as well to guarantee their immunity “from the criminal jurisdiction”¹⁴¹ of Iran. The government should also make sure that the diplomatic ground is unbreakable, that the archives and documents in the US embassy in Tehran are not to be touched, and that the embassy personnel is allowed to leave Iran and assisted in their departure.

As for the consular relations, the Iranian government is legally obliged to guarantee that the US has access to facilities that allow it to exercise its consular roles and that the US consular grounds, documents, and archives are not to be violated as well. Additionally, the consular personnel should have the freedom to move freely within Iran and to be in touch with other American citizens. The consular personnel should “be treated with respect and protected from attack on their persons, freedom, and dignity; and that United States consular officers be free from arrest or detention.”¹⁴²

The Government of Iran was in violation of the convention’s articles mentioned above.

B. The U.S.-Iranian Treaty of Amity, Economic Relations, and Consular Rights

According this treaty, the Iranian government is legally obliged to guarantee that US citizens are granted utmost protection in Iran and, if ‘held in custody’, “which presumes custody by properly empowered officials pursuant to regular process and for reasonable cause,”¹⁴³ should be treated humanely and have access to consular services. The US should be able to protect the

¹⁴⁰ International Court of Justice, “Case Concerning United States Diplomatic and Consular Staff in Tehran,” accessed May 18, 2021, <https://www.icj-cij.org/public/files/case-related/64/9545.pdf>, 6.

¹⁴¹ Ibid.

¹⁴² Ibid.

¹⁴³ Williams, “International Law and the American Hostages in Iran,” 31.

interests of its citizens in custody. American nationals in Iran should be aware of the allegations being made against them and should be granted full services that allow them to defend themselves and have their case be evaluated promptly and fairly.

C. Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents

This convention legally obliges the Iranian government to work with the US in avoiding the occurrence of crimes against the official grounds and the personnel of the US embassy in Tehran and take appropriate measures to avoid such incidents. Furthermore, the Iranian government has an obligation to deliver to the qualified Iranian authorities, all the people that are responsible of perpetrating crimes against the official premises and personnel of the US embassy in Tehran.¹⁴⁴ Based on all those violations, the US was accusing Iran to have, among other things, neglected to save the American embassy from the harm it started facing since the start of the crisis, approved the actions aimed at the embassy and its staff, and warned the hostages that there will be trials against them.¹⁴⁵

Iran was in violation of the rights of American citizens, held hostage in its territory, not only in the way they were treated but in the mere fact that they were confined. From the beginning, the purpose of the embassy seizure was made clear and public: it was a way to pressure the US to return the Shah to Iran. If he was not returned, the detainers warned that the treatment of the hostages would worsen, and the hostages would be executed should the US have tried to use military force to free them.

ii. US requests to the ICJ

The US requested the Court to impose corrective actions and interim measures on Iran, that is to safely liberate the hostages, abstain from initiating any criminal charge against them, ensure reparations to the US and the involved nationals, return the occupied grounds under the authority

¹⁴⁴ “Case Concerning United States Diplomatic and Consular Staff in Tehran,” 6.

¹⁴⁵ Rafat, “The Iran Hostage Crisis and the International Court of Justice,” 427-428.

of the US, guarantee that the US diplomatic and consular personnel were safe to continue exercising their official roles, and to put on trial the people responsible for starting the crisis.

iii. ICJ Judgments

On December 15, 1979 the ICJ issued a first decision, an interim order that came before the definitive decision of the Court, that was based on the protection of the rights and obligations that the US and Iran owed each other. The Court unanimously agreed that Iran had to guarantee to return control of the US embassy in Tehran to the US, free the hostages, and provide full protection as dictated in the Vienna Convention on Diplomatic Relations. The Court also requested both parties not to make any action that would worsen the situation.

The second decision of the Court, issued on December 24, 1979, was based on the merits of Iran's actions. However, Iran did not participate in the trials.

In order to issue its final decision, the ICJ looked at the case in question under two separate angles.

The first one related to the status of the Iranian militants and students that started the armed attack on the US embassy in Tehran and whether they were considered as representatives of their government, acting on its behalf. The second angle was related to the entire sequence of facts that took place following the seizure of the US embassy in Tehran.

The Court issued its judgement on May 24, 1980. Regarding the first matter, the Court decided that, according to the facts, the Iranian militants and students were not acting as representatives of their government or asked by it to complete particular operations. Therefore, the Iranian government could not be directly charged for the militants and students' actions. However, the Court decided that the government was still responsible for the actions of their citizens since it was obliged under both customary law and the Vienna Conventions of 1961 and 1963 to take necessary measures to guarantee the protection of the US embassy and consulates, their personnel, and their

archives. The lack of reaction from the Iranian government, despite critical and recurrent requests for help, was, according to the Court, “more than mere negligence or lack of appropriate means.”¹⁴⁶

The fact that the Iranian government did not take measures to avoid the seizure of the embassy or to convince the militants and students to retract once the embassy was seized, was a violation of the general rules of international law, both Vienna Conventions, and the Treaty of Amity, Economic Relations, and Consular Relations.

As for the second matter, the ICJ used a series of decisions. The first decision stated that the Iranian government “(a) must immediately terminate the unlawful detention of the United States Chargé d'affaires and other diplomatic and consular staff and other United States nationals now held hostage in Iran, and must immediately release each and every one and entrust them to the protecting Power (Article 45 of the 1961 Vienna Convention on Diplomatic Relations) ; (b) must ensure that all the said persons have the necessary means of leaving Iranian territory, including means of transport ; (c) must immediately place in the hands of the protecting Power the premises, property, archives and documents of the United States Embassy in Tehran and of its Consulates in Iran.”¹⁴⁷

The second decision stated that no US diplomatic or consular personnel could be held in Iran, nor faced with any judicial trial neither contributing to them as witnesses.

The third decision stated that the Iranian government was required to make reparations to the US government for all the damages it was subjected to, following the events of November 4 and the outcomes of those events.

The last decision made by the Court stated that “the form and amount of such reparation, failing agreement between the Parties, shall be settled by the Court, and reserves for this purpose the subsequent procedure in the case.”¹⁴⁸

¹⁴⁶ International Court of Justice. “Case concerning United States Diplomatic and Consular Staff in Tehran.” Accessed May 18, 2021. <https://www.icj-cij.org/public/files/case-related/64/9545.pdf>, 32.

¹⁴⁷ Ibid.

¹⁴⁸ Ibid., 46.

iv. Observations

Based on both the interim order and the final judgement of the ICJ, it is evident that the Court condemned Iran's actions and validated US claims.

Therefore, in order to determine the impact that the ICJ's decisions had on Japan, this study will evaluate whether the position and measures that Japan took during the hostage crisis were supportive of the US.

There was one policy that Japan implemented towards the beginning of the crisis, in which it went against the US and met Iran's demands. Indeed, the Iranian government requested Japan to buy the excess oil stock remaining in Iran due to the US ban.¹⁴⁹ Following the disagreements between MITI, MOFA, and Japanese companies (developed in the section on "political system"), Japan bought a large amount of oil from Iran in November 1979.¹⁵⁰

Starting from November 24, when the US confronted Japan, Japan's policies became more supportive of the US. The ICJ's interim order, which was its first decision regarding the hostage crisis, was issued on December 15, 1979. It was at a time when Japan's measures were supportive of the US and were aligned with both the ICJ's views and, by extension, the US's. It is difficult to determine precisely how much of Japan's measures towards the crisis were due to the ICJ's decisions; however, the hypothesis that the ICJ did play a role in Japan's foreign policy towards the Iranian hostage crisis cannot be dismissed.

¹⁴⁹ Fumihiko Yoshida, "Testing Models of Foreign Policy Decision-Making in Japan, Using the Iranian Hostage Crisis, Moscow Olympics Boycott, and History Textbook Issue." (1989), 47.

¹⁵⁰ *Ibid.*, 48.

CHAPTER 3. INDIRECT EFFECTS OF THE CRISES ON THE JAPANESE GOVERNMENT

I. Alliances

Alliances between states certainly guide and possibly alter the foreign policy of a state since members of an alliance should support their ally by taking into consideration their needs and avoid implementing policies that go against that¹.

This study looks into the alliance between Japan and the United States (US) and its influence on Japan's implementation of foreign policies towards the Organization of Arab Petroleum Exporting Countries (OAPEC) and Iran during the oil crisis of 1973 and the Iranian hostage crisis of 1979.

As mentioned in the introduction of this dissertation, both case studies are set apart by the fact that the dynamics between the parties involved are indirect in the first case study and direct in the second one.

In the first case study, more specifically during the oil crisis in 1973, Japan had to decide whether to side with Arab countries or with Israel. Both parties were in conflict regarding several issues including the Palestinian question and Israel's annexation of Arab territories in the war of 1967. The indirectness of the element of alliance in this case comes from the fact that Japan is not allied with Israel but still has to consider maintaining a good relationship with the country in its implementation of foreign policies towards the Middle East. This is because Israel is an ally of the US and since it is crucial for Japan to be on good terms with the US, it is indirectly expected to preserve friendly relations with its ally's ally, Israel.

As for the second case study, more specifically the Iranian hostage crisis in 1979, the parties involved are Japan, Iran and the US. This means that the element of the alliance is studied in the context of the direct alliance between the US and Japan when examining the implementation of Japan's foreign policies towards Iran.

¹ Malang Bojang, "The Study of Foreign Policy in International Relations," *Journal of Political Sciences & Public Affairs* 06, no. 04 (October 18, 2018), <https://doi.org/10.4172/2332-0761.1000337>, 4. (accessed on 16 February, 2021)

Therefore, the study of the element of alliance will be different in each case study with the alliance being studied through Israel and Japan's relationship in the first one and through the US-Japan alliance in the second one.

(1) First case study

In this section, this study aims to understand the role of the element of alliance in Japan's implementation of its foreign policies towards the Middle East during the first oil crisis in 1973. This element will be explored in the context of the first oil crisis and indirectly since the US-Japan alliance will be examined through the policies implemented by Japan towards the Middle East which includes Israel. In formulating a policy toward the Middle East, it will be interesting to determine if and to what extent Japan supported the US by standing by Israel.

This study will start by examining the evolution of the relationship between the US and Israel in order to understand if and how important it was for Japan to preserve a good relationship with its ally's ally, Israel. It will then proceed to examine the policies taken by Japan towards OAPEC, Israel, and the US.

i. The evolution of US-Israel relationship

On May 14, 1948 the United States was the first country to recognize Israel, eleven minutes after its creation.²

The relationship between the US and Israel started out friendly but distant in the 1950s and the first half of the 1960s. The US was concerned with putting its interest with Saudi Arabia's oil reserves at risk and with complicating NATO allies' traditional ties to Arab countries.³

² Alex V. Darakjy, "The US - Israel Enhanced Security Cooperation Act: Legitimate Legislation or Puffed Up Policy Statement," *Law School Student Scholarship*, 2015, https://doi.org/https://scholarship.shu.edu/student_scholarship/645, 4.

³Samuel W. Lewis, "The United States and Israel: Evolution of an Unwritten Alliance," *Middle East Journal* 53, no. 3 (1999): 364-378, 366.

Consequently, the US was supportive of peace in the Middle East between Israel and Arab nations but was barely taking initiatives toward that goal. Indeed, at that time the US was mostly active through the United Nations' diplomatic efforts.⁴

Furthermore, there was never any invitation for an Israeli prime minister to come to Washington before the administration of Lyndon Johnson whose term was from 1963 to 1969.⁵ Indeed, US President Johnson invited former Israeli Prime Minister Levi Eshkol to meet with him in Washington in 1964, becoming the first US president to do that.

During that decade and a half, US arms sales to Israel were not allowed and France was the latter's principal arms provider and strategic partner. When Israel won the Six-Day War of 1967 against Arab countries, it was using French weapons.⁶

The relationship between US and Israel changed from the second half of the 1960s and started to become more strategic. Around that time, the US was gradually counting more on its own diplomacy, independently from the UN Security Council, when taking initiatives to support peace in the Middle East.⁷

It was around the time of the Yom Kippur War of 1973 that the US started to explicitly guarantee Israel's support of its security. Indeed, during that war, the US strongly backed Israel against the surprise attack initiated by both Egypt and Syria.

The US led an airlift operation known as Operation Nickel Grass, during which it supplied Israel with weapons and ended up shipping over 22,325 tons of tanks, artillery, ammunition, and supplies in a month period. It was due to the US support that Israel managed to survive the war.

Despite the fact that the relationship between the US and Israel changed and took different forms throughout the years, both countries managed to preserve friendly relations since the start

⁴ Ibid.

⁵ Ibid.

⁶ Ibid.

⁷ Ibid., 367.

of their ties due to similarities regarding democratic values, religious affiliations, and security interests.⁸ Their relationship includes military, economic, scientific, and trade aspects.

Indeed, US Congress assists Israel militarily and even passes legislations that openly aim to protect Israel's security.⁹

For instance the United States-Israel Enhanced Security Cooperation Act of 2012 stipulated that it is among US policies to “(1) reaffirm the commitment to Israel's security as a Jewish state, (2) support Israel's right to self-defense and help Israel preserve its qualitative military edge, (3) expand military and civilian cooperation, (4) assist in a negotiated settlement of the Israeli-Palestinian conflict that results in two states living side-by-side in peace and security, and (5) veto any one-sided anti-Israel U.N. Security Council resolutions.”¹⁰

Additionally, the US is Israel's biggest trading partner while Israel is the US's 23rd main trading partner, according to the US International Trade Commission.¹¹ In 1985, US and Israel established a Free Trade Agreement (FTA) removing by it all customs obligations between themselves.¹²

The relationship between the US and Israel also include the introduction of programs to support Israel' industrial and scientific research, programs for which US Congress allocates funds for.¹³

The figure below illustrates the nature of the relationship between the US and Israel by showing the amount of foreign aid that Israel has received from the US since the end of World War II, more specifically since 1946, until 2019.

⁸ Jim Zanotti, “Israel: Background and U.S. Relations,” Congressional research service (2016), <https://apps.dtic.mil/sti/pdfs/AD1020903.pdf>, 17.

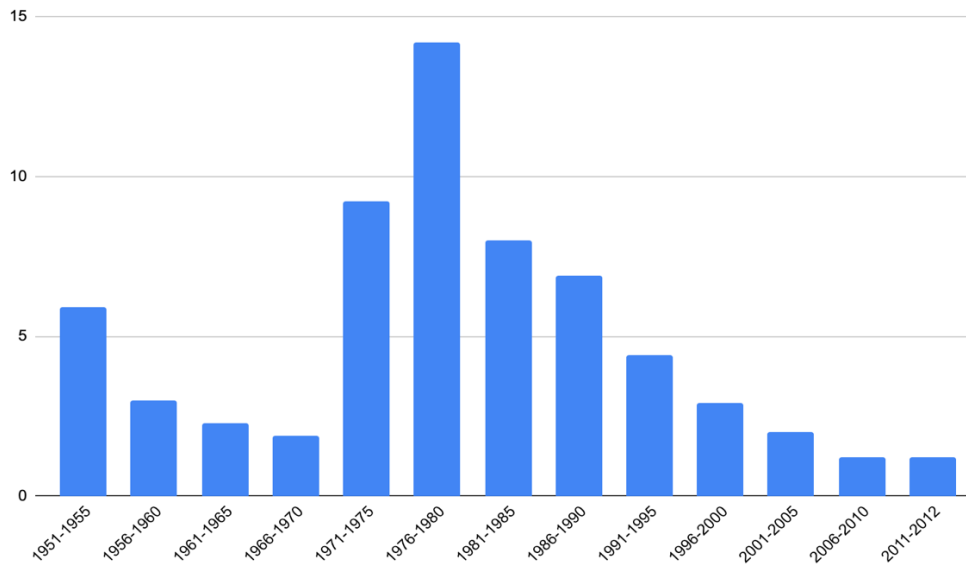
⁹ Ibid.

¹⁰ “United States-Israel Enhanced Security Cooperation Act of 2012,” Congress.gov, accessed December 19, 2021, <https://www.congress.gov/bill/112th-congress/senate-bill/2165>.

¹¹ US International Trade Commission is an agency of the US federal government, established in 1916, that directs the executive and legislative branches on trade issues.

¹² Zanotti, “Israel: Background and U.S. Relations,” 18.

¹³ Ibid., 19.



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This table shows the percentage that the US aid to Israel represents in Israel’s GDP. The 1970s was the decade where the US supplied Israel with the most aid. Indeed, from 1971 to 1975, US’s aid reached 9.2% of Israel’s GDP and from 1976 to 1980 increased to 14.2%.¹⁵ US aid to Israel was particularly abundant in 1974 following the losses derived from the Yom Kippur War. At that time, the US helped Israel rebuild its military standing.¹⁶

Having examined the evolution and the nature of the relationship between the US and Israel, it is evident that both countries share a strong bond based on similar values and strategic interests. Therefore, it will be interesting to see if Japan took the US-Israeli relationship into consideration

¹⁴ Created by the author and retrieved from Ora Coren and Nadan Feldman, “U.S. Aid to Israel Totals \$233.7B over Six Decades,” Haaretz.com (Haaretz, March 20, 2013), <https://www.haaretz.com/israel-news/business/.premium-u-s-aid-to-israel-234-billion-over-60-years-1.5234820>.

¹⁵ Ora Coren and Nadan Feldman, “U.S. Aid to Israel Totals \$233.7B over Six Decades,” Haaretz.com (Haaretz, March 20, 2013), <https://www.haaretz.com/israel-news/business/.premium-u-s-aid-to-israel-234-billion-over-60-years-1.5234820>.

¹⁶ Ibid.

during the oil crisis of 1973 when implementing policies toward the Middle East, considering its own alliance with the US. Japan's position was very difficult since its access to Middle Eastern oil was conditioned by the severing of its relationship with Israel.

ii. US pressure on Japan

The meeting between US Secretary of State Henry Kissinger and Japanese Prime Minister Tanaka Kakuei on November 15, 1973 allow us to understand how the US exercised pressure on Japan in order for the latter not to abide by OAPEC's demands.

During their meeting, Kissinger requested Tanaka not to surrender to the pressure that OAPEC was exercising on Japan as it would complicate peace efforts.¹⁷ Kissinger warned Tanaka that the US-Japan alliance would be negatively affected if Japan supported Arabic countries and would also anger Jewish Americans. Kissinger added that if Japan worsened its connections with Israel, Jewish financial heads would impose an embargo on Japanese products.¹⁸

Despite the fact that Japan ended up going against the US request and taking a supportive stance towards OAPEC, Tanaka gave priority to the US. Indeed, he informed Kissinger that the decline in oil supplies would diminish Japan's economic progress from 10.7% to below 5% and requested that the US compensate Japan for its oil shortage if Japan followed US policy.¹⁹ However, Kissinger refused Tanaka's request.²⁰

Consequently, Japanese officials started to re-examine their country's policy outside of the US and in a way that was more aligned with their national interests.²¹

¹⁷ Amal Mustafa Shamma, "The 1973 Oil Embargo: Arab Oil Diplomacy" (dissertation, Western Michigan University, 1980), 84.

¹⁸ Kuroda, "The Oil Crisis and Japan's New Middle East Policy", 181.

¹⁹ Yamakoshi, A Study on Japan's Reaction to the 1973 Oil Crisis", 22.

²⁰ William R. Nester, *Japan and the Third World: Patterns, Power, Prospects* (Macmillan, 1992), 211.

²¹ Shamma, "The 1973 Oil Embargo: Arab Oil Diplomacy," 84.

iii. OAPEC's oil cuts and embargo

The pressure of the Arab nations that Kissinger was referring to was when Arab nations requested Japan to support their cause in the Arab-Israeli conflict. On October 19, the foreign ministry of Japan was visited by the Arab ambassadors for that purpose.

Around 10 days before the meeting between Tanaka and Kissinger, OAPEC separated all countries into three categories. Friendly countries could keep their importing their usual production quotas, neutral countries had to deal with the general production reductions, and hostile countries faced a full oil embargo from OAPEC.²² The defining criterion was whether nations supported Israel or during the Yom Kippur War of 1973. Japan, due to its unclear policy towards the Middle East, was not sure how it will be perceived by OAPEC and thus, neither MOFA nor MITI realized that Japan was considered hostile by the Arab nations.²³

When Japan realized that it was at risk of an oil embargo from Arab oil producing countries, it decided to take the necessary policies to show its support to the Arab countries. The comparison of Japan's policies before and after Tanaka's meeting with Kissinger shows that its willingness to support OAPEC increased following Kissinger's rejection of Tanaka's proposal.

iv. Japan's policies towards OAPEC before Tanaka-Kissinger meeting

On October 26, MOFA gave the ambassador of Saudi Arabia a diplomatic note entitled "A Statement of Japan's Position on the Fourth Middle East War."²⁴ It declared that "1) Japan was absolutely against the acquisition of any territory by use of force; 2) therefore Japan would never recognise the annexation by Israel of territories occupied in the 1967 war; and 3) any settlement of the conflict must respect the legitimate rights of the Palestinians."²⁵ Unfortunately, Arab countries believed that Japan's statement was neither precise nor sufficient enough since it did not show the policies that Japan would take if Israel were to continue its occupation of the Arab

²² Nester and Ampiah, "Japan's Oil Diplomacy," 77.

²³ Kuroda, "The Oil Crisis and Japan's New Middle East Policy", 181.

²⁴ Kimura, "Japan's Middle East Policy," 25.

²⁵ Ibid.

territories or its violation of the Palestinians' rights.²⁶ This led Arab countries to consider Japan as an unfriendly country at risk of an embargo.

v. Japan's policies towards OAPEC after Tanaka-Kissinger meeting

On November 18, Japan announced another statement in which it confirmed its neutral position, denounced Israel's continued annexation of the Arab territories, and called for the respect of the Palestinians' rights. This statement did not convince OAPEC either and Japan was still considered among the hostile nations.

On November 22, Japan announced a third statement that confirmed Japan's opposition, according to UN resolution 242, to any forced annexation or occupation, its support of an Israeli withdrawal from all occupied grounds, respect for all nations in the Middle Eastern area, and a recognition of the Palestinians right to self-determination. Japan's government added that it will keep on examining the situation with serious concern and might have to reconsider its policy with Israel, if no future developments are made. The statement was formally declared by the Tanaka cabinet on November 22. Israel criticized Japan's statement and the Israeli embassy in Tokyo formally objected to the Japanese government on November 26, 1973.²⁷

This was the last statement Japan made to OAPEC before the latter changed its status to a friendly nation on December 25, 1973. However, it was not the direct reason for that change since the Saudi government rejected it and justified the rejection by expressing that the repercussions were not specified if Israel remained present on the occupied territories.²⁸

²⁶ Ibid.

²⁷ Kuroda, "The Oil Crisis and Japan's New Middle East Policy", 181.

²⁸ National Graduate Institute for Policy Studies (GRIPS). Accessed on December 15, 2021. <https://worldjpn.grips.ac.jp/documents/texts/JPME/19731122.S1J.html>.

Still, it proved that Japan was on the Arab nations' side in their conflict with Israel and it also showed that Japan was able to take a different approach to the Middle East, one that diverged from its ally's position²⁹.

On December 10, 1973, Vice Prime Minister Takeo Miki visited eight Arabic countries and explained Japan's position on Israel to Arab leaders. Furthermore, Miki proposed considerable amounts of economic aids including 38 billion yen in credit to Egypt to extend the Suez Canal and 27.7 billion yen in private loans to Syria to help them build oil refineries.³⁰ Following these initiatives, OAPEC categorized Japan as a friendly nation, on December 25, protecting it from the oil embargo.

Additionally, MITI Minister Nakasone Yasuhiro visited several Arabic countries during the second week and third week of January to discuss Japan's economic collaboration with the Middle East as well as oil transactions.³¹

The Arab countries justified the change of status of Japan by acknowledging the shift that happened in Japan's policy towards the Middle East including the visit of Miki to the Middle East. Furthermore, they took into consideration Japan's challenging economic situation and agreed to ease it by protecting the country from the general production cuts. They hoped this would motivate the Japanese government to continue looking at the situation of Arab countries in fairly.³²

vi. Japan's policies towards Israel

²⁹ Juzo Kimura, "Japan's Middle East Policy : Impact of the Oil Crises" (dissertation, Kobe University law review, 1985), 17-37, http://www.lib.kobe-u.ac.jp/infolib/meta_pub/G0000003kernel_00166912, 26.

³⁰ Ibid., 27.

³¹ Yamakoshi, A Study on Japan's Reaction to the 1973 Oil Crisis", 23.

³² "Communiqué Issued by the OAPEC Member Countries (Kuwait, 25 December 1973)," CVCE.EU by UNI.LU, https://www.cvce.eu/en/obj/communique_issued_by_the_oapec_member_countries_kuwait_25_december_1973-en-9e37c930-15cf-4466-9e82-0845b41a46e6.html.

(Accessed December 7, 2021)

A. Since the establishment of their diplomatic relations in 1952

Having examined Japan's interaction with the US and its policies towards OAPEC, the next part will explore more particularly the interaction between Israel and Japan around the time of the oil crisis of 1973.

Arab countries have boycotted Israel in economy and in business since the creation of the Arab League³³ in 1945 but it intensified after the Yom Kippur War and the oil crisis in 1973.

Throughout most of this period, Japan's trade with Israel was very low and if there was any, it was done via third parties.³⁴ Japanese banks did not give credit to Israeli banks and there were no investment or joint projects with Israeli companies. At times, Japan's respect of the boycott towards Israel was extreme and showed no flexibility. For instance, Marubeni,³⁵ Sumimoto,³⁶ and Goshō³⁷ corporations constantly refused to ship any product to Gold Star Line, a shipping company owned by Israel, despite the fact that it services Japan.³⁸ Furthermore, Japanese firms declined to sell goods to Israel despite the fact that there was no Arab regulation that prohibit them to do this if the products are not military.³⁹

³³ The Arab League was founded in Egypt in 1945 and currently has 22 members. Its main purpose is to encourage collaboration between its members in order to protect their independence and sovereignty as well as their affairs and interests.

³⁴ Raquel Shaoul, "Japan and Israel: An Evaluation of Relationship-Building in the Context of Japan's Middle East Policy," *Israel Affairs* 10, no. 1-2 (2004): 273-297, <https://doi.org/10.1080/13537120412331321461>, 274.

³⁵ Marubeni Corporation is a general trading company founded in 1949. It has important market shares in cereal and paper pulp as well as an electrical and industrial plant business.

³⁶ Sumimoto Corporation, founded in 1919, is a company whose business activities include metal, transportation & construction systems, infrastructure, mineral resources, energy, etc.

³⁷ Goshō Corporation, that became Kanematsu Corporation in 1990, is a general trading company that trades in energy, foodstuffs, electronics, machinery, chemicals, textiles, precious metals, general merchandise, etc.

³⁸ Shaoul, "Japan and Israel," 274.

³⁹ Ibid

Consequently, no Japanese cabinet official visited Israel before 1988 although the diplomatic relations between the two countries started as early as in 1952.⁴⁰

However, it is important to note that some Japanese companies such as Mitsubishi Electric, Toshiba, or Nippon Electric, indirectly traded with Israel through “dummy” companies.⁴¹ For some other companies that traded directly with Israel, they did it in a secretive way. For instance, in the early 1970s, the Yuasa Battery Company sold products to Israel but demanded that the name of its company does not appear on the sold products.⁴²

B. During the oil crisis of 1973

When the US requested Japan to not surrender to Arab pressure, it was implied that the US also wanted the Japanese government to control the companies who went against that request.

However, the Japanese government did not take that request into consideration and its formal stance was that Japan, being a free country, companies can decide what their interests are and act accordingly.⁴³ Japan had publicly declared that it had not power over trading operations of the private sector on which the regulations of the government do not apply.⁴⁴ Therefore, when a company refuses to trade with Israel, it is exclusively this company’s decision.⁴⁵ In 1969, a MOFA’s spokesman said that “although some small and medium sized companies have been boycotted by the Arabs, it is of no concern to the government [...] If a company wants to do business with Israel we don’t object. But we don’t help either.”⁴⁶

However, practically, the Japanese government had sometimes contradicted itself when it considered certain economic investment as being necessary to ensure its strategic interests in certain regions. For instance, there were several occasions when the government strongly assisted

⁴⁰ Ibid.

⁴¹ Ibid., 275.

⁴² Ibid.

⁴³ Ibid., 277.

⁴⁴ Ibid.

⁴⁵ Ibid.

⁴⁶ Ibid

big Japanese enterprises trading with the Middle East.⁴⁷ Generally, the big enterprises refused to trade with Israel whereas small and medium enterprises were more open to it.⁴⁸ The decision of the enterprises to trade with Israel or not was tightly related to the benefits that came out of each contract and on the damages that the boycott would cause, depending on the products. Therefore, the respect of the boycott by big companies was made easier since their economic interests were within the size and ability of Arab markets.⁴⁹ This is also why the Japanese government, having similar economic interests with the private sector, assisted the big companies in their trade with the Middle East.

vii. Observations

The role that the US-Japan alliance played in the implementation of Japan's policies during the first oil crisis was examined through the study of policies taken by Japan towards OAPEC and Israel. The pressure that the US exercised on Japan was essentially for Israel's benefit.

This case explored the extent to which Japan felt obligated to stand by the US by studying if and how much Japan supported Israel against OAPEC.

As explained above, Japan was in between OAPEC, requesting its support of the Arab position against Israel in the Middle East, and the US, asking it not to surrender to the Arab nations' pressure.

The meeting on November 15, 1973 between Tanaka and Kissinger was a very important meaning because it was a deciding moment for Japan regarding the policies it would adopt towards OAPEC. During this meeting, Tanaka asked Kissinger whether the US would compensate Japan's oil shortages if it does not surrender to the Arab pressure and risks facing an oil embargo. When

⁴⁷ Ibid.

⁴⁸ Ibid.

⁴⁹ Ibid., 278.

Kissinger refused that request, Tanaka explicitly said “Well, then, Japan has no choice but to choose its own diplomatic stand.”⁵⁰

These talks are important on two main levels.

First, they show that Japan prioritized the US despite having important energy interests with the Middle East at risk. It is possible that Tanaka predicted a negative response from Kissinger and asked anyway to justify the supportive policies that Japan would implement towards OAPEC. Since the US was facing an oil embargo from OAPEC at that time, guaranteeing another country’s oil supply could not have been the easiest step.

Second, after having its request rejected by Kissinger on November 15, Tanaka had his cabinet declare a statement just a week later, in which Japan confirmed its support of the Arab countries and its pro-Arab policies. This suggests that the meeting was among the main elements that Japan took into consideration when implementing its policy toward the Arab countries.

The statement itself was not exclusively the reason that Japan became on the good side of OAPEC, but it is an important event because it symbolizes Japan’s reaction to its ally’s rejection of its oil request. The series of Japanese policies that followed played a bigger role in Japan’s change of status from “hostile” to “friendly.” Indeed, between the visits of Vice Prime Minister Takeo Miki and MITI Minister Nakasone Yasuhiro to the Middle East, and the offer of large amounts of economic aids to several Middle Eastern countries, OAPEC eventually recognized Japan as being a country, on December 25, 1973.

Before Tanaka’s meeting with Kissinger, Japan declared a statement that supports OAPEC but Arab countries thought it was vague and incomplete as it did not specify the policies that Japan would take if Israel were to continue its occupation of the Arab territories or its violation of the Palestinians’ rights. The intensity and numbers of policies implemented by Japan following

⁵⁰ Akitoshi Miyashita, Yoichiro Sato, and Yasumasa Kuroda, “Japan's Middle East Policy: Fuzzy Nonbinary Process Model,” in *Japanese Foreign Policy in Asia and the Pacific: Domestic Interests, American Pressure, and Regional Integration* (New York, NY: Palgrave, 2001), 117.

Tanaka's meeting with Kissinger reflects a much more determined Japan to show OAPEC its support.

This study concludes that Japan in this case study took a very different path than the US despite the latter's attempt to pressure and worry Japan. Indeed, during its meeting with Tanaka, Kissinger warned that if Japan supports OAPEC, it would affect their alliance, would anger Jewish Americans, and might lead to Israel imposing an embargo on Japanese products. Clearly, the pressure did not work because Japan was constantly trying to find ways to prove to OAPEC that it is standing by its side.

The Japanese government found a way to decrease the US pressure by denying any responsibility in the private sector trade and boycott activities. It stated that the government's regulations do not apply to the private sector and therefore it was not within the government's power to control private enterprises.

In conclusion, when it comes to support its ally's ally at the expense of its energy interests, Japan, at least in this case, did not feel the responsibility to do this. The policies it implemented towards OAPEC suppose that Japan enjoyed a large margin of freedom that it did not have during the Iranian hostage crisis. Evidently, the US-Japan alliance did not change between 1973 and 1979, the time of both case studies, but it is Japan's perception of how much the US was or should have been involved in the crises that was different.

(2) Second case study

To understand how Japan's alliance with the US played a role in the former's policies towards Iran, this part will explore the most influential meetings that took place during this period between officials from Japan, the US, and Iran.

The first meeting is between Secretary of State Cyrus Vance and Japanese Foreign Minister Okita Saburo on November 15, 1973. This meeting is important because it took place following the purchase of Japanese companies of the excess Iranian oil. The second and third meetings are between US Deputy Treasury Secretary Robert Carswell and Finance Vice Minister Sagami Takehiro and Prime Minister Masayoshi Ohira.

This study will then examine the effects that those meetings had on the Japanese government through the policies it implemented afterwards.

i. Okita-Vance meeting

On December 10, 1979, US Secretary of State Cyrus Vance and Japanese Foreign Minister Okita Saburo met in Paris at a cabinet-level meeting of the International Energy Agency (IEA). According to US journalist, Bernard Kalb “When Vance arrived to Paris, the US public posture was that America’s allies were strongly backing Washington in its confrontation against Iran. That has turned out to be empty rhetoric, at least as far as Japan was concerned.”⁵¹

During the meeting, Vance emphasized the US the “need for the entire world community to act as one.”⁵² One official, who traveled with Secretary Vance used the term “unseemly haste”⁵³ when describing the rush of the Japanese oil companies to purchase the excess Iranian oil that had been bound for the US. He went even further by rating the Japanese concern during this phase to be 1 on a scale of 1 to 14 in comparison with other nations.

One accusation directed against Japan had given Iran the impression “that all this talk about Western unity in this crisis is just words.”⁵⁴ Furthermore, Japanese banks were accused of having provided Iran advice and technical help, allowing its government to evade some of the difficulties resulting from the freeze of Iranian assets in the US banks and to have generally been “bending

⁵¹ Department of State to Secretary, Telegram 319381, December 11, 1979, 1979STATE319381, Central Foreign Policy Files, 1973-79/Electronic Telegrams, RG 59: General Records of the Department of State, National Archive, <https://aad.archives.gov/aad/createpdf?rid=76010&dt=2776&dl=2169>. (Accessed April 26, 2021).

⁵² Richard Burt, "ADMINISTRATION SAYS JAPANESE UNDERCUT U.S EFFORTS ON IRAN," *The New York Times*, December 11, 1979, <https://www.nytimes.com/1979/12/11/archives/administration-says-japanese-undercut-us-efforts-on-iran-vance.html>. (accessed April 26, 2021).

⁵³ Ibid.

⁵⁴ Department of State to Secretary, Telegram 319381, December 11, 1979, 1979STATE319381, Central Foreign Policy Files, 1973-79/Electronic Telegrams, RG 59: General Records of the Department of State, National Archive, <https://aad.archives.gov/aad/createpdf?rid=76010&dt=2776&dl=2169>. (Accessed April 26, 2021).

over backwards” in supporting Tehran to manage the freeze. Japan was also compared to other nations such as Italy, which despite its energy needs, deployed more efforts in trying to economically isolate Iran.

Additionally, due to the fact that Japan imported 20 percent of its petroleum from Iran, officials concluded that Japan was possibly the prime obstacle to collective economic sanctions. Two days after their meeting, in a document originating from the department of state on December 12, 1979, assessing the US policy in the Iranian crisis, Japan along with India was described as offering the weakest support and indirectly described as being insensitive to the US president and his ability to continue a policy of restraint.⁵⁵

Finally, a bill was proposed from members of the US Congress that would impose a 50 percent tariff on goods that came from nations that did not cooperate with the US in their efforts against Iran; the bill was apparently directed at Japanese firms.⁵⁶

ii. Sagami-Carswell meeting

On December 17, US Deputy Treasury Secretary Robert Carswell met with Finance Vice Minister Sagami Takehiro in Tokyo.

During the meeting, Carswell repeated Vance’s accusations to Sagami. The latter denied the claim in which Japan was accused to have been circumventing the assets freeze and stated: “Look, you are a lawyer. You ought to know that circumstantial evidence is not enough. You have to give us specific proof to support your allegations.”⁵⁷ Sagami believed that Carswell’s refusal to present evidence was to protect the US banks behind these accusations.

⁵⁵ "Assessment of U.S. Policy in the Iranian Crisis." National Archives and Records Administration. 2015. <https://catalog.archives.gov/id/23898398>. (Accessed April 26, 2021).

⁵⁶ Akitoshi Miyashita and Yoichiro Sato, *Japanese Foreign Policy in Asia and the Pacific: Domestic Interests, American Pressure, and Regional Integration* (Palgrave Macmillan, 2001), 88.

⁵⁷ Michael M. Yoshitsu, “Iran and Afghanistan in Japanese Perspective,” *Asian Survey* 21, no. 5 (January 1981): 501-514, <https://doi.org/10.2307/2643830>, 505.

Following his talk with Carswell, Sagami concluded that Japan was being exclusively criticized by the US even though some European countries were suspected to have been doing the same. In Sagami's own words: "We all know that German and especially Swiss banks are up to funny business on the matter of an assets freeze evasion."⁵⁸ Sagami believed that Japan was being used by the US as a way to align Western Europe to the US, a conclusion also drawn by senior Japanese officials.

iii. Ohira-Carswell meeting

On the same day that he met Sagami, Carswell also met with Prime Minister Masayoshi Ohira among other officials such as Foreign Minister Okita Saburo and Finance Minister Noboru Takeshita.

Carswell reported to Ohira that the adoption of financial and economic measures towards Iran was the easiest and most efficient option in trying to obtain the release of the hostages, of which most European countries agreed to support these measures.⁵⁹

He also emphasized the importance of Japan's support in order to avoid sending mixed signals to Iran, especially since Iran had obtained the assistance of private banks in different countries.⁶⁰ However, Carswell did acknowledge that Japan had different laws and that it was acceptable for Japanese to not completely conform with the US approach when dealing with Iran. What was important to the US was the conveyance of a message to Iran with the help of its allies that it cannot benefit from the international economic system while violating the most fundamental principles of International Law.⁶¹

⁵⁸ Ibid., 506.

⁵⁹ American embassy in Tokyo to Secretary of State, Telegram 22035, December 17, 1979, 1979TOKYO22035, Central Foreign Policy Files, 1973-79/Electronic Telegrams, RG 59: General Records of the Department of State, National Archive, https://aad.archives.gov/aad/free-text-search-results.jsp?cat=all&q=1979TOKYO22035&btnSearch=Search&as_alq=&as_anq=&as_epq=&as_woq= (accessed November 21, 2021).

⁶⁰ Ibid.

⁶¹ Ibid.

Ohira assured Carswell that Japan would cooperate with the US and take, to the extent possible, a similar approach. He added that he had already requested experts to study US measures and try to comply to them.⁶²

iv. The effect of US pressure on Japanese government's policies

A. The effect on Foreign Minister Okita's actions

Following its meeting with Vance, Okita was concerned about the effect it would have on public relations. For instance, Parisian television described the meeting as being a warning from Vance to Okita regarding Japan's policy toward Iran. Okita described the American denunciation via press as being insensitive and considered it a humiliation for his country.

Still, one of the immediate effect that of Vance's criticism was to encourage Okita to issue a statement that involves strong terms accusing Iran of violating the international law and describing its actions as inhumane.⁶³

Okita was determined to fix its relationship with the US and on December 24, 1979 he met with Iranian Ambassador Ghassem Salekhrou in order to clarify Japan's position on the hostage crisis.

During the meeting between Okita and Salekhrou, Okita stated that Japan could not support the Iranian actions which were violating both legal and humanitarian aspects and could not remain passive while the international community deployed efforts to release the hostages.

Moreover, Okita warned that Japan was going to decrease the level of Japanese imports to the level it had before the crisis and would join the international community in imposing additional sanctions against Iran if the crisis was not resolved.

In response, Salekhrou asked Japan to adopt a neutral stance to which Okita responded that Japan had already taken a balanced stance regarding the crisis so far but that it was not sustainable.

⁶² Ibid.

⁶³ Akitoshi Miyashita and Yoichiro Sato, *Japanese Foreign Policy in Asia and the Pacific: Domestic Interests, American Pressure, and Regional Integration* (Springer, 2001).

Okita explained that Japan was in a difficult position since Iran was an important energy supplier and the US was its traditional ally and major food supplier.

B. The effect on Prime Minister Ohira's actions

As for Prime Minister Ohira's response to US pressure regarding the hostage crisis, he initially stated that Japan will continue its oil imports from Iran and will only decrease the amount in case the hostage crisis aggravates.⁶⁴

He clarified that Japan, as the world's largest economy and the biggest importer of oil "must make every effort"⁶⁵ to secure needed oil.

Nevertheless, Japanese government officials ended up acknowledging the importance and urgency of being on good terms with the US and regaining the trust of the Carter administration to preserve the bilateral relations between their countries.

On December 14, 1979, the Japanese Cabinet, following the recommendation of Prime Minister Ohira and Foreign Minister Okita, declares that Japan will lessen Iranian oil imports to the level it had before the start of the crisis, and will not allow Japanese financial institutions to provide further credits to Iran until the end of the hostage crisis.⁶⁶

⁶⁴ "Japan and the United States: Diplomatic, Security, and Economic Relations, Part II, 1977-1992." National Security Archive. <https://nsarchive.gwu.edu/japan-united-states-diplomatic-security-economic-relations-part-ii-1977-1992>. (Accessed on April 27, 2021).

⁶⁵ "Daily Kent Stater, Volume LIII, Number 56, 12 December 1979," Daily Kent Stater 12 December 1979 - Kent State University, accessed April 27, 2021, <https://dks.library.kent.edu/?a=d&d=dks19791212-01.2.41>. (accessed on April 27, 2021)

⁶⁶ Department of State to Secretary Telegram 320821, December 12, 1979, 1979STATE320821, Central Foreign Policy Files, 1973-79/Electronic Telegrams, RG 59: General Records of the Department of State, National Archive, <https://aad.archives.gov/aad/display-partial-records.jsp?f=5037&mtch=1&q=320821&cat=all&dt=2776&tf=X>. (accessed on April 27, 2021)

C. The effect on other ministries' actions

MOFA expressed Japan's dissatisfaction with the terrorist act in Tehran and condemned it and MITI official Naohiro Amaya travelled to Washington and apologized to the American public for the purchase of petroleum by Japanese firms.

As for MITI, its Deputy Minister Amaya Naohiro declared, in a meeting with the US Secretary of Energy Charles Duncan Jr., that the Japanese government had already started a process to control the purchases of Japanese trading companies of Iranian oil. The companies originally purchased around 20 million barrels of Iranian crude and they were asked by the Japanese government to sell all the oil that has been bought at a price higher than \$39. Amaya explained that the annual average would be decreased to the level that prevailed before the hostage crisis which means around 600,000 barrels a day instead of 800,000. Finally, he assured that these objectives were already communicated within the Japanese government.

v. Observations

In examining the policies that the Japanese government implemented towards Iran, it is apparent that the most influential event was when Japan purchased, upon Iran's request, the excess oil that was bound for the US before the latter imposed an embargo on Iran.

This policy is important on two levels.

First, it demonstrates a certain margin of freedom that Japan felt, upon making that decision, towards its ally, the US. There is no doubt that Japan knew that this purchase would upset its ally and complicate their relationship, but it still decided to prioritize its economic interests.

Second, the importance of this policy resides in the fact that it allowed us to see the effect that the US has on Japan though the latter's gradual and shift to policies that are significantly more aligned with those of its ally.

The meeting between Secretary of State Vance and Foreign Minister Okita clarified a bit better the nature of the US-Japan alliance. The high disappointment of the US illustrated by the intensity of the blame by Vance to Okita and the choice of certain words such as "insensitive" indicates that the US expected its ally's automatic support.

A week after the meeting between Vance and Okita, US Deputy Treasury Secretary Robert Carswell met with several officials including Finance Vice Minister Sagami Takehiro and Prime

Minister Ohira. The meeting with Sagami went less smoothly than with Ohira. Indeed, Sagami demanded Carswell to back up his claims about Japanese banks circumventing the assets freeze and Sagami refused to do so. However, with Ohira, Sagami only applied indirect pressure such as when he mentioned that the European countries were already on board to support US economic sanctions against Iran. Additionally, he showed a certain level of understanding toward Japan's hesitation to support all measures against Iran by acknowledging that the laws were different in the US and in Japan.

There could be several reasons why the meetings of Carswell with Sagami and Ohira went differently. One could be that while Carswell's conversation with Sagami was more of a confrontation and an attack against Japanese banks, his conversation with Ohira was more general and allowed the latter to speak in a more diplomatic and positive way. This could have played a role since Carswell explicitly told Ohira that he appreciated his positive attitude.⁶⁷

Another reason could be the status of Ohira and the higher respect that Carswell felt he should attribute to the prime minister of Japan. Indeed, when he was mentioning his earlier discussions with Foreign Minister Okita that same day, Carswell said that "they could not substitute for direct discussion with the Prime Minister."⁶⁸ It could also be a combination of both of these factors among other ones.

Regardless, all three meetings with their different intensities and different timings, had their effects on the Japanese government's shift towards a policy that is more aligned with the US. As mentioned above, there was a resistance at first from Prime Minister Ohira to decrease Japan's oil imports from Iran as well as an indignation from Foreign Minister Okita following his talk with Vance. However, it only took the Japanese government 4 days from Vance's meeting to declare that Japan was going to decrease its oil imports from Iran to the level it had before the crisis happened. From here on, a series of policies that support the US followed including meetings with Iranian officials during which Japan denounced Iran's actions, apologies to US public, regulations to control the purchases of Japanese companies of Iranian oil, etc.

⁶⁷ American embassy in Tokyo to Secretary of State, Telegram 22035.

⁶⁸ Ibid.

To conclude, when Japan purchased the Iranian oil, it chose a path that is very independent from the US. Not only was that decision different from the US decisions towards Iran but it also opposed everything the US wanted its ally to do regarding Iran.

However, Japan did not get away with this decision without facing an intense amount of blame and pressure from the US that led it to implement policies that were more aligned with its ally's request. Japan even asked the Japanese companies that purchased the Iranian oil to resell the barrels it got at price exceeding \$39.

In this case study, the US-Japan alliance clearly played a crucial role in limiting and directing Japan's policies towards Iran, despite the initial independent policy that it took. Following the purchase of Iranian oil, Japan spent the rest of the crisis implementing policies that were closer to the US ones. Nevertheless, Japan did not blindly align to its ally's measures and adapted some of them to better fit its energy needs, its laws, and its projects with Iran. The measures that Japan adopted towards Iran will be studied in more details in the section about the international power structure.

II. Public opinion and Press

(1) First case study

i. Evolution of Japanese public opinion and press involvement in Palestine

Before the 1970s, the Japanese public was not very conscious of the issues related to Palestine, but their awareness gradually increased to become more developed in the early 1970s.⁶⁹ Before that, there were no serious reasons nor motivations that could potentially push Japan to gain more interest in Palestine and the few exposures to Palestine were not enough to wake the Japanese public's interest in the region.⁷⁰

⁶⁹ Michael W. Suleiman, "Development of Public Opinion on the Palestine Question," *Journal of Palestine Studies* 13, no. 3 (January 1984): 87-116, <https://doi.org/10.2307/2536691>, 95.

⁷⁰ Ibid.

Furthermore, “only a space of five lines was given in major Japanese newspapers to report the famous Palestine Partition Resolution in November 1947; more prominent place was given in 1948 to the Declaration of the Establishment of Israel by using American news agency reports; only fragmentary reports were made of the establishment of the PLO and the 'Battle of Karame.’”⁷¹

After the Yom Kippur War in 1973 and the oil embargo that followed, Japan’s interest in the region of the Middle East and more specifically in Palestine grew.⁷² In the 1960s and the 1970s, students, intellectuals, labor activists, and the business community were, for the most part, supportive of Palestine. It is from the 1980s that more ordinary Japanese citizens started to show an interest in the region.⁷³ Therefore, when the former PLO Chairman Yasser Arafat, came to Japan in 1981 after receiving an invitation, his visit was generally welcomed by the Japanese public and widely and positively covered by the press.⁷⁴

Parallely, the “Operation Peace for Galilee” took place on June 6, 1982 during which Israel invaded South Lebanon with the purpose to push the PLO forces back for 40 kilometers to the North. This invasion came as a shock to Japanese people and raised their awareness of the struggles of Palestinians in their conflict with Israel.⁷⁵ Their support was show through their assistance of the Palestinian and Lebanese victims. For instance, \$35,000 were raised for the medical assistance of the victims, \$10,000 of which was donated by Sohyo, Japan’s biggest labor union.⁷⁶

A letter of objection was handed to the Israeli embassy in Tokyo by various associations and organizations such as the New Japan Literary Association and the Japan-Arab Association. Furthermore, students and delegates of fifteen labor unions organized a demonstration against the Israeli invasion outside both the US and Israeli embassies. They also visited the PLO office in Tokyo and reiterated their support to the Palestinians in their fight against Israel. Additionally, the

⁷¹ Ibid.

⁷² Ibid.

⁷³ Eisuke Naramoto, “Japanese Perceptions on the Arab-Israeli Conflict,” *Journal of Palestine Studies* 20, no. 3 (January 1991): 79-88, <https://doi.org/10.2307/2537548>, 85.

⁷⁴ Suleiman, “Development of Public Opinion on the Palestine Question,” 96.

⁷⁵ Naramoto, “Japanese Perceptions on the Arab-Israeli Conflict,” 85.

⁷⁶ Suleiman, “Development of Public Opinion on the Palestine Question,” 96.

PLO office in Tokyo received phone calls and letters from the Japanese public, including victims of the Hiroshima and Nagasaki bombings, expressing their support as well.

When more Japanese citizens became involved in the Palestinian cause, humanitarian groups began to develop and outnumbered the politically oriented ones.⁷⁷ For instance, following the Sabra and Shatila massacres,⁷⁸ a foster parent organization for Palestinian orphans was established by Hirokawa Ryuichi, a photojournalist who went inside the camps after the massacres. By 1991, the organization had found homes for 440 Palestinian children and sent them around 90 million yen.

ii. Press and public opinion's effect on Japan's policies towards the conflict

In 1973, a study was conducted and reported in *Asahi Evening News*, a major English language evening newspaper, regarding the Japanese public opinion of the 1973 war. The study found that the Japanese saw the Israelis as expansionist and imperialist.⁷⁹ That newspaper denounced the refusal of Israel to return the territories that it occupied in 1967 war and demanded “a homeland for the Palestinians, recognition of their legitimate rights and, in general, discussed the need to address Palestinian grievances.”⁸⁰

The Asahi's view was supportive of the Arab position as well. It believed that the Arab countries tried on several occasions to make a pacific political settlement, but it failed due to Israel's obstinacy, backed by the US. The newspaper declared that the refusal of Israel to return the territories it occupied in 1973 was illegal.

⁷⁷ Naramoto, “Japanese Perceptions on the Arab-Israeli Conflict,” 85.

⁷⁸ The massacre of Sabra and Shatila took place in Beirut from September 16 to 18, 1982. During that period, between 460 to 3,500 people, mostly Palestinians and Lebanese Shiites, were murdered. The massacre was conducted by a militia close to the Christian Lebanese right-wing party known as Phalange, while the Israeli Defense Forces (IDF), its ally, witnessed it. The IDF asked Phalanges to get rid of the PLO fighters in Sabra and Shatila, to facilitate its movement into West Beirut.

⁷⁹ Suleiman, “Development of Public Opinion on the Palestine Question,” 95.

⁸⁰ Ibid.

As for the influence of the Japanese public on the government's policy, some scholars like Henry Nau argue that the statement of November 22 was principally a reaction to the Japanese public opinion rather than outside pressure.⁸¹ Nau added that "the Japanese public, in the panic generated by press and other reports, demanded some action."⁸² Other authors believe that the Japanese public, without proposing concrete policy positions to the government, managed to influence Japanese foreign policy by pushing for a change in the decision process.⁸³

iii. Observations

It is rather challenging to know exactly how much the Japanese public cared about the struggle of Palestinians and the extent to which public opinion as well as the newspapers influenced the country's policy towards the Israeli-Palestinian conflict. Indeed, there seem to be no Japanese public opinion polls which evaluate positions regarding the Arab-Israeli conflict over time.⁸⁴

As mentioned above, there was a gradual increase of interest towards Palestine, among Japanese people in the early 1970s. The way that Japanese people view Israelis gives us some clarity regarding the motivations between Japan's increased support of Palestinians. Indeed, the fact that Japanese people saw the Israelis as expansionists and imperialists, shows that their support towards Palestinians goes beyond their countries' interest in Middle Eastern oil. The image that the Japanese have of Israelis, the sympathy they developed over time towards Palestinians, and the panic they experienced during the oil crisis of 1973 led them to push the government to make a change.

As for the newspapers, *The Asahi* and *The Asahi Evening News* seem more supportive of Palestinians than Israel and had a certain influence on the Japanese public opinion as well.

⁸¹ Sezai Özçelik, "The Japanese Foreign Policy of the Middle East Between 1904-1998: Resource, Trade and Aid Diplomacy," *Humanity & Social Sciences Journal* 3, no. 2 (2008): 129-142, 135.

⁸² Ibid.

⁸³ Roy Licklider, "The Power of Oil: The Arab Oil Weapon and the Netherlands, the United Kingdom, Canada, Japan, and the United States," *International Studies Quarterly* 32, no. 2 (1988): p. 205, <https://doi.org/10.2307/2600627>, 219.

⁸⁴ Ibid.

To summarize, Japanese public opinion and press were more supportive of Palestinians than Israelis during the first oil crisis of 1973. However, the influence of Japanese public opinion is difficult to assess and could not have been very important because the public did not propose concrete policies to the government. Furthermore, the Japanese public did not take the lead instead of the authority nor did it try to threaten it in order to create a change.⁸⁵ Elections were not pending and there was never a revolution seriously envisaged.⁸⁶ Overall, The Japanese public opinion as well as the press did express sympathy towards Palestinians in 1973 but there was no direct influence that we could find that demonstrates an actual policy change from the government. Unlike the developments following the massacre of Sabra and Shatila for instance, the public opinion and press in 1973, did not lead to an important change in the course of events. Compared to European countries or North American ones, the commitment of Japanese people towards Palestine was still relatively low at that time.⁸⁷

(2) Second case study

This part of the study will examine the role that Japanese public opinion and the press played in the implementation of Japan's foreign policy towards Iran during the hostage crisis. During that period, Japan started by going against the US will, by taking a measure that supports Iran, when it bought the excess Iranian oil that was initially bound for the US. Following that policy, Japan started to gradually shift towards a more pro-US policy.

This part will be divided into two subsections. The first subsection will relate to the reactions of Japanese public opinion and the press following Japan's pro-Iran policy. The second part will consist of examining how these reactions influenced Japan's foreign policy and the role they played in Japan's shift towards a more pro-US policy. In other words, what constitutes the reactions of Japanese public opinion and the press in the first subsection, constitutes the influence of Japanese public opinion and the press on the government's policy in the second one.

⁸⁵ Licklider, "The Power of Oil," 220.

⁸⁶ Ibid.

⁸⁷ Naramoto, "Japanese Perceptions on the Arab-Israeli Conflict," 86.

i. The reactions of Japanese public opinion and the press towards Japan's pro-Iran policy

When Secretary of State Cyrus Vance expressed US disappointment in Japan during his meeting (previously mentioned) with Japanese Foreign Minister Okita Saburo in Paris, a wave of reactions from the Japanese press and public followed.

The reports of the Japanese press focused on the gravity of the US's disappointment and was concerned about the potential negative consequences on the Japan's alliance with the US.⁸⁸ Most lead articles emphasized the fact that Vance accused Japan of being insensitive due to its large purchases of Iranian oil.⁸⁹ They also reported that US dissatisfaction resulted not only from the purchases, but also from Japan's passiveness regarding the US economic sanctions and diplomatic efforts.

The Japanese press reported the reactions of the Japanese public as well. The predominant wave of reactions regarding the accusations included for the most part a supportive position towards the US. As reported by *Yomiuri Shimbun*, a Japanese national newspaper, the Japanese public opinion was supportive of the US more than it was understanding of Japan's actions.⁹⁰ It also reported that numerous readers contacted newspaper offices after being informed of Vance's criticism of Japan, to request Japan to deploy more efforts to support its ally, the US, in time of crisis. Furthermore, former Labor Minister Kurihara affirmed that the Japanese public was completely supportive of the US position and Lower House member Ikeda said that the Japanese public would support the Japanese government if it adopted a firmer stance on the hostage matter.⁹¹ Furthermore, Japanese business leaders started to realize the gravity of a complication in the US-Japan relations and the loss of the American market for Japanese products.

⁸⁸ Department of State to Secretary, Telegram 120046, December 12, 1979, 1979STATE120046, Central Foreign Policy Files, 1973-79/Electronic Telegrams, RG 59: General Records of the Department of State, National Archive, <https://aad.archives.gov/aad/display-partial-records.jsp?f=5037&mtch=1&q=320556&cat=all&dt=2776&tf=X>. (Accessed on July 12, 2021).

⁸⁹ Ibid.

⁹⁰ Ibid.

⁹¹ Ibid.

Finally, there was increasing anxiety among Japanese people illustrated by the comparison made by Carter, between the Iranian hostage crisis and the attack on Pearl Harbor in terms of gravity. This statement indirectly suggested that Japan should be particularly sensitive to US worries during the hostage crisis.⁹²

Some particular critics included the inability of MOFA to have anticipated the backlash by the US public against Japan. MOFA was also accused of not succeeding in clarifying to the US Government how necessary and important it was for Japan to purchase Iranian oil on spot market due to the decrease of supplies by the Majors.⁹³ The critics also included Prime Minister Ohira, who was blamed for his failure in ensuring an adequate political leadership to fix the inter-ministerial disagreement that took place in regards to the hostage crisis, in a way that would not have jeopardized the Japanese relationship with the US.⁹⁴ The government, overall, was criticized for not clearly explaining and defending Japan's interests to the US.⁹⁵

ii. The influence of the Japanese public opinion and press' reaction on Japan's more pro-US policy

Following the external pressure from the US and the internal ones from the Japanese public and the press, the Japanese government took specific measures that will be described below. It is difficult to determine the level of influence that each of these three factors had separately, therefore they will be studied together.

On December 12, 1979 *The Nihon Keizai Shimbun* reported that Japanese government officials were concerned that the US reaction would lead to trade protectionism in the US, directed at

⁹² Ibid.

⁹³ American embassy in Tokyo to Secretary of state in Washington, Telegram 22337, December 21, 1979, 1979TOKYO22337, Central Foreign Policy Files, 1979/Electronic Telegrams, RG 59: General Records of the Department of State, National Archive, <https://aad.archives.gov/aad/display-partial-records.jsp?f=5037&mtch=1&q=320556&cat=all&dt=2776&tf=X>. (Accessed on July 12, 2021).

⁹⁴ Ibid.

⁹⁵ Ibid.

Japanese imports.⁹⁶ That same newspaper declared that the Japanese government would have a meeting with Foreign Minister Okita to discuss the situation as soon as he returned from Paris and that the head of MITI, Amaya Naohiro, would visit Washington straightaway to discuss the hostage crisis. According to *Tokyo Shimbun*, Senior Deputy Assistant Secretary, Robert D. Hormats visited Tokyo to warn the Japanese government of the consequences of protectionism, especially with the recession of the US steel and automobile industries.⁹⁷ *Tokyo Shimbun* also reported that Japanese ambassadors in the Middle East met in Tokyo and agreed that the taking of hostages by Iranians was an obvious violation of international law and that their release should have happened right away for humanitarian reasons. It stated that MITI had decided to strengthen the restrictions on purchasing in the spot market at elevated prices and to observe more closely Japanese companies to make sure that they complied with MITI's regulations.

The Asahi reported that MOFA officials found it difficult to implement a policy in the face of the pressure that was coming from both Iran and the US. In that same article, it was reported that Japanese diplomats were shocked by Vance's use of the word insensitive and by the obvious change in the US attitude since they believed that the US was understanding of Japan's need to avoid measures that would upset main oil suppliers.⁹⁸

As for Japanese trading firms and oil companies, *The Nihon Keizai Shimbun* reported that the purchases of Iranian oil were vital to counterbalance the reduction of oil supplies by the Majors and to guarantee a renewal of contracts with Iran for the coming year. Officials of those trading and oil companies defended their actions as well by saying that European firms had done the same, but only Japan was criticized for it.⁹⁹

Lastly, the Moderate Democratic Socialist Party (DSP) directly told the US that it was actively thinking of ways to best pressure the Japanese government to implement more direct measures that were supportive of the US position.¹⁰⁰

⁹⁶ Department of State to Secretary, Telegram 120046.

⁹⁷ Ibid.

⁹⁸ Ibid.

⁹⁹ Ibid.

¹⁰⁰ Ibid.

III. International system

According to Bojang, the interaction between big, middle, or small powers on the global level has a crucial effect on the foreign policy implemented by the concerned parties. For a foreign policy to be effective, it is important for the dynamics between different powers to be friendly and collaborative. World politics have an important function in shaping the foreign policy of a country and consequently, a foreign policy can change according to changes in the international power structure.¹⁰¹

This section will examine the role that the international system played in the implementation of Japan's foreign policy towards OAPEC and Iran during the oil crisis of 1973 and the Iranian hostage crisis respectively.

During the 1970s, there were nine European countries that were members of the European Community (EC).¹⁰² These members were France, West Germany, Italy, Belgium, the Netherlands, Luxembourg, Denmark, Ireland, and the United Kingdom. Greece, Spain, and Portugal joined in the 1980s.

(1) First case study

This part of the paper will first examine the EC's energy situation around the time of the crisis, the policy it took toward OAPEC, and the influence that policy had on the Japanese government.

i. Oil consumption of the EC members

OAPEC's policy towards the EC was to impose a total oil embargo on the Netherlands and a general and gradual cut of oil production on "neutral" countries announced on November 3, 1973. The policy toward "neutral countries" consisted in 25% oil production cutbacks compared to the

¹⁰¹ Bojang, "The Study of Foreign Policy in International Relations,"

¹⁰² The European Economic Community was a regional organization with a purpose to promote economic integration among its member states. It was established by the Treaty of Rome of 1957. When the European Union was created in 1993, the EEC was included in the EU and its name changed to European Community.

level before the war and was followed by a monthly 5% additional cut from December.¹⁰³ France and the United Kingdom were the only countries considered to be “friendly” which meant that they received the normal supply of oil they were used to before the war.¹⁰⁴

Upon OAPEC’s announcement of its oil cuts and embargo, the EC were concerned about the significant economic decline their countries might experience if their industries slowed down due to the lack of fuel as they depended on Middle Eastern oil for more than 65% of their overall energy consumption.¹⁰⁵ By 1970, oil had become the main source of energy in all of West Europe.¹⁰⁶ The table below shows in detail the regions’ crude oil imports from the Middle East and North Africa in 1970, three years before the first oil crisis took place.

¹⁰³ Nester and Ampiah “Japan's Oil Diplomacy”, 77.

¹⁰⁴ Amal Mustafa Shamma, “The 1973 Oil Embargo: Arab Oil Diplomacy” (dissertation, Western Michigan University, 1980), 83.

¹⁰⁵ Shamma, “The 1973 Oil Embargo: Arab Oil Diplomacy”, 95.

¹⁰⁶ George F Ray, “Impact of the Oil Crisis on the Energy Situation in Western Europe,” in *The Economics of the Oil Crisis*, ed. Tadeusz Rybczynski, 1976, 94-130, 98.

Crude Oil Imports of Western Europe, 1970¹⁰⁷

	<i>Dependence on^a</i>		<i>Dependence on individual producer</i>	
	<i>Middle East</i>	<i>North Africa^c</i>	<i>25 per cent or over</i>	<i>15 to 25 per cent</i>
Belgium ^b	59	26	-	Libya 22, Kuwait 17, Saudi Arabia 16
Denmark	60	14	Kuwait 28	Saudi Arabia 17
Finland	29	-	Iran 29	-
France	45	43	Algeria 26	Libya 17
Germany	33	49	Libya 41	-
Greece	87	4	Iraq 53	Syria 24
Ireland			Kuwait 30, Saudi Arabia 27	Iran 23
Italy	55	32	Libya 30	Iraq 20
Netherlands	63	21	-	Libya 21, Kuwait 18, Iran 15, Saudi Arabia 15, Oman 22
Norway	55	9	-	Saudi Arabia 17
Portugal	97	-	Iraq 54	UAE ^d 22, Saudi Arabia 16
Spain	52	28	Saudi Arabia 29, Libya 25	-
Sweden	50	30	Nigeria 27	Oman 17
Switzerland	22	74	Libya 59	-
United Kingdom	61	25	Kuwait 26	Libya 24, Saudi Arabia 15
Yugoslavia	67	-	Iraq 44, USSR 33	Iran 22
Western Europe ^e	51	32	Libya 25	-

^a Percentage of total.

^b Algeria and Libya only.

^c Including Luxembourg.

^d UAE = United Arab Emirates (Abu Dhabi, Dubai, etc.).

^e Shares of the main producers: Algeria 7; Libya 25; Nigeria 6; Venezuela 4; Iran 8; Iraq 9; Kuwait 13; Oman 2; Qatar 2; Saudi Arabia 14; UAE 3; USSR 4.

The table above shows that in 1970, Western Europe was largely dependent on Arab oil producing countries, importing as much as 51% of its crude oil from the Middle East and 32% of it from North Africa. Countries like Italy, Portugal, and Greece were among the countries with the highest dependence on Middle Eastern (including North Africa) crude oil importing as much as

¹⁰⁷ Created by the author and retrieved from George F Ray, "Impact of the Oil Crisis on the Energy Situation in Western Europe," in *The Economics of the Oil Crisis*, ed. Tadeusz Rybczynski, 1976, 94-130, 100.

87%, 97%, and 91% respectively.¹⁰⁸ France was predominantly dependent on Algeria importing 26% of its crude oil from it. As for West Germany and Italy, they were dependent on Libya the former importing 41% from it and the latter 30%. The United Kingdom had a total oil import percentage of 86% with 26% coming from Kuwait.

Furthermore, the effects of OAPEC's new measure on the EC did not only derive from the oil cuts that directly touched "neutral" countries but also from the oil embargo that it imposed on the Netherlands. Indeed, Germany and Belgium both heavily depended on the refineries of the Dutch Port of Rotterdam.¹⁰⁹ The majority of German heavy industries in the Ruhr imported their oil from the Netherlands and the majority of Belgium's oil supplies go through the Rotterdam-Anvers pipeline.¹¹⁰

ii. Collective measure of the EC members towards OAPEC

By implementing this policy, OAPEC's purpose was to lead the EC to realize the importance of oil and their dependence on it and to press them to find a solution.¹¹¹

Two days after OAPEC announced its policy, the foreign ministers of all nine EC members gathered in Brussels and discussed the economic and political implications of the Yom Kippur War. The statement they declared recognized UN resolution 242 and stated "1. The inadmissibility of the acquisition of territory by force; 2. The need for Israel to end the territorial occupation which it had maintained since the conflict of 1967; 3. Respect for the sovereignty and territorial integrity and independence of every state in the area and their right to live in peace within secure boundaries; 4. Recognition that in the establishment of a just and lasting peace, account must be taken of the legitimate rights of the Palestinians."¹¹²

¹⁰⁸ Ibid.

¹⁰⁹ The Port of Rotterdam is the largest seaport in Europe and the world's largest seaport outside of East Asia, located in and near the city of Rotterdam, in the Netherlands.

¹¹⁰ The Rotterdam Antwerp Pipeline connects the ports of Rotterdam and Antwerp, the two biggest ports in Europe.

¹¹¹ Shamma, "The 1973 Oil Embargo: Arab Oil Diplomacy," 95.

¹¹² Ibid., 96.

The statement represented an important change in the EC's position towards the Arab-Israeli conflict since they requested that Israel withdraws to its borders from 1967 and recognize the right of Palestinians to be part of the settlement.¹¹³

Despite the unanimity of the EC members in declaring the above statement, they each had a different national policy regarding the conflict between Israel and the Arab countries.

iii. Individual positions of the EC members towards the Arab-Israeli conflict

A. France

Some countries like France were leaning more towards supporting Arab countries even before 1973 going as far back as the Six-Day War in 1967. Indeed, at that time, former French President Charles de Gaulle denounced the Israel's attack on Egypt and imposed an embargo on French weapons to the countries involved in the war.¹¹⁴ This pro-Arab policy, initially implemented by De Gaulle in the 1960s, was maintained by his successors George Pompidou and Valerie Giscard d'Estaing, in office from 1969 to 1974 and 1974 to 1981, respectively. Therefore, by the time the first oil crisis took place in 1973, France had already given up its pro-Israeli stance.¹¹⁵

B. Germany

Initially, due to Hitler's campaign that led to the genocide of European Jews during world war II, Germany had demonstrated a moral commitment to the Jewish state from the 1940s. However, when former Chancellor of Germany, Willy Brandt came to power in 1969, he started to encourage a bettering of Germany's relationship with Arab countries too, and not exclusively with Israel.

Germany started to gradually shift its policies to reflect a more pro-Arab position. Indeed, during the 1970s, Germany's policies toward Israel reflected a gradual decrease from an unconditional support to Israel to one that took the Arab position into consideration as well.¹¹⁶

¹¹³ Ibid.

¹¹⁴ Sus, "Western Europe and the October War," 66.

¹¹⁵ Shamma, "The 1973 Oil Embargo: Arab Oil Diplomacy," 97.

¹¹⁶ Ibid., 98.

For instance, the Brandt government interpreted the Security Council Resolution 242 as requesting the complete withdrawal of Israeli forces from all Arab territories occupied in the 1967 war.¹¹⁷

German government's stance towards the US assistance to Israel was more or less blurry. Although Germany did not seem to have helped Israel during the war, it only denounced the loading of US weapons on an Israeli ship in the northern part of West Germany after the situation calmed down between Israel and Arab countries.¹¹⁸

C. The United Kingdom

The United Kingdom is yet another country whose policies reflected a gradual shift to a position that aligns more with that of Arab countries.

During the Yom Kippur War, the United Kingdom proved to be particularly loyal to Arab countries when it did not allow the US to access its bases in order to airlift to Israel. Furthermore, the United Kingdom imposed an embargo on deliveries of weapons and spares to all countries participating in the war.¹¹⁹

D. The Netherlands

The Netherlands had the most different approach from other EU countries and sustained a supportive stance towards Israel throughout the years.

The Netherlands was among the first countries, along with the US, that faced an oil embargo from OAPC countries for supporting Israel militarily and politically during the war and allowing the US to use its bases to supply weapons for Israel. Other European countries had a different stance from the Netherlands and refused to help the US during the war to avoid provoking the Arab nations. In the same vein, when the Netherlands asked France and the United Kingdom to assist it by sharing their oil, they both strictly refused that request to preserve a good relationship with the Arab nations and keep their trust. Former British Prime Minister Sir Alec Douglas-Home

¹¹⁷ Ibid., 97.

¹¹⁸ Ibid., 94.

¹¹⁹ Ibid., 98.

took an even firmer stance by stating that in order to best protect its interests, Europe should be exercising pressure on Israel.¹²⁰

Nevertheless, following the Yom Kippur War, the country's policy toward the Arab-Israeli conflict swung between pro-Israeli and pro-Arab policies. Indeed, the Dutch government initially denounced Syria and Egypt for violating the de facto truce with Israel by launching a surprise attack on October 6. On the other hand, the Netherlands was included among the EU countries that demanded Israel to pull back from the Arab territories.¹²¹

The inconsistency of the Netherlands's policies toward the Arab-Israeli conflict is due to the oil embargo that OPEC imposed on the country following the Yom Kippur War. The Netherlands even sent officials to speak with the Arab leaders in oil-producing countries to persuade them to lift the oil embargo that lasted for nine months.¹²²

iv. The influence of EC's measure on Japan

OPEC responded positively to the statement declared by the EC on November 6, 1973. During their meeting in Vienna on November 18, Arab oil ministers decided to grant the EC members, except for Netherlands, the "friendly" status.¹²³

The EC's statement and OPEC's reaction to it had an impact on the Japanese government since the latter was comparing itself to the EC and observing the situation between the latter and OPEC. Japan hoped that by observing first, it could adjust its statement regarding the Middle East accordingly and decrease the tension in its relationship with OPEC.¹²⁴

Therefore, Japan was surprised to see that OPEC rejected its first statement on October 26 for being vague and missing but accepted the one by the EC despite both being similar. This increased Japan's concern further which pressed it to take a series of stronger initiatives in the hope to be accepted by OPEC as a friendly nation. The day that OPEC officially granted the EC countries,

¹²⁰ Ibid., 94.

¹²¹ Ibid., 98.

¹²² Ibid., 99.

¹²³ Kimura, "Impact of oil crises," 25.

¹²⁴ Nester and Ampiah, "Japan's Oil Diplomacy," 80.

except for Netherlands, the “friendly status”, Japan announced another statement in which it confirmed its neutral position, denounced Israel’s continued annexation of the Arab territories, and called for the respect of the Palestinians’ rights. This statement did not convince OAPEC either and Japan was still considered among countries risking an oil embargo. The last statement made by Japan was on November 22 and Japan’s status was not changed until December 25, more than a month after the EC’s status was changed.

v. Observations

Following the oil crisis of 1973, OAPEC imposed an oil embargo on countries that helped Israel during the Yom Kippur War like the US and the Netherlands. It also decided to cut its oil productions to the EC members by 25% compared to the level before the war that would be followed by a monthly 5% additional cut from December 1973 except for France and the United Kingdom that would keep receiving their usual supplies. France and the United Kingdom showed the Arab countries a support stronger than the ones of other EC members. Indeed, France’s support started even before the Yom Kippur War and the United Kingdom proved its support to Arab countries when it did not allow the US to access its bases in order to airlift to Israel. Therefore, OAPEC’s measure was aimed at “neutral” countries to press them to collaborate by pressuring Israel to withdraw from Arab territories. Table 1 showed the dependence of the EC on Middle Eastern oil as did the speed in which they prepared their statement on the Arab-Israeli conflict on November 6, 1973.

OPAEC was satisfied with the EC’s statement and granted the EC countries, except for the Netherlands, a “friendly” status on November 18 which meant that they would receive the amount of oil they used to import before that measure was implemented. OAPEC’s reaction to the EC’s statement influenced Japan that was comparing its initiative to that of Europe.

The comparison of the dates during which Japan and the EC declared their respective statements is indicative of the latter’s influence on Japan’s actions. Indeed, the length of time that elapsed between Japan’s first two statements (October 26 and November 18) was much longer than that between the second and third (November 18 and November 22). The reason is that November 18

was the date on which OAPEC changed the EC's status to "friendly".¹²⁵ Since Japan was modeling its steps after those of the EC, it did not understand why OAPEC would grant the EC friendly status but not Japan, despite the fact that they had both made similar statements. That is what led it to reaffirm its position to OAPEC on November 18. The date of the last statement made by Japan on November 22 is explained by the continuation of its "unfriendly" status following the declaration of November 18, and Japan's increasing confusion as a result of the EC being granted friendly status while Japan was still considered a hostile country.

If Japan didn't have the EC as an example to follow, it might not have had the same urgency to deploy as much efforts with OAPEC. Indeed, it is the difference in OAPEC's treatment towards the EC and Japan that was the reason for the latter's increased concern and realization that the outcome could be different.

(2) Second case study

i. Events that led to the collaboration between the EC and Japan

On December 30, approximately a month after the taking of hostages, the US introduced its first UN resolution that proclaims a full embargo on Iran with the exception for medicine and food. The US asked its allies, including Japan, to support its initiative and collaborate to develop a plan for sanctions.¹²⁶ It believed that a boycott of Iran by US allies would "bring Iran to its knees in less than two months unless they get charity from Arab countries."¹²⁷ The reasoning behind this statement is that Japan and the EC have a lower need for Iranian's oil than the one of Iran for

¹²⁵ Kimura, "Japan's Middle East Policy," 25.

¹²⁶ Fumihiko Yoshida, "Testing Models of Foreign Policy Decision-Making in Japan, Using the Iranian Hostage Crisis, Moscow Olympics Boycott, and History Textbook Issue." (PhD diss., University of Hawaii, 1987), 52.

¹²⁷ Jack Anderson, "CIA: Boycott Could Bring Down Iran," *The Washington Post*, April 24, 1980, accessed July 13, 2021, <https://www.cia.gov/readingroom/document/cia-rdp90-00965r000100170105-0>.

foodstuffs bought on credit. Indeed, Iran should import a large amount of food from countries with whom, for the most part, it does not have a friendly relationship and runs the risk of being cut off.

Additionally, the US pointed out that the nations that buy Iranian oil do not need it urgently at the moment. For instance, Japan that is Iran's biggest oil customer importing from it around 520,000 barrels a day, had secured its need of petroleum for at least 110 days by purchasing oil from other producers. This weakened Iran's position that need to sell 1.6 million barrels a day to survive and most sales are usually directed to US allies. As the Saudi Arabian Oil Minister Sheikh Ahmed Zaki Yamani acknowledged: "The free world's oil supplies in 1979 increased 4 percent over 1978 despite the fact that one of the major Middle Eastern oil-producing countries [Iran] reduced its production that year."¹²⁸

On December 31, Japan declared its position on the US resolution in a speech delivered by the Japanese ambassador to the UN, Nishibori Masahito and approved by the Japanese prime minister.

The Japanese Government completely supported the US plan for economic sanctions by the Security Council against Iran. However, if the sanctions were to be adopted by the Security Council, the Japanese Government would comply with them as much as possible all while having some reservations and adjustments.¹²⁹ Therefore, Japan requested the US to take into consideration Japan's reservations that included the IJPC project and the suspension of oil contracts with Iran concluded before the introduction of the resolution.

Regarding the IJPC project, Japan explained that it had already made enormous investment and granted it a large amount of export insurance. Therefore, the loss of this project would have immeasurable political and economic effect on the Japanese government.¹³⁰ Japan suggested to decrease the planned development progress of the project but to keep making the necessary actions

¹²⁸ Ibid.

¹²⁹ USUN to Department of State, Telegram 06405, December 30, 1979, 1979USUN06405, Central Foreign Policy Files, 1973- 79/Electronic Telegrams, RG 59: General Records of the Department of State, National Archive, <https://aad.archives.gov/aad/createpdf?rid=75540&dt=2776&dl=2169>. (Accessed on December 4, 2021).

¹³⁰ Ibid.

that will keep the project going such as to pay salaries and use the materials that are already on the site without exporting any new ones.

Furthermore, Japan clarified that the suspension of the contracts that were implemented before the introduction of the resolution, would be very complicated to execute under the Japanese legislation and would have massive consequences on the Japanese politics and the Japanese economy. Therefore, the Japanese requested the removal of this measure from the resolution.¹³¹

Lastly, despite the fact that the question of oil was omitted from the draft resolution, Japan based this specific request on the anticipation that Iran might decline the supply of petroleum to all countries supporting the US sanctions. Therefore, Japan being very dependent on the Iranian oil, requested from the US a “fully equitable”¹³² burden-sharing.

Japan planned to redouble its efforts to conserve oil but it also wanted the US to increase its oil supply to Japan by increasing the production and export of domestic petroleum. Additionally, Japan requested the US to ask Saudi Arabia to increase its oil production and export to motivate American oil companies to increase their supplies to Japan and to positively support Japan in any inquiry for collaboration by the International Energy Agency (IEA) to handle future energy emergencies.¹³³

ii. Collaboration between the EC and Japan

On January 14, the UN Security Council rejected the US-proposed economic sanctions against Iran. That same day, Iranian Oil Minister Ali Akbar Moinefar, informed the Japanese ambassador to Iran, Wada Tsutomu that Iran will stop all oil exports to Japan if it decides to join the US economic sanctions against Iran. Nevertheless, a week later, Ohira met with Okita and some high-ranking officials of MOFA and discussed a plan to elaborate a detailed approach concerning Japan’s sanctions. Their discussions stopped on February 7 when US State Department Spokesman Hodding Carter announced that the plan to enforce the sanctions was postponed.¹³⁴

¹³¹ Ibid.

¹³² Ibid.

¹³³ Ibid.

¹³⁴ Yoshida, “Testing Models of Foreign Policy Decision-Making in Japan”, 52.

The reasons behind the postponing was a series of events that led the US to believe the hostage situation could be resolved soon. The events included the creation of an international commission with the purpose of investigating the crimes committed by the shah, UN Secretary General, Kurt Waldheim's efforts to arbitrate, and the presidential elections in Iran that took place on January 25 that same year and during which Abolhassan Banisadr was elected president.¹³⁵

US's expectations of a resolution of the conflict ended when Carter learned that Khomeini declined Banisadr's suggestion to transfer the custody of the hostages from the hands of the students occupying the US embassy to the ruling Revolutionary Council, a move that the US considered a step towards the release of hostages.

Therefore, on April 7, President Carter declared that the diplomatic relations between Iran and the US were severed and that he was going to demand all Iranian diplomats and officials to leave the country. Additionally, all remaining trade between both countries were virtually removed by Carter excluding drugs and food and all visas that were issued to Iranians for upcoming arrivals were to be cancelled.

Japanese efforts to elaborate their sanctions against Iran were resumed on April 10 when an ad hoc policy-making body including the Japanese prime minister and foreign minister met to discuss the Iranian problem.

One of the matters discussed was the US's resilient request to the Japanese to withdraw their ambassador from Iran. The participants decided to wait for the EC's decision on that same issue that it was going to take during a conference that was scheduled on that same day.

During the conference that took place in Lisbon, the EC's foreign ministers came to the conclusion that they will send their ambassadors to discuss with President Bani Sadr and inquire the release of the hostages.¹³⁶

French Foreign Minister Jean-Francois Poncet suggested during the conference, to ask Japan for its cooperation. In his view, the invitation of Japan should be encouraged in order for it "to associate itself with the European initiative."¹³⁷ Poncet's suggestion was welcomed by his

¹³⁵ Ibid., 53.

¹³⁶ Ibid., 56.

¹³⁷ Yoshitsu, "Caught in the Middle East", 49.

colleagues since they sensed that Japan's support would give them a stronger visibility in the US and in Iran due to the amount of oil that Japan purchased from Iran at that time.¹³⁸

The next day, the Italian ambassador to Japan presented the European request to Okita and other senior Japanese.¹³⁹

The idea to collaborate with the EC was not new to Okita and dated back from December, 1973 when he said: "As one way of dealing with the situation, I looked to Western Europe, since its position was similar to Japan's. That is, its relationship with America was extremely important and it believed that the taking of hostages by Iran was a violation of international law. Moreover, with the possible exception of Great Britain, the European countries were heavily dependent on the Persian Gulf region, on Iran for their oil supplies."¹⁴⁰

Okita believed that a collaboration with the EC would help on one side to appease US possible feeling of isolation and would, from another side, prevent Iran from retaliating against Japan if it was part of a larger diplomatic unit. Additionally, this collaboration would help Iran realize the gravity of this situation and would thus reevaluate the release of the hostages.¹⁴¹

As a reaction to this collaboration, President Bani Sadr announced to the press, on April 11, 1980, that Iran would not buy anything from either Western Europe or Japan if they decide to adopt the US sanctions against Iran.¹⁴²

On April 17, 1980, President Carter added a list of sanctions against Iran and threatened to resort to military action in case the economic measures did not lead to a release of hostages.¹⁴³

That same day, the EC decided to break diplomatic relations with Iran if it was not going to release the hostages in the near future and invoke article 113 of the Treaty of Rome to restrict its exports to Iran.¹⁴⁴ Furthermore, Japan had refused an ultimatum from the National Iranian Oil Company

¹³⁸ Ibid.

¹³⁹ Ibid.

¹⁴⁰ Ibid., 46.

¹⁴¹ Ibid., 48.

¹⁴² Yoshida, "Testing Models of Foreign Policy Decision-Making in Japan", 57.

¹⁴³ Ibid., 58.

¹⁴⁴ Yoshitsu, "Caught in the Middle East", 58.

(NIOC) requiring it to accept Iranian's oil policy by April 21 in which the price of oil requested was \$2.5 higher than the common price. The Iranian Oil Ministry responded with a petroleum embargo against Japan, but the government stated that the decision was purely commercial and that MITI was going to continue the negotiations. At the end of the month, when Iran offered Japan the same deal, the latter rejected it once more stating that the price was too high.

On April 20, Okita departed to Luxembourg to discuss further actions with the foreign ministers of Luxembourg, Italy, the United Kingdom, France and Germany. He stated that moderation and graduation were the preferred strategies for Japan to use in order to support the US and secure good relations with Iran at the same time. For instance, when referring to the American measures, the term "sanctions" should not be used by Japan or the EC countries. Furthermore, in order to get Iran to release hostages, a gradual approach consisting of a slowly built pressure should be adopted.¹⁴⁵

A. First stage of sanctions

Although the EC's ministers were critical of Carter administration's way of dealing with the situation and believed it was inconsistent, they were aware of the importance for US's allies to preserve a good relationship with the US and consequently, take collective measures. Former French president, Valery Giscard d'Estaing even said that they "will have to stand by the Americans even if they are deadly wrong."¹⁴⁶

Therefore, on April 22, the EC members and Japan reached some conclusions regarding their policies towards Iran. They unanimously agreed that formal communications with Iran were a better tactic than a diplomatic break. The EC members decided to reduce embassy staffs, freeze the visa applications of Iranian citizens, ban only new contracts on exports and services to Iran, and finally withhold permission for military sales to Tehran.¹⁴⁷

As for Japan, Prime Minister Masayoshi Ohira was satisfied with the measures decided during the meeting in Luxembourg. On April 24, Ohira's cabinet decided to reduce the sixteen-member

¹⁴⁵ Ibid., 51.

¹⁴⁶ Ibid.

¹⁴⁷ Ibid.

staff at the Japanese embassy in Tehran, to reintroduce visa controls on Iranians seeking entry into Japan, and to refrain from signing new export and service contracts with Iran. Consequently, Japan decided that the IJPC project did not fall under the measures since it was signed before the start of the hostage crisis.¹⁴⁸

Additionally, in order to stay coordinated with the EC's policies, Japan decided to restrict exports to Iran by legal means as well invoking the Foreign Exchange Control Regulation and the Trade Control Regulation. Since the EC had set the date of application of this measure to May 17, Japan decided to postpone using legal means and rely on administrative guidance¹⁴⁹ until then.¹⁵⁰

Japan requested the US not to resort to military force and not to demand a reduction of employees in the Iranian embassy in Tokyo.¹⁵¹

Unfortunately, the US ignored Japan's request not to use military force and President Carter ordered a rescue operation also known as the "Operation Eagle Claw" on April 24, 1980. This operation, developed below, increased the tension between Iran and the US and weakened the cooperation between the EC and Japan to which the main purpose was to peacefully resolve the hostage crisis.¹⁵²

¹⁴⁸ Yoshida, "Testing Models of Foreign Policy Decision-Making in Japan," 61.

¹⁴⁹ When a policy is under administrative guidance, the Japanese government imposes a milder treatment for those who do not comply with it.

¹⁵⁰ Yoshida, "Testing Models of Foreign Policy Decision-Making in Japan," 61.

¹⁵¹ Ibid.

¹⁵² Yoshida, "Testing Models of Foreign Policy Decision-Making in Japan," 62.

- **Operation Eagle Claw**

President Carter had warned Iran of an eventual military attack in case one of the hostages were killed.¹⁵³

On November 6, 1979, President Carter instructed his National Security Advisor Zbigniew Brzezinski to start organizing a rescue plan that might be urgently needed in case the hostages started getting killed.¹⁵⁴ A small *ad hoc* team formed from members of the National Security Council (NSC) and Special Coordination Committee (SCC) process were entrusted with the planning of the mission. By the start of year 1980, the rescue team had already prepared a feasible plan for the mission, just in time to meet the rising demands for such an action. Finally, on April 11, 1980, Carter and the NSC formally decided to launch the rescue mission.¹⁵⁵

However, Cyrus Vance was fighting against the launch of the mission which, according to him, will not help the release of the hostages and will make the situation worse if it succeeds. To him, the reason of keeping the hostages was political and they will only be released when it is resolved.¹⁵⁶ Indeed, Iranians were fighting to gain control of Iran after the Shah was forced to exile. Being patient and resilient was to him the only and most efficient solution. Thus, when Vance realized that a decision to launch the mission was taken during his absence and that he failed to persuade the members of the group to change it, he ended up resigning on April 21, 1980.¹⁵⁷

The mission officially began on April 24, 1980, but ended up failing because of the occurrence of several disasters throughout the process. For instance, according to the first phase of the plan, eight RH-53 helicopters were supposed to land on a site in the Iranian desert and meet with eight Hercules C-130 transport planes, under the cover of darkness. However, due to a mistake in

¹⁵³ Interview number 39, with former US president Jimmy Carter, 3 April 1985, General CIA Records, accessed December 2, 2021, <https://www.cia.gov/readingroom/document/cia-rdp91-00901r000600410039-8>.

¹⁵⁴ Houghton, *US Foreign Policy and the Iran Hostage Crisis*, 110.

¹⁵⁵ *Ibid.*, 125.

¹⁵⁶ *Ibid.*, 94.

¹⁵⁷ *Ibid.*, 129.

the calculation of the flight times, the planes ended up entering the Iranian airspace during daytime.¹⁵⁸ Furthermore, three helicopters had to give up along the process for different reasons: one had to be abandoned in the desert because of a warning light emanating from the cockpit, another one almost crashed because of terrible conditions and the last one was malfunctioning. These inconveniences lowered the number of the helicopters from 8 to 5, although 6 was the minimum number of helicopters deemed necessary to save the hostages.

These factors amongst some others forced the military commander, Charles Beckwith to cancel the mission. On their way back, one of the rescue team's helicopter crashed in one of the transport plane causing a fire that left eight members of the rescue force dead.¹⁵⁹

Japanese officials were surprised upon hearing the news of the failed rescue mission as they did not expect Carter to take such an approach. They believed he would focus on the sanctions or even try a naval blockade as a last resort. In Japan, while some senior planners favored the idea of the rescue mission and believed that Carter had no other choice, most senior officials found the mission to be unjustified and believed that the US should have taken into consideration Middle East security before executing the mission. They also criticized Carter's decision by pointing out that four months before the military move, the US was criticizing the Soviet interference in Afghanistan.

To Okita, the mission made the efforts that Japan and the EC members deployed in order to resolve the conflict peacefully, vain. He believed that the hostage crisis stopped being the main topic of discussion in his meetings with the EC members. Indeed, since Japan had decided to work with the EC in calling for a peaceful resolution of the hostage situation, the US's use of force goes against that purpose. Okita also perceived the mission as representing a risk in the interruption of oil supplies. Japanese leaders in general believed that the main victims of the rescue operation were Cyrus Vance who ended up resigning and the hostages themselves. The common belief was that the repercussion of the military move complicated the return of the hostages, extended the length of their detention, and involved the US more deeply into the Iranian

¹⁵⁸ Ibid., 132.

¹⁵⁹ Ibid.

political struggle. Tokyo officials predicted, just as Vance did, that the hostages will be released once they have served their purpose.

However, despite the Japanese's dissatisfaction with the operation, Ohira issued a statement declaring the Japanese government's will to make utmost efforts in support of the US in regards to the hostage crisis. MOFA proceeded in carrying out the necessary steps to execute the first stage of sanctions. In other terms, it reduced the personnel at the Japanese Embassy in Tehran and reinstated the visas for Iranians arriving to Japan.

It should be noted that Carter never regretted launching this mission and in an interview taken in 1985 he stated: "We were not averse to using military action if necessary to protect the lives of the hostages. I have never yet seen a way I could have handled it better. Obviously, I would have liked to send one more helicopter to the desert site if I could do it all over again."¹⁶⁰

The reasons that led Carter to believe that a rescue mission is a good and necessary action were based on the fact that he had already tried, on multiple occasions, to resolve the issue diplomatically. As Gary Sick stated, the US "issued an onslaught of messages, pleas, statements, personal emissaries, condemnations, and resolutions of all kinds from governments around the world, descending in torrents on Iranian officials and representatives wherever they might be."¹⁶¹ For instance, on November 5, 1979, a day after the crisis, Vance initiated a meeting at the SCC in which the decision makers decided to send two emissaries¹⁶² to Iran to discuss the release of the hostages but the Iranian authorities refused to meet with them. Consequently, Carter decided to adopt some harder measures and on November 12, 1979, he ordered the interruption of all oil imports from Iran and the freeze of all Iranian assets held in the US banks. On November 29, 1979, the International Court of Justice was asked by the US to demand the release of hostages. Additionally, the United States Secretary General, Kurt Waldheim, was sent by the US to Tehran for negotiations but just like with the two emissaries that went before him, Khomeini

¹⁶⁰ Interview number 39, <https://www.cia.gov/library/readingroom/docs/CIA-RDP91-00901R000600410039-8.pdf> (accessed July 13, 2018).

¹⁶¹ Houghton, *US Foreign Policy and the Iran Hostage Crisis*, 106.

¹⁶² The first emissary was former Attorney General Ramsay Clark and the second one was Senate Intelligence Committee staff director William Miller.

refused to grant him an audience.¹⁶³ The trial for persuasion continued when the political scientist, Richard Cottam, a former employee of the CIA and a friend of the back then Iranian Foreign Minister Sadegh Ghotbzadeh, travelled to Iran in December. However, Cottam's mission had the same fate of previous missions and ended up failing.¹⁶⁴ By late January of 1980, Hamilton Jordan and the Iranians started negotiating through the mediation of two lawyers businessmen representing the Iranian side. They came up with a plan consisting in the creation of a UN special commission that would inspect the shah's wrongdoings and decided to let the commission members visit the hostages after it was formed. After the commission was set up, its members were denied the right to visit the hostages which led to the failure of the plan.¹⁶⁵ In parallel, Carter was anxious about the presidential campaign and his re-election due to ongoing pressure from the public asking him to take a tougher stance against Iran.¹⁶⁶

B. Second stage of sanctions

On May 17, 1980 the EC met, as planned, in order to discuss the second stage of sanctions against Iran. To stay updated on EC's discussions, Okita met with the foreign ministers of the United Kingdom, France and West Germany afterwards.¹⁶⁷

A day before the EC meeting, the Japanese government met with an ad hoc policy-making body to discuss the policy that Japan should adopt towards the second stage of sanctions. Some of the decisions that were taken throughout the meeting were to continue the assessment of export regulations such as the Export Control Regulation in order for all exports to Iran to require the approval of MITI with the exception of food, medicine, and contracts signed before the crisis. The Japanese government and the ad hoc policy-making body decided to suspend planning the details of the sanctions until the EC's decision on the matter.¹⁶⁸

¹⁶³ Ibid., 107.

¹⁶⁴ Ibid., 108.

¹⁶⁵ Ibid.

¹⁶⁶ Ibid., 110.

¹⁶⁷ Ibid., 64.

¹⁶⁸ Yoshida, "Testing Models of Foreign Policy Decision-Making in Japan," 65.

Thus, when the EC nations decided to start applying the sanctions from May 22, MOFA officially agreed on May 18 to invoke the Export Control Regulation as well as two additional related regulations and obtained the approval of the Japanese prime minister the following day.¹⁶⁹ MITI insisted to wait until the EC to decide the details of their sanctions on May 22 before Japan invoked the above-mentioned regulations. However, the Japanese government dismissed MITI's request as it believed that Japan should restrict its export to Iran legally and regardless of the EC's decision.¹⁷⁰ Therefore, on May 23, the Japanese cabinet scheduled a meeting in which it approved the revisions of all three regulations and finalized the decision for export restriction to Iran. On June 2, 1980, the Japanese government officially began the restriction of its exports to Iran and informed the US and the EC of its decision.¹⁷¹

iii. Observations

On December 30, 1979 the US imposed an embargo on Iran with the exception of food and medicine. Four months later, Carter announced a severing of the US's relationship with Iran after Khomeini refused to transfer the custody of the hostages from the hands of the students occupying the US embassy to the ruling Revolutionary Council. The US needed the support of its allies for a stronger impact and requested them to join in on the sanctions against Iran. On the other hand, Japan's energy interests with Iran were at risk, and the loss of some of them like the IJPC project, would have had immeasurable consequences on Japan's economy.

Therefore, the collaboration between the EC and Japan on April 11 gave the latter feel the strength and support it needed in order to take a stronger stance against Iran. Indeed, Japan was part of a larger diplomatic unit composed of countries that were also the US's allies and in the same situation.

There were two stages of sanctions interrupted when the US launched its military operation against Iran on April 24, 1980.

¹⁶⁹ Ibid., 66.

¹⁷⁰ Ibid.

¹⁷¹ Ibid., 67.

During the first stage of sanctions, Japan suggested the use of moderation and graduation when dealing with Iran. For instance, it suggested to avoid using the term “sanctions” and to only build pressure slowly to get Iran to free the hostages. Overall, the EC and Japan had the same views on the situation and unanimously agreed that formal communications with Iran were better than a diplomatic break. On April 22, they had decided their sanctions and the ones in common included the reduction of embassy staffs and the refrain in signing new export and service contracts with Iran.

During the following month, the EC and Japan resumed their meetings and opened the discussions for the second stage of sanctions. The EC decided to discuss the details of the restriction of exports to Iran by legal means on May 22. Japan decided to do the same by invoking the Foreign Exchange Control Regulation and the Trade Control Regulation. MITI requested to wait until May 22 when the EC starts implementing that measure before Japan does. However, the Japanese government ignored MITI’s requested and decided that it was crucial for Japan to restrict exports to Iran by legal means, regardless of the EC’s decision.

On May 23, all three regulations were approved by the Japanese cabinet and finalized the decision for export restriction to Iran. On June 2, the Japanese government officially began the restriction of its exports to Iran.

The collaboration between the EC and Japan had a positive impact on the latter. It has given Japan the confidence and motivation to take measures and implement them. Since the EC members are also the US’s allies and share energy interests with Iran, they shared similar views with Japan and worked in harmony alongside each other.

For most of the measures it took, Japan did not implement any of them before making sure that the EC did already. When part of a larger unit, it is difficult to be responsible alone for a measure and the measure, taken collectively, might seem more valid.

CHAPTER 4. THE METHODS OF DEALING WITH THE DIRECT AND INDIRECT EFFECTS ON THE JAPANESE GOVERNMENT

I. Culture

While scholars disagree whether culture plays a role in a country's foreign policy and in the way in which it affects it, many believe that culture, illustrated by the way we think, has an influence on policies. Furthermore, the "pattern of thought and behavior are shaped by culture; they are not the product of mere nationalism."¹ Frode Liland states that "the cultural side of foreign policy is a vast and treacherous area."²

The complexity of the cultural aspect of a country's foreign policy is the focus of the next section during both the oil crisis of 1973 and the Iranian hostage crisis of 1979.

(1) The concept of comprehensive security

In 1980, Prime Minister Suzuki Zenko declared that Japan's foreign relations would be centered on the policy of comprehensive security. According to this policy, the military force of a country is only one aspect of its comprehensive security, and possibly the least essential one in an interdependent world. Such a policy considers that the foundation of a country's security is its economic prosperity and stability, which depend on a growing open economy.³ Therefore, in order to ensure constant economic growth, it was proposed that Japan should attempt to vary its foreign sources of energy, markets and raw materials, and, at the same time, encourage those sources to import Japan's goods, services, and capital.⁴

¹ Bojang AS, "The Study of Foreign Policy in International Relations," *Journal of Political Sciences & Public Affairs* 06, no. 04 (October 18, 2018), <https://doi.org/10.4172/2332-0761.1000337>, 5.

² Ibid.

³ William Nester and Kweku Ampiah, "Japan's Oil Diplomacy: Tatemaie and Honne," *Third World Quarterly* 11, no. 1 (1989): 72-88, <https://www.jstor.org/stable/3992221>, 79-80.

⁴ Ibid., 80.

The idea of comprehensive security encourages the focus on foreign economic growth while avoiding as much as possible any participation in global political matters.⁵ The policy acknowledges that it is sometimes challenging for a country to avoid involvement in political matters, but the main concept remains that when a country is economically powerful and its sources diversified, this can help decrease its political participation and protect its economic interests.⁶

(2) The evolution of the concept of comprehensive security in Japan

Although the term “comprehensive security” was not publicized before the late 1970s, Japan used some elements of the concept in its foreign policy as early as during the post-World War II period.⁷

In 1951, John Foster Dulles met with Japanese Prime Minister Yoshida Shigeru in order to finalize the peace settlement with Japan. The United States (US) wanted Japan to become a Cold War ally and to help deter and contain the communist camp led by the Soviet Union and Communist China by any means, including military force. Yoshida believed that rearming Japan was not the appropriate solution to counter communism. He did not think that China would blindly follow the Soviet’s leadership, despite the shared resemblances of their beliefs.⁸ Yoshida insisted on “the long term necessity of trading with China, and [...] he believed that in the long run the Chinese would adopt the attitude that ‘war is war and trade is trade’⁹ and that it would be possible for a reasonable degree of trade to take place between Japan and China.”¹⁰ Yoshida added that

⁵ Ibid.

⁶ Ibid.

⁷ Hiroshi Nakanishi, “Redefining Comprehensive Security in Japan,” in *Challenges for China-Japan-US Cooperation*, ed. Ryosei Kokubun (Japan Center for International Exchange, 1998) 44-70, 46.

⁸ Ibid.

⁹ Nakanishi, “Redefining Comprehensive Security in Japan,” 46.

¹⁰ Ibid., 46.

since Japanese businessmen were accustomed to China, they would be “the best fifth column of democracy against the Chinese communists.”¹¹

The view of Yoshida contains certain elements that can be detected in the foreign policies implemented by Yoshida and his successors. Some of those elements include a rejection of the use of military means, a use of informal networks or “businessmen” as an instrument of foreign policy, and the conviction that a nation’s conduct can be transformed through a social change deriving from socioeconomic activities.¹²

There are several reasons that explain Japan’s rejection of military means in the implementation of foreign policies, including its negative image in the eyes of the Japanese public, the no-war clause of 1946 in the Japanese Constitution,¹³ the economic cost of rearmament, and the reaction of neighboring Asian countries to a Japanese remilitarization.

It is important to note that the Northeast Asian environment in the late 1950s made the Japanese position towards the use of military means possible. The spread of the “deterrence” strategy in the West from the 1950s instead of the more traditional one of “defense” allowed Japan to avoid the traditional security aspects of international affairs.¹⁴

As for the other mentioned elements, they derived from the separation of economy from politics that was applied by successive Japanese governments. For instance, it was implied in the deals conducted between Japanese businesspeople and China that China’s non-recognition status (add explanation in footnote) would not be affected.¹⁵

Furthermore, due to the division that resulted from the Cold War, regionalism was strengthened and Japan’s relationships with Southeast Asian countries improved. The main incentive in those relationships was economic. In response to the damages from the Second World War, Japan relied on reparations as an instrument for economic collaboration and established close economic bonds with countries like Australia and New Zealand. One example of Japan’s reentry into regional

¹¹ Ibid.

¹² Ibid., 47.

¹³ Ibid.

¹⁴ Ibid.

¹⁵ Ibid.

international society through the economic aspect is the foundation of the Asian Development Bank in 1966.¹⁶

The situation in Japan was different following the three shocks faced in the early 1970s. The first shock was the announcement by the Nixon administration of Nixon's trip to Beijing in 1971; the second, Nixon's one-sided announcement of the end of the gold standard that same year; and the third shock, the oil crisis of 1973. Those changes shook the foundations on which Japan had been implementing its policies during the postwar period: the conflictual relationship between the US and China, the fixed exchange rate that opened the door for Japan to US and international markets, and the advantageous trade conditions based on low-cost oil.¹⁷

The need for Japan to find a new strategy to cope with the changes led to the conceptualization of "comprehensive security" in the late 1970s. While the concept's name was new, the theory itself was not and had already been put into practice earlier by Japan.

(3) First case study

This section will focus on Japan's comprehensive security through the implementation of its policies towards the Organization of Arab Petroleum Exporting Countries (OAPEC) during the 1970s.

As previously mentioned, Japan's comprehensive security was manifested well before Suzuki declared the concept in 1980 and elements can be found in Japan's policies at the time of the oil crisis of 1973. Indeed, as a general reaction to the oil crisis, Japan tried to avoid political involvement, actively took diplomatic initiatives toward OAPEC,¹⁸ promised economic aid to Arab countries, and tried to protect its economy by decreasing its dependence on Middle-Eastern oil.¹⁹

¹⁶ Ibid., 48.

¹⁷ Ibid.

¹⁸ Nester and Ampiah, "Japan's Oil Diplomacy," 80.

¹⁹ Tsuneo Akaha, "Japan's Comprehensive Security Policy: A New East Asian Environment," *Asian Survey* 31, no. 4 (January 1991): 324-340, <https://doi.org/10.2307/2645387>, 325.

i. Japan's comprehensive security in policies towards Arab countries during the first oil crisis

A. Vague statements

On 4 November, 1973 OAPEC separated all countries into three categories. "Friendly countries" could continue importing their usual production quotas; "neutral countries" had to deal with the general production reductions; and "hostile countries" faced a full oil embargo from OAPEC.²⁰

On October 19, Arab ambassadors asked Japan to state its position regarding the Middle East War. It was a crucial decision for Japan since it was the only way for it to avoid an oil embargo from Arab states.

It took Japan three statements and several diplomatic and economic initiatives, elaborated below, for OAPEC to grant Japan the "friendly" status. Being considered among the "friendly countries" took longer than expected because Japan kept statements vague in order to maintain as low a political profile as possible. Japan hoped that by doing so it would avoid complicating its relationship with the US, all the while giving OAPEC what it wanted.

As elaborated in the section on Alliance, the diplomatic note given by Japan on October 26, Japan prepared a diplomatic note entitled "A Statement of Japan's Position on the Fourth Middle East War"²¹ was rejected by Arab and led them to consider Japan as an "unfriendly country," at risk of an embargo.

The second statement on November 18, in which Japan confirmed its neutral position, was rejected by OAPEC as well and Japan was still considered among the hostile nations.

The third and last statement on November 22, although not offering any considerable change from the two previous ones, was the last one made to OAPEC before its status was changed to that of "friendly nation" on December 25, 1973.

²⁰ Nester and Ampiah, "Japan's Oil Diplomacy," 77.

²¹ Kimura, "Japan's Middle East Policy," 25

B. Diplomatic gestures and promises of economic aid

In addition to the statements, Japan initiated certain diplomatic gestures and made promises of economic aid to OAPEC that helped achieve the change of status it desired. Indeed, Vice Prime Minister Miki Takeo visited eight countries in the Middle East in the period between December 10 and 28, 1973. The countries he visited were the United Arab Emirates, Egypt, Kuwait, Qatar, Syria, Iran and Iraq. The purpose of his visit was to clarify Japan's position on Israel to Arab leaders. When requested by some Arab leaders to halt all economic ties with Israel, Miki replied that this matter should be discussed with Prime Minister Tanaka before any decision was made but promised that Japan would reexamine its policy towards Israel. Furthermore, Miki proposed considerable amounts in economic aid, including 38 billion yen in credit to Egypt to extend the Suez Canal, and 27.7 billion yen in private loans to Syria to help build oil refineries.²²

The visits to the Middle East and promises of economic aid continued as former Foreign Minister Kosaka Zentaro visited eight different Middle-Eastern countries from the ones visited by Miki. From January 16 to 31, 1974, Kosaka went to Morocco, Algeria, Tunisia, Libya, Lebanon, Jordan, Sudan and North Yemen and discussed Japan's policy with their leaders. Kosaka promised to support Algeria with 12 billion yen in credits, and to support Jordan, Morocco, and Sudan's telecommunication development projects with offers of 30 billion yen each.

During that same period, from January 8 to 17, MITI Minister Nakasone Yasuhiro visited Iran and Iraq. Nakasone offered Iraq 74.5 billion yen in credits to help with its construction of fertilizer and other plants, as well as 1 billion USD to Iran for its oil refinery project. Despite Iran not being part of OAPEC, Japan still wanted to ensure a stable supply of oil from the Middle East by any means.²³

C. Comparison with the policies of the European Community

In its attempt to keep a low political profile, and in addition to vague statements, trips to the Middle East, and economic assistance, Japan examined the policies of the European Community (EC) before declaring its statements regarding the Middle East. In this way, Japan sought to

²² Ibid., 27.

²³ Ibid.

decrease the tension in its relationship with both the US and OAPEC by observing their reactions to the EC's policies and adjusting accordingly.²⁴

The dependence of Japan on the EU's responses is illustrated by the dates on which Japan made its statements as explained in the section on the international power structure.

D. Elements of comprehensive security in Japan's policies during the 1970s

Throughout the 1970s, more examples indicate the comprehensive security pattern followed by Japan in its behavior towards the Middle East.

One pattern found in Japan's interaction with OAPEC throughout the 1970s was to postpone or change certain promises between crises that it had made during earlier crises.²⁵

For instance, Japan managed to postpone the opening of a PLO office in Tokyo for approximately three years after it first declared its support of the Palestinians' right for self-determination.²⁶ Indeed, it was only in April 1976 that the Director of the PLO's political department, Farouk Kaddoumi, took a trip to Japan and met with Japanese officials to discuss the conditions of opening an office in Tokyo.²⁷

The atypical trips to the Middle East continued when, in September 1978, Japanese Prime Minister Fukuda Takeo, the first prime minister to visit the Middle East, went to the UAE, Iran, Qatar and Saudi Arabia and insisted on an Israeli withdrawal from Jerusalem as well as from other Arab territories.²⁸

Japan's vague position towards the Middle East increased during times when Japan backed the US at the expense of OAPEC but quickly compensated by taking other initiatives in favor of the Middle East.

Indeed, in March 1979, Japan supported the Egyptian-Israeli peace treaty sponsored by the US which it considered a crucial step towards greater peace and stability in the Middle-Eastern region.

²⁴ Nester and Ampiah, "Japan's Oil Diplomacy," 80.

²⁵ Nester and Ampiah, "Japan's Oil Diplomacy," 80.

²⁶ Ibid.

²⁷ Ibid., 81.

²⁸ Ibid

Japanese policymakers were aware that they had more to lose diplomatically by not supporting the US and they knew that greater stability in the region would benefit Japan's economic interests in the Middle East.²⁹

Having gone against OAPEC's will, Japan took a series of initiatives to try to compensate. In June 1979, the Parliamentarian League for Japan-Palestinian Friendship was established and included more than a hundred parliamentarians. Additionally, on August 6, 1979, Foreign Minister Sonoda Sunao justified Japan's position regarding the peace treaty in a meeting with ambassadors from most Middle Eastern countries except for Egypt.³⁰

Lastly, Japan's vote on UN resolutions related to the Middle East is another indication of its intention to keep a low political profile. Indeed, in the 1970s Japan voted in favor of resolutions concerned with humanitarian and Palestinian rights, but refrained from voting on, or sometimes voted against, any resolution that took away Israel's sovereignty.³¹

For instance, in 1973 Japan abstained from voting on a UN resolution that reasserted the Palestinians' right to self-determination, communicating great concern that Palestinians were not able to exercise that right because of Israel, and that the exercise of that right was crucial for creating peace in the Middle East.³²

E. Japan's focus on its economic stability

As explained above, being economically stable is one of the core elements of the theory of comprehensive security. Since Japan was highly dependent on Middle Eastern oil by 1973, the oil crisis exposed its economic vulnerability. Therefore, one of Japan's priorities after its economy was strongly hit by the crisis of 1973 was to come up with solutions to navigate the crisis and

²⁹ Nester and Ampiah, "Japan's Oil Diplomacy," 81

³⁰ Ibid.

³¹ Ibid., 85.

³² Department of Public Information, "Yearbook of the United Nations 1973," UNISPAL (United Nations), accessed October 26, 2021, <https://unispal.un.org/DPA/DPR/unispal.nsf/0/7A23051153B0889D85256349005D41AD>.

eventually decrease its dependence on Middle Eastern oil. The next section will look into the Japanese economic reaction to the oil crisis of 1973.

The oil crisis of 1973 had important consequences on Japan's economy including economic recession, inflation, and trade deficit.³³

The recovery process for the economic recession took place privately by adjusting the inventories, and publicly by monetary relaxation and the expansion policy of government spending.³⁴ As for the trade deficit, recovery was possible, despite the increase in the cost of imports, due to the increase in the cost of exports and the reduction of imports.³⁵

Furthermore, Japanese industrial sectors were hit by the crisis to different degrees and they modified their strategies depending on the severity of the outcome in their industries.

The industries that were the most affected by the crisis, such as petrochemical, aluminum, and shipbuilding industries, had to lower their production capacities and modify their basic approach.³⁶

Other industries, such as the machine, tools and steel industries, were seriously affected as well but could survive the outcomes of the crisis through public and private policies. For instance, MITI increased the cost of steel products by 16.9% after the steel industry suggested that increase. This indicates that the steel industry was, to a certain degree, under public surveillance that helped it moderate the crisis.³⁷

Some industries, like automobiles and electronics, had a completely different experience from other sectors and eventually developed further because of the crisis.³⁸

³³ Mihut, Marius Ioan, and Decean, Liviu Daniel. "First Oil Shock Impact on the Japanese Economy." *Procedia Economics and Finance* 3 (2012): 1042–48, 1042.

[https://doi.org/10.1016/s2212-5671\(12\)00271-7](https://doi.org/10.1016/s2212-5671(12)00271-7).

³⁴ Atsushi Yamakoshi, "A Study on Japan's Reaction to the 1973 Oil Crisis," Open Collections (University of British Columbia, January 1, 1986), <https://open.library.ubc.ca/handle/2429/26635>, 60.

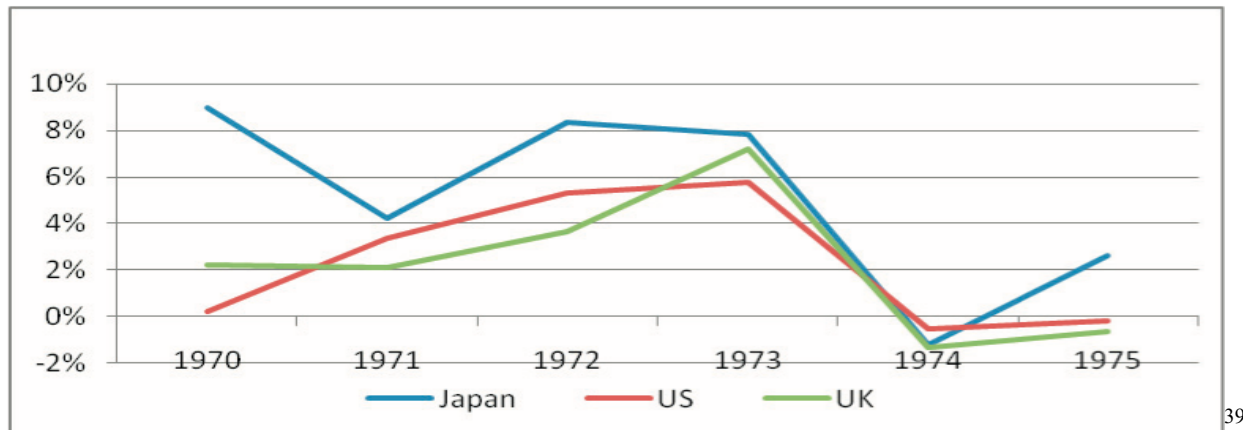
³⁵ Ibid.

³⁶ Ibid., 61.

³⁷ Ibid.

³⁸ Ibid.

The chart below represents a comparison of the economic recession and growth between Japan, the US, and the United Kingdom (UK) between 1970 and 1975.



Since Japan had a significantly higher dependence on Middle Eastern oil, the decline of its economy was the strongest between 1973 and 1974, reaching approximately 10%, while the US and the UK had a decline of 6% and 8.5% respectively.⁴⁰

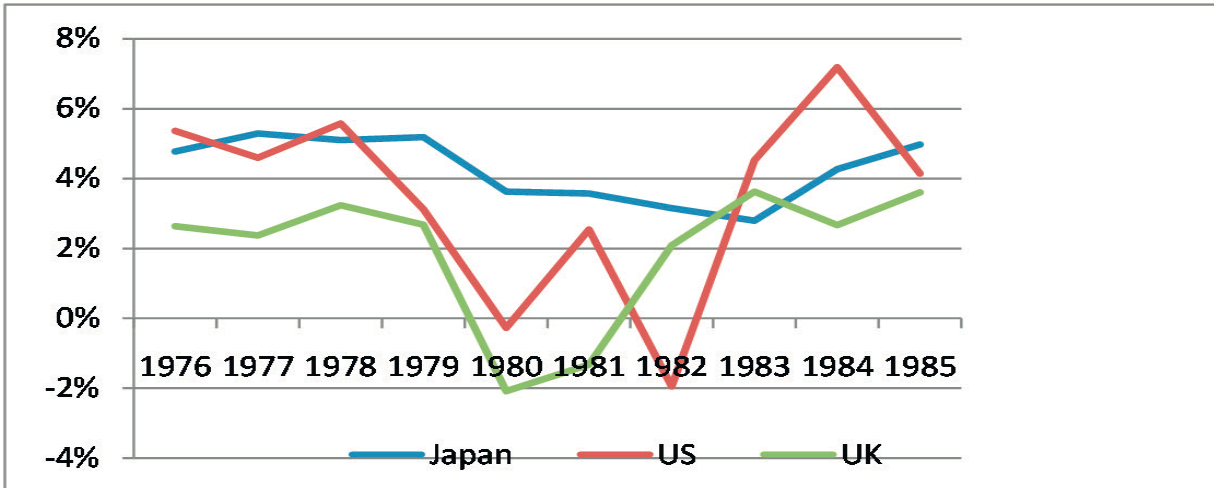
Japan's focus on its economic recovery led the country to establish changes on both microeconomic and macroeconomic stages.

Despite the big decline in Japan's economic growth following the oil crisis of 1973, the rise starting from 1974 indicates its capacity to adjust to new environments and challenges.

The chart below demonstrates that even in the latter half of the 1970s, which included the oil crisis of 1979, Japan's economic growth did not reach a negative percentage like that of the US or the UK, despite having a much higher dependence on oil imports.

³⁹ Mihut and Liviu Daniel, "First Oil Shock Impact on the Japanese Economy," 1043.

⁴⁰ Ibid, 1042.



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Overall, the Japanese economic achievements during the 1970s not only reflect Japan’s adaptability to new challenges but also represent the importance it placed on strengthening its economy and its willingness to make important and long-term strategy changes, including decreasing its dependence on Middle Eastern oil, a trait that is essential in the theory of comprehensive security.

ii. Observations

In summary, several elements in Japan’s foreign policy towards the Middle East in the 1970s generally, and in 1973 particularly, fit the definition of comprehensive security and indicate that Japan was using such a theory before formally declaring it in 1980.

As explained above, there were the vague statements declared by Japan regarding the Arab position, the many visits to the Middle East by prime ministers, foreign ministers and MITI ministers, the significant amount of economic assistance offered by Japan to Middle Eastern countries, and the scrutiny of the EC policies before the implementation of its own.

Looking into the decade more generally, there were policies and decisions taken by Japan that are in line with the element of low political involvement in the theory of comprehensive security. For instance, Japan’s abstention or refusal to vote in favor of UN resolutions that threatened

⁴¹ Mihut and Liviu Daniel, “First Oil Shock Impact on the Japanese Economy,” 1047.

Israel's sovereignty, its delay in opening the PLO office in Tokyo, and its support of the peace treaty between Egypt and Israel, all occurred around the same time as establishing the Parliamentarian League for Japan-Palestinian Friendship in an attempt to avoid worsening its relations with the Arab countries.

Lastly, Japan's focus on recovering its economy from the crisis by taking public and private economic initiatives and changing some of its economic policies resulted in a strengthened economy less dependent on Middle-Eastern oil. This economic recovery process took place throughout the 1970s and included the second oil crisis in 1979, the same year of the second case study.

The next section will focus on the period of the Iranian hostage crisis of 1979 to 1981 and examine if and how elements of the theory of comprehensive security were implemented in Japan's foreign policy towards Iran.

(4) Second case study

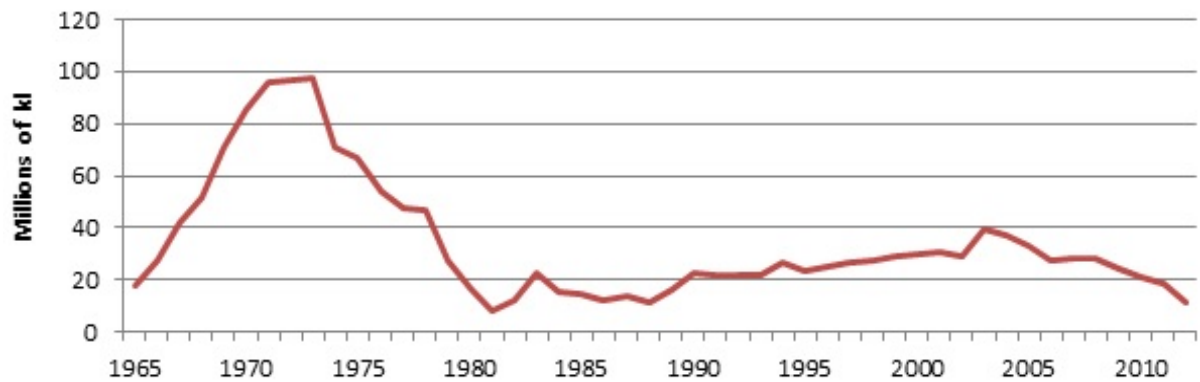
i. Japan's comprehensive security in policies towards Iran during the hostage crisis

A. Japan's prioritizing of its economic stability

During the Iranian hostage crisis, Japan had to navigate a difficult situation which consisted in supporting its ally, the US from one side and not complicating its relationship with Iran from another. Japan's delicate situation derived from the fact that it shared several important energy interests with Iran including the IJPC project and the oil contracts.

The figure below shows that Japan's oil imports from Iran dropped from almost 100 million of kL in 1973 to almost 40 million of kL in 1979.

Japanese Imports of Iranian Oil 1965-2012



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While there was a significant decrease in Japan's dependence on Iranian oil, it was the largest importer of Iranian crude oil during that time. Furthermore, that same year, Japanese companies such as Mitsubishi and Mitsui suffered from severe drops in petroleum imports. The major oil companies had to cut back shipments as much as one million barrels a day following the Iranian revolution.

Those factors can explain the reason Japan took several policies that indicate its prioritizing, at times, of its economic interests and its overall economic prosperity at the expense of the US.

For instance, as mentioned previously, upon Iran's request, Japan took the decision to buy its excess oil initially bound for the US, at high spot market prices. In addition to helping Iran and contributing to a rise in oil costs, it triggered strong criticism from the US side since a decision of this kind would likely challenge the efficiency of US measures against Iran.

Furthermore, Japan showed on several instances a reluctance in supporting the US against Iran at the expense of its economy. For instance, on January 16 Japan refused a request from the US to join it in imposing economic sanctions against Iran. Japan's reason for this refusal was economic.

⁴² Garret Nada, "Iran and Asia 2: Japan Is Torn, Oil Hungry but Anti-Nuke," The Iran Primer, January 30, 2014, <https://iranprimer.usip.org/blog/2014/jan/30/iran-and-asia-2-japan-torn-oil-hungry-anti-nuke>.

Additionally, on April 7 the US sought again the support of its ally by asking them to stop all ties with Iran but Japan refused by saying that oil is essential for Japan.

B. Comparison with the policies of the European Community

Just like in the first case study, Japan closely examined and followed the policies of the EC during the Iranian hostage crisis.

For instance, following the US request to its allies to cut all ties with Iran on April 7, Japan's refusal came only after the EC refused that same US request. On April 24, Japan changed its stance and ended up agreeing to impose economic sanctions on Iran. However, that decision was taken following the EC's decision to impose sanctions on Iran on April 22. As for the sanctions themselves, Japan once more followed the EC's steps and implemented the same measures including a reduction of its staff in the Japanese embassy in Tehran and a complete embargo on exports to Iran not including food and medicine.

C. Vagueness in Japan's position towards the hostage crisis

During the Iranian hostage crisis, a vagueness in Japan's position towards the US and Iran can be detected through some of its shifting policies. Indeed, there were several instances when Japan quickly changed its position after receiving some sort of pressure. Shifting policies make the position of a state vaguer which can make it easier for that country to keep a lower political involvement than if it had a fixed and stronger stance towards a certain matter.

The first example of Japan's shifting policies towards Iran was already explained in the context of its alliance with the US. In the section on "alliances", those shifting policies were studied in order to determine the effect that the pressure exercised by the US on Japan, had on the country's policies. This section will briefly resume those policies already studied above and focus on their shifting nature.

During the meeting between Vance and Okita on December 10, Japan was strongly criticized for purchasing the Iranian excess oil. Prime Minister Ohira's reaction to Vance's criticism changed

as he was initially stating that Japan would continue its oil imports from Iran⁴³ and justified that statement with different excuses emphasizing the country's large need for oil. Japanese government officials ended up acknowledging the importance and urgency of being on good terms with the US and regaining the trust of the Carter administration to preserve the bilateral relations between their countries. It only took the Japanese government two days to change its position by demanding from Japanese companies not to buy any additional Iranian oil on the spot market and denouncing the taking of the hostages on December 12, 1979. More specifically, on December 14, 1979 the Japanese Cabinet, following the recommendation of PM Ohira and FM Saburo Okita, declares that Japan will lessen Iranian oil imports to the level it had before the start of the crisis, and will not allow Japanese financial institutions to provide further credits to Iran before the end of the crisis.⁴⁴ There are also the policies taken by MITI Deputy Minister Amaya that will not be elaborated again in this section.

A second example is when Japan changed its stance on whether it would join the US economic sanctions against Iran and end up agreeing on imposing sanctions on April 26, 1980 after having refused less than a month earlier. The change of stance here was not triggered by a direct pressure from the US but an indirect one by EC. Indeed, it is when the EC decided to adopt sanctions against Iran that Japan took a similar decision.

ii. Observations

The 1970s included events that were challenging on Japan's economic prosperity. The Nixon shock in 1972, the first oil crisis in 1973, and the second oil crisis in 1979 destabilized Japan's

⁴³ Japan and the United States: Diplomatic, Security, and Economic Relations, Part II, 1977-1992." National Security Archive. <https://nsarchive.gwu.edu/japan-united-states-diplomatic-security-economic-relations-part-ii-1977-1992>. (Accessed November 8, 2020).

⁴⁴ Department of State to Secretary Telegram 320821, December 12, 1979, 1979STATE320821, Central Foreign Policy Files, 1973-79/Electronic Telegrams, RG 59: General Records of the Department of State, National Archive, <https://aad.archives.gov/aad/display-partial-records.jsp?f=5037&mtch=1&q=320821&cat=all&dt=2776&tf=X>. (Accessed on April 27, 2021).

economy and pressed Japan to find ways to decrease its dependence on Middle Eastern oil by diversifying its energy sources and conserving its energy as much as possible.

Therefore, during the Iranian hostage crisis, Japan's economic stability was one of its priorities. As seen in the figure above, Japan's imports of Iranian oil started to decrease following the first oil crisis of 1973 and kept decreasing during the second oil crisis, the Iranian revolution, and the hostage crisis in 1979. This focus on an economic prosperity is, as we've previously mentioned, an integral element in the theory of comprehensive security.

Another element is keeping a low political involvement, a purpose that can be achieved through several measures including the vagueness of a country's position. Indeed, Japan made several shifts in its policies throughout the Irani hostage crisis that makes grasping its actual position regarding the crisis more challenging.

II. Personality and character of the leader

The personality and character of a leader play an important role in foreign policy formulation since it is the individuals and not the state who, eventually, make decisions. Despite being limited by the government structure and societal realities, understanding the personality of a country's leader can help us to better understand the foreign policy of that country.⁴⁵

(1) First case study

To examine the influence that the personality and the character of the leader had on Japan's foreign policy during the first oil crisis, the role Tanaka Kakuei in the implementation of the two emergency bills enacted as a reaction to the oil crisis is examined.⁴⁶

i. Background, image and accomplishments of Tanaka Kakuei

Tanaka Kakuei, born in 1918 in Niigata Prefecture, served in the House of Representatives from 1947 to 1990 and was elected prime minister of Japan from 1972 to 1974.

⁴⁵ Bojang, "The Study of Foreign Policy in International Relations," 7.

⁴⁶ Kensuke Takayasu, "Prime-Ministerial Power in Japan: A Re-Examination," *Japan Forum* 17, no. 2 (2005): 163-184, <https://doi.org/10.1080/0955580052000337503>, 164.

Tanaka was nicknamed *Taiko*⁴⁷ since he came from a poor rural village but managed to rise all the way to the top. Despite acquiring part of his wealth illegally and being arrested following the Lockheed bribery, he remains positively remembered to the point where he is frequently considered a standard when evaluating other politicians.⁴⁸

Tanaka considered that “Politics is about livelihoods”⁴⁹ and about getting the economy going. His speeches appealed to listeners from rural areas through which he brought up tangible proposals concerning the construction of roads and disaster countermeasures. The purpose of his urban reform plan was to try and reduce the wealth gap between urban and rural areas by developing the infrastructure.⁵⁰

Even though Tanaka’s urban reform plan did not emerge, his ideas had a great impact on national land policy and led to various amendments that target a more equal redistribution of the outcomes of Japan’s important economic development. Such amendments include the free senior citizens from paying medical treatment and to increase the salaries of compulsory education schoolteachers by 25% more compared to the salaries of ordinary civil servants.⁵¹

One of Tanaka’s greatest political achievements was his normalization of Japan-China relations⁵² by discussing, in September 1972, a problematic agreement with the People’s Republic

⁴⁷ This term refers to Toyotomi Hideyoshi, a Japanese samurai in the 16th century known for being the second “great unifier” of Japan or the second most powerful lord that ended a war after Oda Nobunaga. Toyotomi’s title of “Taiko” was given to Tanaka since he also came from humble, rural origins to emerge as one of Japan’s most powerful generals.

⁴⁸ Hayano, Tōru. “Nostalgia for the Pragmatic Conservatism of Tanaka Kakuei.” Nippon.com, May 14, 2014. <https://www.nippon.com/en/currents/d00115/>.

⁴⁹ Ibid.

⁵⁰ Ibid.

⁵¹ Ibid.

⁵² “Chapter Six Period of President Tanaka's Leadership: Liberal Democratic Party of Japan,” Chapter Six Period of President Tanaka's Leadership | Liberal Democratic Party of Japan, accessed December 9, 2021, <https://www.jimin.jp/english/about-ldp/history/104281.html> (Accessed December 2, 2021).

of China (PRC). The agreement included Beijing's abandoning any claim for war compensation following world war II. Tanaka considered the timing for those negotiations was the best since Beijing was suffering more and more seclusion because of its differences with Moscow. Furthermore, Tanaka was convinced, rightly so, that only while the founding fathers of the PRC, Mao Zedong and Zhou Enlai, were still in control, can Beijing renounce its claims regarding war compensation. Two pandas were sent to Ueno Zoo in Japan and became a representation of the positive ties between Japan and China. Bilateral exchanges increasingly developed between both countries and when Tanaka was arrested, Beijing did not stop celebrating him for fixing bilateral relations between them and Japan.⁵³

What contributed to Beijing being more open to negotiate with Tanaka was his committed protection of the pacifist postwar Japanese Constitution. He believed that Japan should not become a military power and that its foreign policy should be centered on Article 9, which refuses war as a predominant right, and to preserve war potential.⁵⁴

Nevertheless, even though Tanaka acknowledged that the intention of the occupation forces behind the pacifist constitution was to guarantee a fragility in Japan, he believed that it's due to the wisdom of Japanese people that the constitution and further laws were implemented. Tanaka's pacifism is a pragmatic one and it allowed Japan to avoid security costs. It matched with the post war state of mind of people that were hoping for a more flourishing lifestyle and were against wars.⁵⁵

ii. The two emergency bills of 1973

Following OAPEC's measure of cutting its oil supplies, Tanaka and MITI Minister Nakasone Yasuhiro, gathered on November 8 and decided to encourage the Japanese public to save energy,

⁵³ Hayano, Tōru. "Nostalgia for the Pragmatic Conservatism of Tanaka Kakuei." Nippon.com, May 14, 2014. <https://www.nippon.com/en/currents/d00115/>.

⁵⁴ Ibid.

⁵⁵ Ibid.

to decrease oil supply to main industries from December, and to propose an oil-consumption restriction bill to the Diet, that had a meeting scheduled for the following month.⁵⁶

On November 16, 1973 the emergency measures were officially adopted by the Japanese cabinet. In addition to the above-mentioned points, they included a cut of the industrial usage of oil by administrative guidance, stronger restrictions on total demand and on prices, and a diversification of energy sources.⁵⁷

Upon Tanaka's request the emergency bill was separated into two bills, one dealing with oil's supply and demand (the petroleum bill) and the other one with the stabilization of national life (the national life bill). The purpose of the bills was explained by Tanaka during an interview that took place on December 22, 1973.⁵⁸ He explained that the bills aimed to decrease the consumption of oil and electricity and to properly distribute electricity. Tanaka promised an efficient and flexible implementation of the bill, a guaranteeing of daily necessities, and a control of the prices. He added that the government would deploy efforts to stabilize people's lives and avoid as much as possible a social turmoil. Lastly, to avoid unfair enrichment of local and national organizations, the National Life Stabilization Emergency Countermeasures Headquarters (HQ) was set in the Cabinet.⁵⁹

iii. Tanaka's role in the enactment of the emergency bills

Tanaka influenced the policy-making process by extending the limits of the new legislation and by setting a time schedule for preparing the emergency measures. Indeed, he did not limit the legislation to oil products and instead, focused on limiting their costs. When MITI and the Agency of Natural Resources and Energy (ANRE) were responsible of preparing the emergency measures, they only focused on oil distribution. Consequently, domestic oil companies managed to increase the prices of oil their products in mid-November. Furthermore, several products included by Tanaka in the measure exceeded MITI's jurisdiction and limited it when it was, itself, in charge of

⁵⁶ Takayasu, "Prime-Ministerial Power in Japan," 172.

⁵⁷ Ibid.

⁵⁸ National Graduate Institute for Policy Studies (GRIPS). Accessed on December 15, 2021. <https://worldjpn.grips.ac.jp/documents/texts/JPME/19731222.S1J.html>

⁵⁹ Ibid.

preparing the measure. Moreover, MITI and ANRE had not establish strong constraints on prices. Tanaka believed that a solution for controlling the prices was to rely on cartels and set “standard prices.”⁶⁰ He added that the government should include a tax on excessive profits or impose surcharges.

Furthermore, Tanaka’s active involvement was detected in the setting of the schedule and in organizing the coordination between bodies.

Tanaka wanted that the bill be presented to and pass the Diet as early as possible. Therefore, he encouraged coordination in the preparation of the national life bill and designated Chief Cabinet Secretary, Gotoda Masaharu to make sure that a coordination was taking place. Furthermore, he asked the EPA to be responsible of the national life bill.

Eventually, the two emergency bills were submitted to the Diet on December 7, 1973.

iv. Possible legal and administrative constraints

Since cabinet members had each a right to veto decisions in cabinet meeting and since the prime minister’s power resources were set in the cabinet, this could limit the freedom with which a prime minister could direct administrative branches without the approval of the cabinet.⁶¹

However, Tanaka, even without having obtained a detailed support of the cabinet, provided department officials with direct instructions by meeting with them personally.

Generally, there were two standard ways that a Japanese prime minister to have an impact on the policymaking process. One was through the core executive,⁶² in which the cabinet is the supreme body and plays a major role in coordination, and the other was by interacting directly with the department in question. Tanaka often called senior departmental officials to his office all while keeping MITI informed of his plans.⁶³

⁶⁰ Takayasu, “Prime-Ministerial Power in Japan,” 173.

⁶¹ *Ibid.*, 176.

⁶² Roderick Rhodes defines the “core executive” as being “all those organisations and procedures which coordinate central government policies, and act as final arbiters of conflict between different parts of the government machine.”

⁶³ Takayasu, “Prime-Ministerial Power in Japan,” 176.

Tanaka showed a great efficiency in enabling the formulation of his desired policies. The tasks were appropriately divided among MITI, the EPA and the prime minister. Indeed, while MITI and the EPA were responsible of preparing the bill and ensuring a coordination in the government, Tanaka fixed the objective of the bill and helped MITI with its task by setting a deadline and providing the tools for interdepartmental coordination.⁶⁴

Furthermore, the Japanese prime minister was legally in charge of the EPA, whose responsibility was to ensure a coordination among departments. Tanaka used this opportunity to extend his control despite not being legally the head of any government's department.⁶⁵

v. Observations

The Japanese constitution and the administrative laws which define the power and limits of a prime minister, have often been declared the reason when prime ministers were passive. However, Tanaka proved that to be untrue as neither the constitution nor the administrative laws stopped him from being active in the policymaking process. This proves that generally prime ministers had power resources that enabled them to act and that, more particularly, Tanaka made a choice to use them both through the core executive and by staying in touch with the departments through a direct route.⁶⁶ By extending the limits of the new legislation and by setting a time schedule, Tanaka's involvement in the policymaking process proved to be efficient.⁶⁷

As seen above, there were various power resources that Tanaka referred to in order to attain his policy's purpose including giving direct instructions to department officials and designating the Chief Cabinet Secretary Gotoda and the EPA to ensure a coordination between departments.

(2) Second case study

i. Background, image and accomplishments of Ohira Masayoshi

⁶⁴ Ibid., 177.

⁶⁵ Ibid., 173.

⁶⁶ Ibid., 179.

⁶⁷ Ibid., 176.

Before being appointed as the prime minister of Japan on December 7, 1978, Ohira Masayoshi was the foreign minister in the cabinet of Tanaka Kakuei from 1972 to 1974 and then the finance minister until 1976.

Ohira came from a poor rice-farming household in Shikoku. He received two scholarships that enabled him to move to Tokyo where he studied economics at Hitotsubashi University. During that time, he converted to Christianity which allowed him to familiarize himself with the Western culture. Regarding his personality, he was known for “his evasive manner of speech that was considered extreme even by the normally ambiguous Japanese⁶⁸”.

He is considered to have done a good job regarding Japan’s internal politics and taking several effective initiatives particularly regarding those that led to the promotion of employment and the improvement of the social welfare system.⁶⁹

Additionally, Ohira encouraged the adoption of comprehensive security by focusing, among other elements, on ensuring Japan’s economic stability.⁷⁰ However, Ohira’s task was challenging since Japan’s economic stability was shaken after having gone through a first oil crisis in 1973 and a second one in 1979 as have explained in the second chapter. Furthermore, Japan had important energy projects and contracts at risk following Iran’s pressure during the hostage crisis. Japan, under Ohira’s term, dealt with the economic situation efficiently and by the time the Iranian hostage crisis started, Japan had oil supplies that could last it 102 days. Indeed, Japan actively

⁶⁸ “Ohira Led Japan to a Wider World Role,” *The Sydney Morning Herald*, June 13, 1980, <https://news.google.com/newspapers?id=9v1jAAAAIABAJ&sjid=3eYDAAAIAABAJ&pg=3221%2C3745451>.

⁶⁹ “Chapter Nine Period of President Ohira's Leadership: Liberal Democratic Party of Japan,” Chapter Nine Period of President Ohira's Leadership | Liberal Democratic Party of Japan, accessed December 11, 2021, <https://www.jimin.jp/english/about-ldp/history/104288.html>.

⁷⁰ Ayako Kusunoki, “Ohira Masayoshi: ‘Sengo Hoshu’ to Ha Nani Ka [Ohira Masayoshi: The Thoughts and Behavior of the ‘Postwar Conservatives’].” by Fukunaga Fumio. Tokyo: Chūō Kōron Shinsha, 2008. III, 300-830.” *The Journal of Asian Studies* 68, no. 4 (2009): 1289-1291, <https://doi.org/10.1017/s0021911809991239>, 1290.

diversified its sources of energy and offered economic assistance to several countries including Iraq, Mexico, Brazil, and Nigeria, in order to serve that purpose.

Lastly, Ohira considered Japan's relationship with the US to be of great importance and was the first prime minister to call the US an "ally".⁷¹ Indeed, as seen in different sections above, Ohira often prioritized the US over Japan's energy interests. For instance, Ohira his determination to have a good relationship with the US and reestablish the international order was showed through his implementation of sanctions against Iran and his collaboration with the EC.⁷²

ii. Observations

The period in which Ohira served a prime minister was challenging as Japan, having gone through a first oil crisis in 1973, went through a second one in 1979 in addition to having to deal with the Iranian hostage crisis that same year.

These crises did not limit Ohira in accomplishing both domestically and internationally. Indeed, on a domestic level, Ohira efficiently promoted employment and improved the social welfare system. Furthermore, he successfully managed Japan's economic situation and by the time the Iranian hostage crisis started, Japan had enough oil supplies to last more than a hundred days. Lastly, he attached a great importance on Japan's relationship with the US as concluded from the country's firm implementation of sanctions against Iran.

⁷¹ Ibid.

⁷² "Chapter Nine Period of President Ohira's Leadership," <https://www.jimin.jp/english/about-ldp/history/104288.html>.

PART II. ANALYSIS AND DISCUSSION

CHAPTER 5. THE FACTORS BEHIND JAPAN'S FOREIGN POLICY

The current dissertation examined most domestic and international factors, listed by Alieu S. Bojang, in order to determine if and to what extent they influenced the Japanese government's policy toward the Arab-Israeli conflict and the Iranian hostage crisis. The factors examined are the following: economic development and natural resources, political system, political parties and interest groups, international law and organizations, alliances, press and public opinion, international system, culture, and personality and character of the leader.

I. During the Arab-Israeli conflict

(1) Economic development and natural resources

The first element studied in this dissertation is the economic development and natural resources of Japan. By examining Japan's economic situation and the rate of its Middle Eastern oil imports around the time of the first oil crisis, the effects of the crisis on its economy and by extension, on its government's policy toward the Arab-Israeli conflict are better understood.

Japan's economy witnessed a gradual growth once the country shifted from coal to oil in 1953. It started to produce more petroleum and fuel related products, to set high savings rate, to import technology, to implement agriculture and labor reforms, and its exports increased through the free trade system. The increase of Japan's external trade by 15% in the 1960s was crucial for its economic prosperity since its economy's structure was based on importing raw materials and exporting processed products.¹

¹ Atsushi Yamakoshi, "A Study on Japan's Reaction to the 1973 Oil Crisis," Open Collections (University of British Columbia, January 1, 1986), <https://open.library.ubc.ca/handle/2429/26635>, 46.

However, the surplus in Japan's economic trade balance at the end of the 1960s led the country to face even bigger consequences upon the Nixon shock of 1971 and the oil crisis of 1973. The reason for that was the appreciation of the yen in 1971 as a result of the suspension of the convertibility of US dollars into gold. Indeed, former United States (US) President Richard Nixon introduced that new measure on August 5 that year, as a way to fight his country's inflation and to discourage foreign governments from exchanging more dollars for gold. Several reasons led to the overvalue of the dollars including an increased public debt caused by the Vietnam war and monetary inflation by the Federal Reserve. Consequently, the Nixon shock and more particularly the appreciation of the yen, created an increase of monetary liquidity by the Bank of Japan which led to inflationary pressure and the decrease in the international competitive influence of some Japanese industries.

Therefore, when the oil crisis happened less than two years after the Nixon shock, it was Japan's second challenge of the 1970s. The oil crisis added the problem of rising oil prices to an economy that was already suffering from inflationary pressure. Indeed, after the Yom Kippur War, the Organization of Arab Petroleum Exporting Countries (OAPEC) decided on October 17 to cut their production by 5% and an additional 5% every month until the withdrawal of Israel from the Arab territories occupied during the during the Six-Day War of 1967. On November 4, OAPEC made further cutbacks reaching 25% with an extra 5% for the month of December. This change strongly affected Japan and triggered a deficit in its international payments.

Being the leading importer of Middle Eastern oil in 1973,² it was around that time that Japan realized its dependence on oil and started to develop a clear foreign policy towards the region.

(2) Political system

To examine this factor in the context of the Arab-Israeli conflict, the current dissertation focused on the disagreements that were created within the Japanese Cabinet.

² William Nester and Kweku Ampiah, "Japan's Oil Diplomacy: Tatemaie and Honne," *Third World Quarterly* 11, no. 1 (1989): 72–88, <https://www.jstor.org/stable/3992221>, 75.

The first one was between the MOFA and MITI after OAPEC implemented its new policy regarding oil production cutbacks. The two ministries had different priorities and consequently different ideas on the best next step to take toward OAPEC. On one hand, MITI's priority, as the ministry responsible for the industrial policy of the country, was to make sure that Japan had enough oil supplies. Therefore, it believed that supporting the Arab countries' position in their conflict with Israel was the policy that should be implemented even it would complicate Japan's relationship with the US. On the other hand, MOFA considered that Japan should honor its obligation to stand by its ally and prioritize the preservation of a good relationship with the US. MOFA's Vice Minister Hogen Shinsaku stated during a meeting of the ministry that even if most of Japan's oil is imported from the Middle East, it is done through oil Majors which consist of several oil companies most of which are Americans.³ Hogen's argument was that Japan's trade would not exist policy without the US and therefore, maintaining a good relationship with its ally should be Japan's priority. Practically, both ministries had the same goal which was to ensure Japan's oil supply. However, their views on how to reach that goal was what created their disagreement. Eventually, Japan decided to take the necessary measures to be considered as a "friendly" country by OAPEC, even if it was at the risk of jeopardizing its relationship with the US which indicates that MITI's view was the one adopted.

The other disagreement was between MITI and Tanaka regarding efficient ways to ensure oil in order to moderate the oil crisis. Even if this disagreement is on an internal issue, it is still relevant to mention it as it helps to better understand the dynamics between different members of the Japanese Cabinet. Tanaka's first suggestion was to let the government supervise the distribution of oil by delivering coupons via post offices. However, MITI turned down that suggestion due to the insufficiency of the number of employees at MITI. Therefore, Tanaka's alternative solution consisted of setting a fixed price for oil and oil-related products and giving a penalty to those who do not respect it. MITI's disagreement with Tanaka was on the products included in this new regulation. Indeed, while MITI wanted the regulation of the cost of oil and its products exclusively, Tanaka wanted to include the cost of anything that might rise due to the rise of the cost of oil.

³ Yamakoshi, "A Study on Japan's Reaction to the 1973 Oil Crisis", 20.

Eventually, Tanaka established the new bill according to his will on December 7 and it was authorized by the House of Councillors on December 21.⁴

(3) Political parties and interest groups

As narrated above, there was a consensus among the different parties of the Diet about the Palestinians' right to self-determination, including with the DSP that was on good terms with the Labor Party of Israel. The different political affiliations among the members of the Parliamentary League for Japan-Palestinian Friendship that was established in 1979 reflects the consensus on the matter among the political parties at that time.

However, despite the general consensus among different political parties, there were different inclinations between the Liberal Democratic Party (LDP) and the OPs regarding Japan's relationship with the US. For instance, the Japan Socialist Party (JSP) and the Japan Communist Party (JCP) supported the implementation by the Japanese government of policies that were in support of the Arab position and independent from those of the US. As for the LDP, it believed that the government's priority should be to take into consideration its alliance with the US when implementing policies toward the Middle East.⁵ Eventually, the Japanese government's official position was announced by the Chief Cabinet Secretary, Nikaido Susumu on November 22, 1973. It stated, among other things, Japan's support of the retreat of Israeli forces from all occupied territories and endorsed the Palestinians' right to self-determination. The statement also included that the Japanese government would continue examining the situation and could reconsider its policy with Israel if no future developments were made.

⁴ Yasumasa Kuroda, "The Oil Crisis and Japan's New Middle East Policy, 1973", *Japan Association for Middle East Studies* 1 (1986): 150-187, https://doi.org/https://doi.org/10.24498/ajames.1.0_150, 168.

⁵ Juzo Kimura, "Japan's Middle East Policy: Impact of the Oil Crises" (dissertation, Kobe University law review, 1985), 17-37, http://www.lib.kobe-u.ac.jp/infolib/meta_pub/G0000003kernel_00166912, 29.

The government's official position and the subsequent policies it took throughout the oil crisis, reflect an independent path from that of the US and a strong support of the Arab position. Therefore, the government's policy was more aligned with the OPs' view rather than the LDPs.

It is important to note that towards the mid 1970s, the LDP's majority gradually decreased while the seats of the JSP and JCP gradually increased. In the general elections of 1972, the LDP won 271 seats which was the lowest number that it had received since the formation of its party in 1955. Consequently, the LDP had a weakened influence just before the oil crisis of 1973, while the OPs were stronger. This could be a factor that contributed in the alignment of the government's policy, toward the US, to the OPs' view rather than that of the LDP.

The influence of the interest groups was examined through the business sector and more particularly through the business organizations that were the most active in trying to manage the oil crisis including Keidanren, Nissho, Nikkeiren, and Keizai Doyukai. These organizations had a strong impact on both the Japanese government and the public. Indeed, they planned several meetings such as the ones with Tanaka and the LDP in which they insisted on the importance for Japan to support the Arab position. Furthermore, the business organizations raised the awareness of the government and the public by explaining the challenging reality and encourage the conservation of energy. For instance, they explained that OPEC's oil cuts were likely to continue despite the cease fire that suspended the Yom Kippur War. The chairman of the Petroleum Association of Japan, Mitsuda Hirotaka predicted that it would take Japan up to half a year to return to the economic situation it had before the oil crisis of 1973. Several electricity companies warned that there was a possibility for electricity rates to increase.⁶

Nevertheless, the business organizations were not always in agreement on every issue. Indeed, one group named Zaikai Shigen (Resource Faction), which included the Advisor of MITI and the president of Japan Petroleum Development Corporation, believed that it was in Japan's best interest to focus on guaranteeing a steady supply of natural resources. This view was not shared by the chairman of Nissho and the vice chairman of Keidanren, who believed that the preservation of solid relationship with the US should be Japan's priority. Eventually, discussions among different organizations led to the creation of the Energy Development Committee on November

⁶ Yamakoshi, "A Study on Japan's Reaction to the 1973 Oil Crisis," 90.

21, 1973. This committee was under the direction of the advisor of Japan Industrial Bank, Nakayama Sohei, and had for purpose the elaboration of national projects, the exchange of discussions with the Japanese government, and the collection of energy-related data. Eventually, the business sector adopted three principles to deal with the oil crisis and to avoid the over-intervention of the government all while collaborating with it. The principles included a request for main consumer industries to support the government's measures and for the business to share social responsibility when trying to resolve issues deriving from the oil crisis.⁷

(4) International Law and International Organizations

In order to understand whether the Arab embargo was in violation of the UN Charter, this study attempted to determine whether OAPEC's measure was considered a use of economic force. Since, article 2(4) of UN Charter forbids member nations to threaten or use force against other countries, it was necessary to understand whether economic force is included in the definition. This study referred to several resolutions that suggest that the use of economic force could be prohibited by article 2(4). For instance, article 31(1) of the Vienna Convention of the Law of Treaties stipulates that the terms of a treaty should be interpreted depending on its purpose.⁸ Since the purpose of the charter is to preserve international peace and security, the use of economic force threatens it. Three other resolutions implemented in 1965, 1973 and 1974 (elaborated in the related section) forbid the use of economic force explicitly. Although, the resolutions do not always have a binding nature, a large number of jurists concluded that the use of force violates international law. Their reasoning is that resolutions reflect the interpretation of member nations of the charter and article 31(3) (a) of the Vienna Convention of the Law of Treaties states that they should be taken into consideration. Therefore, this study concludes that the method of OAPEC was in violation of international law. However, this study does not determine the views of the Japanese government on the illegality of OAPEC's measures. If the Japanese government interpreted the use of the economic force as veing

⁷ Ibid., 91.

⁸ Richard Gardiner, "Treaty Interpretation (2nd Edition)," Oxford Public International Law (Oxford University Press, 2015), <https://opil.ouplaw.com/view/10.1093/law/9780199669233.001.0001/law-9780199669233, 2>.

a violation of the UN Charter, this means that it was not influenced by the illegality of the measures and still attempted to prove its support of the Arab position in the Middle East by declaring statements in support of the Middle East, sending officials such as Vice Prime Minister Takeo Miki to visit the Middle East, and offer economic assistance to several countries in the region including Syria and Egypt. However, if the Japanese government believed that OAPEC's measures were not illegal, then the extent to which it was willing to support OAPEC is put into question and remains unknown.

(5) Alliances

This section aimed to understand if and to what extent the US-Japan alliance had an impact on the policies of the Japanese government toward OAPEC and Israel during the first oil crisis. The US, being Israel's ally, requested Japan not to surrender to OAPEC's pressure. Therefore, in order to understand the influence of the alliance, this study investigated the extent to which Japan felt obligated to stand by the US by examining if and how much it supported Israel against OAPEC.

In an attempt to answer the question, this study determined that the meeting between Tanaka and Kissinger on November 15, 1973 played a decisive role in Japan's subsequent policy toward OAPEC. Indeed, during their meeting, Kissinger rejected Tanaka's request which was for the US to compensate Japan's oil shortages if it does not surrender to the Arab pressure. A week later, Tanaka's cabinet announced a statement (developed in the main body of the dissertation) in which it stated Japan's support of Resolution 242 that called for Israel to withdraw from the occupied territories and added the government would reconsider its policy with Israel if no future developments were made.

Two main ideas can be concluded from the meeting between Tanaka and Kissinger and the developments that followed. First, it reflects Japan's intention to prioritize the US by showing a willingness to support it against OAPEC if the US could guarantee oil supplies to Japan. However, since Japan was aware that OPAEC had imposed an oil embargo on the US, Tanaka had probably suspected that the US would not be capable to help Japan with its oil supplies. It is possible that he had predicted a negative response from Kissinger and asked anyway in order to justify Japan's subsequent policies. Second, Tanaka's cabinet announced the statement only a week after the

meeting which suggests that it was among the main elements that Japan took into consideration when implementing its policy toward the Arab countries.

Japan's efforts toward OAPEC expanded beyond the statement of November 22. For instance, Vice Prime Minister Takeo Miki and MITI Minister Nakasone Yasuhiro visited the Middle East and offered large amounts of economic aids to several countries in the region.

Japan declared statements before Tanaka's meeting with Kissinger, but OAPEC labeled them as vague and incomplete because they did not specify the policies that Japan would take if Israel were to continue its occupation of the Arab territories or its violation of the Palestinians' rights. Therefore, the nature and frequency of the policies implemented by Japan following the meeting represent the determination that Japan acquired when proving to OAPEC its support.

As for Japan's policy toward Israel, the government stated that its regulations could not control the trading operations that happen in the private sector. Therefore, companies were free to refuse to trade with Israel. However, the Japanese government went against its own statement in presence of economic investments in the Middle East when it sometimes assisted main Japanese enterprises' trade with the region. Therefore, the Japanese government's explanation for its nonintervention in the private sector's relationship with Israel could have been a way to justify its non-abidance to the US request.

In conclusion, Japan did not end up supporting its ally's ally at the expense of its energy interests in this case study. The indirectness of the dynamics between Japan, the US, and Israel in this case seem to have given Japan a decreased sense of responsibility in refusing the US's requests. Furthermore, the US-Japan alliance studied here through the meeting between Tanaka and Kissinger influenced the Japanese government's policy by driving the country to adopt a supportive policy toward OAPEC.

(6) Press and public opinion

A gradual increase of Japan's interests in and awareness of Palestine started in the early 1970s. A study, published in *Asahi Evening News* in 1973, reported that the Japanese saw Israelis as

expansionist and imperialist.⁹ During the 1960s and 1970s, it was mostly the students and the business community that were the most involved in the Palestinian conflict against Israel and were supportive of Palestinians. From the 1980s, more ordinary Japanese citizens started to gain more awareness on the Palestinian question particularly the “Operation Peace for Galilee” when Israel invaded South Lebanon to push the PLO forces back for 40 kilometers to the North. Japanese citizens showed their support through their assistance of the Palestinian and Lebanese victims, through demonstrations outside the US and Israeli embassies, and through visits of the PLO office in Tokyo to reiterate that support for the Palestinians in their fight against Israel.

Newspapers like *Asahi Evening News* and *The Asahi* were supportive of the Palestinians as well. For instance, while the former denounced the refusal of Israel to return the territories that it occupied in 1967 and demanded recognition of the Palestinians’ legitimate rights, the latter stated that the refusal of Israel to return the territories it occupied in 1973 was illegal.

Regarding the influence of the public opinion on the policies of the Japanese government, some scholars like Henry Nau argue that the statement of November 22 was more a reaction to the Japanese public opinion rather than outside pressure.¹⁰ However, since the Japanese public never proposed any concrete policies to the government, the accuracy of the previous statement is rather unlikely. Furthermore, the Japanese public did not take the lead instead of the authority nor did it try to threaten it in order to create a change.¹¹ Elections were not pending and there was never a revolution seriously envisaged.¹² Since there are no polls that follow the Japanese public opinion on the Arab-Israeli conflict over time,¹³ it is challenging to know their precise awareness on and interests in the Palestinian question. Therefore, the influence of the public opinion on the Japanese government cannot be accurately assessed.

⁹ Michael W. Suleiman, “Development of Public Opinion on the Palestine Question,” *Journal of Palestine Studies* 13, no. 3 (January 1984): 87-116, <https://doi.org/10.2307/2536691>, 95.

¹⁰ Sezai Özçelik, “The Japanese Foreign Policy of the Middle East Between 1904-1998: Resource, Trade and Aid Diplomacy,” *Humanity & Social Sciences Journal* 3, no. 2 (2008): 129-142, 135.

¹¹ Licklider, “The Power of Oil,” 220.

¹² Ibid.

¹³ Ibid.

Overall, the Japanese public opinion as well as the press showed a stronger support for Palestinians rather than Israelis in 1973 but there was no evidence that suggest that they had an influence on the government's policy.

(7) International system

At the time of the first case study, there were nine European countries members of the EC. These members were France, West Germany, Italy, Belgium, the Netherlands, Luxembourg, Denmark, Ireland, and the United Kingdom. Greece, Spain, and Portugal joined in the 1980s. These were the countries that this study referred to when it examined the EC's policies towards OAPEC. Among those countries, the Netherlands was the only one that OAPEC imposed an embargo on for helping Israel during the Yom Kippur War. The other members were not included in the embargo but were considered "neutral" countries on November 3, which meant that they suffered the general and gradual cuts in oil production. France and the United Kingdom were an exception and were the only two countries that did not have a change in their oil supplies since they showed the Arab countries a support stronger than the ones of other EC members. OAPEC's measures, declared on November 3, aimed at motivating the EC to collaborate and pressuring Israel to withdraw from Arab territories. OAPEC'S method worked because only three days after it announced its oil cuts, the EC had already prepared a statement in support of OAPEC. The statement they declared recognized UN resolution 242 and stated "1. The inadmissibility of the acquisition of territory by force; 2. The need for Israel to end the territorial occupation which it had maintained since the conflict of 1967; 3. Respect for the sovereignty and territorial integrity and independence of every state in the area and their right to live in peace within secure boundaries; 4. Recognition that in the establishment of a just and lasting peace, account must be taken of the legitimate rights of the Palestinians."¹⁴

OAPEC reacted positively to the statement and returned to all the EC members, except for the Netherlands, the normal amount of oil supplies that they used to receive before the war, on November 18.

¹⁴ Shamma, "The 1973 Oil Embargo: Arab Oil Diplomacy," 96.

The EC's statement and OAPEC's reaction to it had an impact on the Japanese government since the latter was observing the development between the EC and OAPEC.¹⁵ Therefore, Japan was confused when the EC received a "friendly" status on November 18 while Japan was still considered unfriendly. Indeed on October 26, MOFA gave the ambassador of Saudi Arabia a diplomatic note which declared that "1) Japan was absolutely against the acquisition of any territory by use of force; 2) therefore Japan would never recognise the annexation by Israel of territories occupied in the 1967 war; and 3) any settlement of the conflict must respect the legitimate rights of the Palestinians."¹⁶ Japan questioned whether it had denounced Israel's occupation as strongly as the EC and did not understand why OAPEC would grant the EC friendly status but not Japan.

The comparison of the dates during which Japan and the EC declared their respective statements is indicative of the latter's influence on Japan's actions. For instance, the day that the EC's status was changed on November 18, Japan reaffirmed its position to OAPEC on November 18. The date of the last statement made by Japan on November 22 is explained by Japan's increasing confusion of still being considered as unfriendly following the declaration of November 18.

If Japan didn't have the EC as an example to follow, it might not have had the same urgency to deploy as much efforts with OAPEC. Indeed, it is the difference in OAPEC's treatment towards the EC and Japan that was the reason for the latter's increased concern and realization that the outcome could be different.

(8) Culture

It is only in 1989 that Prime Minister Suzuki Zenko announced that Japan's foreign relations would be centered on the policy of comprehensive security. This policy prioritizes the economic prosperity of a country and encourages it to keep a low political profile.¹⁷ The policy acknowledges that it is sometimes challenging for a country to avoid involvement in political matters, but a strong economy could help with that. This study proposed that Japan's use of comprehensive security

¹⁵ Nester and Ampiah, "Japan's Oil Diplomacy," 80.

¹⁶ Ibid.

¹⁷ Nester and Kweku Ampiah, "Japan's Oil Diplomacy," 80

started in the 1970s before it was officially declared, and therefore elements of this policy could be found in both case studies.

The main elements of comprehensive security that suggest that Japan was adopting it in 1973 are the vagueness of its statements toward OAPEC, its diplomatic gestures and economic aid, the comparison of its policies to those of the EC, and the focus on its economic stability.

To maintain a low political profile, Japan kept its statements regarding its position on the Arab-Israeli conflict vague. Japan hoped that by doing so it would avoid complicating its relationship with the US and be on OAPEC's good side. Therefore, it took Japan three statements and several diplomatic and economic initiatives to finally be granted the "friendly" status by OAPEC. Its first statement on October 26 was rejected for being vague and insufficient and the reiteration of its position on November 18 did not lead to a change of status. The third statement on November 22, although more precise than the previous two, was still not the direct reason for the eventual change of status and had to be followed by economic and diplomatic initiatives. Indeed, between December 10 and 28, Vice Prime Minister Miki Takeo visited eight countries in the Middle East to clarify Japan's position on Israel to Arab leaders. Furthermore, he offered considerable amounts of aid, including 38 billion yen in credit to Egypt to extend the Suez Canal, and 27.7 billion yen in private loans to Syria to help build oil refineries.¹⁸

In its attempt to keep a low political profile, Japan's policies closely followed the EC's steps before declaring its statements regarding the Middle East to decrease the tension in its relationship with both the US and OAPEC by observing their reactions to the EC's policies and adjusting accordingly.¹⁹ Lastly, to stabilize its economy after the oil crisis, Japan focused on varying its foreign sources of energy and conserving its country's energy with commercial lighting cutbacks, closing of gas stations on Sundays, etc. Another indication of Japan's prioritizing of its economic stability is the recovery process following the crisis. Compared to the US and the UK, Japan's economic growth did not reach a negative percentage despite having a much higher dependence on oil imports.

¹⁸ Kimura, "Japan's Middle East Policy," 25.

¹⁹ Nester and Ampiah, "Japan's Oil Diplomacy," 80.

(9) Personality and character of the leader

The Japanese constitution and the administrative laws which delimit the power and limits of a prime minister, have often justified the passiveness of certain prime ministers. However, Tanaka Kakuei who served as Japan's prime minister from 1972 to 1974 proved that neither the constitution nor the administrative laws could prevent a prime minister from being an active in the policymaking process.

To navigate the oil crisis of 1973, Tanaka enacted two emergency bills aimed at the restriction of oil consumption and at the proper distribution of electricity. Tanaka's role in the policymaking process was efficient as he extended the limits of the new legislation and set a time schedule, Tanaka's involvement in the policymaking process proved to be efficient.²⁰ He relied on various power resources to achieve his policy's purpose by giving direct instructions to department officials and designating the Chief Cabinet Secretary, Gotoda Masaharu and the EPA to ensure a coordination between departments.

II. During the Iranian Hostage Crisis

(1) Economic development and natural resources

The second oil crisis took place in 1979 following the Iranian revolution in 1978. The revolution had for purpose to pressure the shah to leave the country and stop the US's influence on Iran, exercised through the shah. Indeed, the US was seen as a threat to their religious and cultural values, was accused of monopolizing trade concessions, and treating the Iranians unequally by paying higher salaries to Americans. The shah ended up exiling to Egypt and the leader of the revolution, Ayatollah Khomeini became the leader of Iran which became officially an Iranian republic. The revolution led to a decrease in oil production and the price of a barrel of oil more than doubled and reached \$39.5. It also created fuel shortages and long lines at gas stations.

Japan started to look for sources to diversify its sources of energy by offering economic assistance to several countries in exchange for oil from one side and working on conserving its energy internally.

²⁰ Takayasu, "Prime-Ministerial Power in Japan," 176.

For instance, MITI Minister Esaki Masumi visited Baghdad in July 1979 and suggested that Iraq's oil be supplied to Japan from government to government instead of going through international oil companies, since some of them had started to lower its supplies to Japan. In return, Esaki promised to supply \$2 billion in loans to support Iraq's industrial growth. A month later, Esaki went with Foreign Minister Sonoda Sunao to Mexico and met with its former president, José López Portillo y Pacheco who was also the president of PEMEX, a state-owned oil company. They asked Mexico to send 10,000 barrels of oil to Japan daily in return for its assistance in various aid programs. Japan had started to help Mexico before the ministers' trip to Mexico when 16 Japanese banks signed a contract with a Mexican oil official in which they loaned \$125 million to finance Mexican oil development plans. Several countries in Africa and South America were visited as well and different kinds of assistance were offered.

As for the internal efforts, Japan decided to increase its coal imports and imposed commercial lighting cutbacks, limited number of TV hours per day, closing of gas stations on Sundays, and lower speed limits. It also focused on advancing its nuclear energy and by 1980, it owned 19 operating nuclear reactors that produced around 11% of the country's electric power.

(2) Political system

The study of this factor in the second case study is particularly important because the disagreement and lack of coordination that happened between MITI, MOFA, and Japanese oil importers led to an important decision that worsened Japan's relationship with the US.

Following the taking of the hostages on November 4, 1979 the US imposed an embargo against Iran except for food and medicine, on December 30 that same year. Consequently, Iran requested Japan to buy the excess Iranian oil that was initially destined to the US before the embargo. In response, twelve Japanese companies ended up buying over half the petroleum from Iran at twice the posted price.

Before the purchase of the Iranian oil, Iran's request had created a disagreement between MITI and MOFA. While the latter was against any purchase before consulting with the US, MITI's only criterion was the price and it believed that there was no problem for Japanese oil importers to purchase oil from the spot market, as long it was not too expensive. Therefore, MITI only asked Japanese oil importers not to buy oil that was expensive. MITI ended up acting on what it

believed was appropriate, dismissing MOFA's view and risking a deterioration of Japan's relationship with the US.

This led to the second part of the problem which was between MITI and Japanese oil importers. When MITI's view shifted and joined that of MOFAs, the former ordered oil importers to stop purchasing Iranian oil altogether, regardless of the price. However, the twelve companies, mentioned above, still purchased large amounts of spot oil at a high price and ignored MITI's request.

The decision of Japanese oil importers were given different explanations and while some Japanese officials had different explanations on what happened. Indeed, while some believed that the lower-level MITI bureaucrats and companies simply ignored MITI's order, others said that Japanese companies had made the purchases before MITI's order and that it was too late by the time MITI warned them.

In any case, if lower-level MITI bureaucrats and Japanese oil importers did indeed overlook MITI's order, the effective power and influence of MITI is put into question. In case the second scenario is the correct one, this reflects a lack of organization and coordination between different actors within the Japanese government. In both cases, Japanese oil importers bought the oil at an expensive price, disregarding MITI's initial request.

(3) Interest groups

For the second case study, this study examined the influence of the business community on the Japanese government's policies by focusing on the IJPC project. That project's purpose was to build a petrochemical project in Iran and was Japan's largest private overseas investment. However, following the Iranian revolution, the project started to face problems and all construction works stopped in the spring of 1979. There were more than a hundred Japanese companies involved in the project as shareholders and lenders and they had rising concerns including Iran deciding to postpone the construction of additional facilities or increasing the financing cost. Since the importance of oil quickly increased in the 1960s, more interest groups and government agencies were motivated to participate in the energy policy process. This led to the business community and the Japanese government collaborating regarding the IJPC project and strengthening it following its nationalization on October 12, 1979.

The development of the IJPC was suspended in the face of the problems created by the Iranian hostage crisis, the Iran-Iraq War, and the severing of the relations between Iran and the US. In October 1980, the president of Mitsui, Yahiro Toshikuni asked the government to support the project further since the private sector had reached its limit of maximum feasible risk. Despite the private sector having to withdraw from the project without the government's support, MITI officials still decided to wait until the end of the Iran-Iraq war and the examination of the damages on the site before deciding. Mitsui officials tried alternative solutions with private creditors and by asking Iran directly for more financing but their efforts failed. Mitsui ended up holding all payment regarding the IJPC.

(4) International Law and International Organizations

Following the taking of hostages on November 4, the US presented an application before the International Court of Justice (ICJ) accusing the Iranian government of violating several legal rules of customary international law. Those violations including the seizure of the embassy by the Iranian students and the detention of its staff, were approved by Ayatollah Khomeini which made the Iranian government responsible as well. Furthermore, the US pointed out four treaties of which Iran was in violation despite being a party to those treaties: the 1961 and 1963 Vienna Conventions on Diplomatic and Consular Relations; the 1955 Treaty of Amity, Economic Relations, and Consular Rights; and the 1973 Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents. The ICJ condemned Iran's acts based on both its interim order and final judgement.

To try to determine the impact that the ICJ's decisions had on Japan, this study will look at Japan's policy at the time of the Iranian hostage crisis and see whether it was supportive of the US and therefore, in alliance with the ICJ's judgement.

Except for the purchase of the excess Iranian oil initially bound to the US, Japan's policies went through a gradual shift and became more supportive of the US. The first ICJ decision (its interim order) was issued on December 15, 1979 which was at the time where Japan's policies were already shifted toward supporting the US. Therefore, the hypothesis that the ICJ could have had an impact on Japan's policy during the Iranian hostage crisis cannot be dismissed. It is however difficult to determine precisely how much influence there was, if there was any.

(5) Alliances

The most decisive policy in this case study is the purchase by Japan of the Iranian excess oil that was initially bound for the US before its embargo on Iran. It was after this pro-Iran policy that Japan gradually shifted to policies that were more supportive of the US.

The mere fact that Japan purchased the Iranian oil in the first place demonstrates that it felt a rather large margin of freedom towards the US. Japan was aware of the consequences of this decision on its alliance with the US as seen in the section on the disagreement between MOFA and MITI. Still, Japan eventually decided to prioritize its economic interests even if it meant risking a degradation of its relationship with the US.

This policy allowed us to better understand the dynamics between Japan and the US by examining the latter's reaction to the policy and Japan's subsequent alignment to its ally's requests.

This study have examined the US's reaction through three meetings, one between Secretary of State Cyrus Vance and Foreign Minister Okita Saburo, and two between US Deputy Treasury Secretary Robert Carswell and Finance Vice Minister Sagami Takehiro as well as with Prime Minister Masayoshi Ohira. The US disappointment was particularly evident in the first meeting during which Vance blamed Japan for the purchases of Iranian oil and called it insensitive. Carswell repeated Vance's claims to Sagami and the latter asked to provide proofs to support his claims.

Carswell's meeting with Ohira was smoother and the pressure he exercised was only indirect like when he mentioned that the European countries were already on board to support US economic sanctions against Iran. The different method that Carswell applied with Sagami and Ohira could be due to the latter's position as prime minister and the fact that Ohira was more diplomatic in his conversation with Carswell. In any case, the strong disappointment of the US suggests that it expected its ally's automatic support.

Following these meetings, the Japanese government started a shift towards a policy that is more aligned with that of the US. Four days after the meeting between Vance and Okita, the Japanese government announced that Japan was going to decrease its oil imports from Iran to the level it had before the crisis happened. Additional policies followed such as condemning Iran's actions, apologizing to the US public, and creating regulations to control the purchases of Iranian

oil by Japanese companies. Japan even asked the Japanese companies that purchased the Iranian oil to resell the barrels it got at price exceeding \$39.

In this case study, Japan started by taking a very independent path from that of the US by purchasing the Iranian oil. That decision opposed everything the US wanted its ally to do regarding Iran. After it was criticized by the US, Japan changed the whole dynamics by supporting the US and collaborating with the EC to implement sanctions against Iran. The US-Japan alliance clearly played an important role regarding the policies implemented by the Japanese government and limited Japan's freedom in its relationship with Iran.

Nevertheless, Japan did not blindly align to its ally's measures and introduced reservations and modifications that better fit its interests as seen in the section about the international power structure.

(6) Press and public opinion

Before this study evaluated the role that the Japanese public opinion and the press played in the foreign making process, it first examined their reactions to Japan's purchase of Iranian oil and to US criticism of Japan.

The meeting between Vance and Okita received abundant press coverage with reports focusing on the potential damages on the US-Japan alliance due to the US disappointment.²¹ Newspapers clarified that US's reaction was not only due to Japan's purchase of the Iranian oil but also to its passiveness regarding the US economic sanctions.

As for the Japanese public, the majority criticized Japan's oil purchases and adopted a supportive stance towards the US. Numerous readers even contacted newspaper offices and expressed that the government should stand by its ally in time of crisis. The public criticized MOFA for not predicting the backlash by the US public against Japan and Prime Minister Ohira

²¹ Department of State to Secretary, Telegram 120046, December 12, 1979, 1979STATE120046, Central Foreign Policy Files, 1973-79/Electronic Telegrams, RG 59: General Records of the Department of State, National Archive, <https://aad.archives.gov/aad/display-partial-records.jsp?f=5037&mtch=1&q=320556&cat=all&dt=2776&tf=X> (accessed on July 12, 2021).

for lacking an adequate leadership by not resolving the inter-ministerial disagreement.²² However, by studying the disagreement between MITI and MOFA, this study established that the latter wanted to consult with the US and was aware of the potential damages to the alliance, but it was MITI that did not take its view into consideration. MOFA was also criticized for failing to explain to the US how important it was for Japan to have oil supplies following the decrease of supplies by the Majors.²³

The Japanese government's policies following the external pressure from the US and the internal ones from the Japanese public and the press, indicate a shift to a more pro-US policy. For instance, on December 12, 1979 *The Nihon Keizai Shimbun* reported that the head of MITI, Amaya Naohiro, was going to visit Washington to discuss the hostage crisis. Furthermore, according to *Tokyo Shimbun*, Japanese ambassadors in the Middle East met in Tokyo and stated that the taking of hostages was an obvious violation of international law. It also reported that MITI had strengthened the restrictions on purchasing in the spot market at elevated prices and was going to ensure that Japanese companies respect the new regulations. As for the Democratic Socialist Party (DSP), it informed the US that it was actively thinking of measures to best press the government into implementing policies that are supportive of the US position.²⁴

(7) International system

On December 30, 1979, the US imposed an embargo on Iran with the exception for food and medicine. Four months later, Carter announced a severing of the US's relationship with Iran after Khomeini refused to transfer the custody of the hostages from the hands of the students occupying

²² American embassy in Tokyo to Secretary of state in Washington, Telegram 22337, December 21, 1979, 1979TOKYO22337, Central Foreign Policy Files, 1979/Electronic Telegrams, RG 59: General Records of the Department of State, National Archive, <https://aad.archives.gov/aad/display-partial-records.jsp?f=5037&mtch=1&q=320556&cat=all&dt=2776&tf=X>. (Accessed on July 12, 2021).

²³ Ibid.

²⁴ Ibid.

the US embassy to the ruling Revolutionary Council. The US asked its allies for collaboration by joining in on the sanctions against Iran.

On April 11, 1979 the EC and Japan decided to collaborate in developing sanctions against Iran. The sanction process was divided into two stages due to its interruption following the launch by the US of a military operation against Iran on April 24, 1980.

The collaboration between the EC and Japan went smoothly as they were in similar situation and shared similar views on the way to deal with the situation. Indeed, The EC and Japan agreed that formal communications with Iran were better than a diplomatic break. During the first stage of sanctions, Japan suggested the use of moderation and graduation when dealing with Iran such as avoiding the use of the term “sanctions” and only build slow pressure on Iran to get it to free the hostages. On April 22, the EC and Japan started to implement sanctions including the reduction of embassy staffs and the refrain in signing new export and service contracts with Iran.

During the second stage of sanctions in May, the EC decided to restrict its exports to Iran by legal means and to start the discussions from May 22. Japan decided to follow the EC’s step and invoke the Foreign Exchange Control Regulation and the Trade Control Regulation. MITI preferred to wait for the EC to implement that measure before Japan does but the Japanese government decided that it was crucial for Japan to restrict exports to Iran by legal means, regardless of the EC’s decision. On May 23, the Japanese cabinet approved three regulations and finalized the decision for export restriction to Iran. On June 2, the Japanese government officially began the restriction of its exports to Iran.

In this case study, the EC considerably influenced Japan’s policies due their collaboration. Indeed, it made Japan feel part of a bigger unit and gave it the confidence and motivation to develop sanctions and implement them. Indeed, a decision taken collectively could seem more valid and the responsibility would most likely be shared among the concerned parties. Most of the time, Japan waited for the EC to implement its measures first which reflect the sense of safety that the collaboration brought to Japan.

(8) Culture

During Iranian hostage crisis, there were elements that suggest that the policy of comprehensive security was adopted here as well. As explained above, an important aspect of

comprehensive security is to keep a low political involvement and having a vague position can help achieve that goal. During the Iranian hostage crisis, Japan's policies shifted on several occasions making its position more difficult to understand. For instance, following Okita's meeting with Vance on December 10, the former initially maintained that Japan would continue its oil imports from Iran.²⁵ Two days later, the position of the Japanese government changed and demanded Japanese companies not to buy any additional Iranian oil on the spot market. Furthermore, Japan changed its position once more regarding the US sanctions. It ended up agreeing to impose sanctions on Iran on April 26 after having refused less than a month earlier. Another indication of a low political involvement is through Japan's modeling of its steps after those of the EC. For instance, the decision of Japan to impose sanction on Iran was taken after the EC had decided to do so, on April 22. Furthermore, Japan's measures towards Iran were similar to those of the EC such as the reduction of its staff in the Japanese embassy in Tehran and most of them were implemented after the EC implemented them first. Lastly, following the second oil crisis in 1979 and the Iranian hostage crisis, ensuring an economic stability was among Japan's main priorities through the diversification of its energy sources and the conservation of its energy as much as possible. Indeed, by the time the Iranian hostage crisis started, Japan had enough oil supplies to sustain it.

(9) Personality and character of the leader

Ohira Masayoshi served as the prime minister of Japan from 1978 to 1980 at a time where Japan had gone through a series of challenges including the first oil crisis in 1973, the second one in 1979, and the Iranian hostage crisis that same year. During his time, Japan's economic situation was managed efficiently with Japan offering economic assistance to several countries in exchange for receiving oil supplies and deploying efforts aimed at conserving energy domestically. Therefore, Japan had some oil supplies to sustain it by the time the Iranian hostage crisis started. However, Japan's initial purchase of Iranian oil damaged the country's image and relationship

²⁵ Japan and the United States: Diplomatic, Security, and Economic Relations, Part II, 1977-1992." National Security Archive. <https://nsarchive.gwu.edu/japan-united-states-diplomatic-security-economic-relations-part-ii-1977-1992>. (Accessed November 8, 2020).

with the US. As a result, Ohira was criticized by the Japanese public for lacking adequate political leadership since he could not fix the disagreement between MITI and MOFA. From that moment on, Japan's policy started to align with the US policies and Ohira showed a firm determination in implementing sanctions against Iran.

CHAPTER 6. JAPAN'S FOREIGN POLICY: STABILITY V.S. CHANGE

I. The direct effects of the crises on the Japanese government

(1) Economic development and natural resources

The two oil crises in the 1970s had a great impact on Japan's economy especially that they came after a decade of economic growth and stability. Both crises had an impact on the Japanese government's policy toward the Arab-Israeli conflict in 1973 and the Iranian hostage crisis in 1979. As narrated above, the first oil crisis was when Japan realized its dependence on Middle Eastern oil and when it started to develop a foreign policy towards the region. Therefore, by 1979, Japan was more conscious about the possible interruption of oil and the consequences it led to. Japan's reaction to the oil crises was efficient in both cases as shown in more details in the sections on "political and interest groups" and "personality and character of the leader", but there was a difference in the level of preparedness. Indeed, since the first oil crisis in 1973, Japan learned a great deal about energy-crisis economics, had increased its private and official emergency oil stock as well as its direct deals and government-to-government deals. By the time the Iranian hostage crisis started, Japan had supplies that could last it up to 102 days, on October 1979. Its need for oil in the first case study is partly illustrated during the meeting between Tanaka and Kissinger on November 15, 1973 when the former asked Kissinger whether the United States (US) would compensate Japan's oil shortages if it does not show support for the Arab position and risks an oil embargo. Kissinger refused and Tanaka's cabinet prepared a statement that was announced just a week after their meeting, in which Japan confirmed its support of the Arab countries and its pro-Arab policies. This straightforwardness of Tanaka's request followed by a determined reaction to support the Arab position against the US's requests, suggests that the ultimate decision was predominantly based on oil. Whereas, in the second case study, Japan's higher sense of security in terms of oil supplies which is reflected in several ones of its measures. For instance, Japan turned down twice in the same month an ultimatum that was set by the NIOC requiring it to accept Iranian's oil policy by in which the price of oil requested was \$2.5 higher than the common price. Japan thought it was expensive and refused accordingly. Furthermore, Japan showed determination during its collaboration with the EC to develop sanctions against Iran, and having its oil supplies

cut from Iran did not change its plans. In fact, it had planned to redouble its efforts to conserve oil and asked the US to increase its production and export of domestic petroleum. It also requested the US to positively support Japan in any inquiry for collaboration by the International Energy Agency (IEA) to handle future energy emergencies. These requests are rather abstract and do not guarantee any immediate oil supplies to Japan. Therefore, these could not have played a main role in Japan accepting to have its Iranian oil supplies cut.

(2) Political system

To better understand the influence that the Japanese political system had on the government's policy in 1973 and 1979, this study focused on the main internal disagreements that happened at that time.

MITI and MOFA, in both case studies, shared different views during the policymaking process and the eventual direction that Japan took was according to MITI's preferences. OPAEC wanted Japan to prove its support of the Arab position in the Middle East by denouncing, among other issues, the annexation of Arab territories by Israel during the Six-Day War of 1967 and reiterating the right of Palestinians for self-determination. On one hand, MOFA considered that it was in Japan's interests not to surrender to the Organization of Arab Petroleum Exporting Countries' (OAPEC) pressure and to show its support to its main ally, the US. As its Vice Minister Hogen Shinsaku explained, Japan's external trade would not exist without the US since it was through it that Japan received its Middle Eastern oil supplies. On the other hand, MITI, concerned about the consequences of oil cuts on Japan's economy, preferred to be on the good side of the Arab countries at the expense of Japan's relationship with the US. The adoption of MITI's view is shown through the series of policies that the country implemented in order to have OAPEC change its status from "hostile" to "friendly". Indeed, Japan announced statements in support of the Arab position, planned diplomatic trips to the Middle East and offered economic assistance to several Middle Eastern countries. The disagreement between MITI and MOFA in the second case study was triggered when Iran asked Japan, following the US embargo, to buy the excess oil that was initially bound to the US. Here too, MOFA insisted that the US should be consulted before taking a decision of this nature to avoid a deterioration of Japan's relationship with the US. However, MITI was worried about Japan's economy here as well, as Japan was dependent on Iranian oil for

more than 10% of its oil imports. It believed that the only potential reason to decline Iran's request was if the price of oil was unreasonably high. Just like in the first case study, MITI implemented the measure according to its priority which was to only warn oil importers not to buy high priced oil and did not forbid any quantitative increase of oil imports. Despite MITI ending up on the same page as MOFA, it was already too late and oil importers had already bought the oil. The other disagreements that happened between MITI and the prime minister in the first case study, and MITI and oil importers in the second, reflect MITI's limitations. Indeed, in 1973, MITI and Tanaka were preparing measures to respond to the first oil crisis consisting in the enactment of two emergency bills. MITI and Tanaka disagreed on whether to include in the regulation the cost of oil and its products only (MITI's suggestion) or to include the cost of anything that might rise because of the rise of the cost of oil as well (Tanaka's suggestion). Eventually, Tanaka had the final word and the bill was enacted according to his preferences. As for the second case, the disagreement was between MITI and Japanese oil importers. As explained above, MITI allowed oil importers to purchase Iranian oil and only prohibited them from buying expensive Iranian oil. Following discussions with top foreign ministry officials and the Japanese ambassador to Washington Fumihiko Togo, MITI decided to ask oil importers to stop purchasing spot-market oil, to avoid a worsening of relations with the US. However, twelve Japanese companies bought over half the Iranian oil at almost twice the posted Iranian price. While some Japanese officials believed that the lower-level MITI bureaucrats and companies ignored MITI's order, others said that Japanese companies had made the purchases before MITI's order and that it was too late by the time MITI warned them. But whether it was a timing issue or a plain disregard of MITI's order, Japanese companies still disobeyed MITI's initial order not to buy expensive oil which put into question the effective power and influence of MITI.

Both case studies showed us that disagreements within the government are likely to happen in times of crises. When it comes to final decisions, MITI seems to have had more power than MOFA as the final measures were taken according to its preferences. As for the prime minister, he had the final word in his disagreement with MITI. It could be due exclusively to his position of prime minister or these dynamics could have been affected by his personality and character as seen in the last section of this study. However, the most important disagreement was between MITI and the Japanese oil importers as it led to the decision that had the highest impact on Japan's

policy toward both the US and Iran: the purchase of the Iranian oil at twice the posted price. As previously mentioned, the importers' decision to purchase Iranian oil could have been a dismissal of MITI's order or a genuine timing issue. If the former is correct, it put into question the effective power and influence of MITI and if the latter is correct, it reflects a dangerous lack of organization and coordination between different actors of the Japanese government that led to the implementation of a decision of this level. There is a reason to believe that the first scenario could be the correct one since the oil importers still purchased the oil at twice the posted price going completely against MITI's initial and only warning. The consequences of the disagreements in the second case study had a much more significant impact on the policy of Japan's government than in the first one. However, the study of both cases allowed us to better understand that the structure of the Japanese political system allows for such disagreements to happen between different ministries relatively frequently and could lead to unfortunate decisions.

(3) Political parties and interest groups

In the first case study, different parties of the Diet shared a similar stance in support of the Palestinians' right to self-determination. There were, however, different inclinations between the Liberal Democratic Party (LDP) and the OPs regarding Japan's relationship with the US. While the LDP encouraged prioritizing the alliance with the US, the OPs believed that Japan should show its support to OAPEC. Since the government's official position, announced on November 22, and its subsequent policies reveal a support of OAPEC, the OPs' view was the one that prevailed.

The interest groups were examined through the business sector in both case studies. In the first one, business organizations played an important role in helping Japan navigate the crisis by raising the awareness of the Japanese government and the public on the challenging situation and promoting the conservation of energy. For instance, several electricity companies warned for a possible increase in electricity rates and other business organizations explained that OAPEC's oil cuts were not going to end with the suspension of the war. Moreover, the Energy Development Committee was created on November 21, to develop national projects, to discuss with the Japanese government, and to collect data related to energy. Three principles to deal with the crisis were adopted, one of which aimed at avoiding the over-intervention of the government. In the second case study, the influence of the business community was illustrated by its collaboration with the

Japanese government on the IJPC project that led to its nationalization on October 12, 1979. The government granted 20 billion yen and an additional 80 billion yen in loans and the project was strengthened following the solid support of the Japanese government. Government officials believed that this reorganization of the project was needed and appropriate in order to guarantee good relations with Iran. However, upon the complications deriving from the Iranian hostage crisis and the Iran-Iraq War, the development of the IJPC was suspended and disagreements between the government and the business sector increased.

The interest groups played an important role in both case studies but the influence on the government's policies was higher in the second one. Indeed, in the first one, a limit of the government's intervention was among the principles that the business sector implemented in order to manage the oil crisis. Whereas, in the second case, the business sector encouraged the nationalization of the IJPC and a collaboration between the latter and the government took place. Since government officials perceived oil projects as part of the nation's foreign policy, the business sector had a great impact on Japan's foreign policy towards Iran.

(4) International law and international organizations

This study established that there are two possibilities of interpreting the Japanese government's reaction toward OAPEC's use of economic force in the first case study. If the Japanese government agrees with this study's conclusion regarding the unlawful nature of OAPEC's measures then the international law and international organizations did not have an impact on the Japanese government. Indeed, despite OAPEC violating article 2(1) of the UN Charter by pressing countries to denounce Israel, it did not discourage Japan from trying to be on the good side of OAPEC. Not only wasn't Japan discouraged but it also took all necessary political, economic, and diplomatic measures to be considered as a friendly country by OAPEC. Japan implicitly validated OAPEC's unlawful measure and helped it succeed in using economy as a weapon. However, there is another possibility which is that the Japanese government did not consider that OAPEC's use of economic force was a violation of the UN Charter. Therefore, it is possible that Japan would have refused to succumb to OAPEC's pressure if it believed that the method used by the latter was illegal. In the case the first scenario is the correct one, the international law and international organizations did not have an impact on the policies of the government since the illegal nature of

the measure did not change Japan's determination to support the Arab countries. If the second scenario is correct, it means that there is a possibility that Japan only supported OAPEC because it respected the law. Therefore, the role of the international law and international organization here would be more important than in the case of the first scenario. In the second case study, it was established that the ICJ condemned Iran's acts and validated the US claims against Iran. The ICJ issued first an interim order and then its final judgement. The interim order was issued on December 15, 1979 which was at a time where Japan's policies had already shifted toward more pro-US policies. Therefore, since Japan's policies were aligned with the ICJ's judgement, the latter could have influenced the Japanese government in its implementation of policies towards Iran and the US. The amount of influence is difficult to assess and, although it could be negligible, this hypothesis cannot be dismissed.

In conclusion, the international law and international organizations' influence in both case studies could not be accurately assessed. There is a possibility of an influence that was not proven but can not be eradicated as a valid possibility either. Generally, compared to the above analyzed factors, this element was the least influential one.

II. The indirect effects of the crises on the Japanese government

(1) Alliances

Two interrelated elements were examined through the US-Japan alliance regarding the policies that the Japanese government implemented at the time of the cases studies.

The first element is about the influence that the alliance had on the Japanese government's policies. This study concluded that the alliance played a role in both case studies but with very different outcomes in each one. Indeed, in the first case study, the influence of the alliance on the Japanese government led the latter to implement policies that went against what the US wanted and showed a supportive stance toward OAPEC. However, in the second case study, the influence of the alliance created a shift in Japan's policies that went from a pro-Iran position to a more pro-US one.

The second element is about the extent to which Japan had a freedom in taking independent policies from its ally. It is a direct answer to the third sub question of this dissertation.

In the first case study, Japan showed no hesitation in supporting OAPEC after Kissinger refused to guarantee a supply of oil to Japan. Kissinger warned Tanaka that Japan's support of OAPEC would affect their alliance, anger Jewish Americans, and might lead to Israel imposing an embargo on Japanese products. However, the US pressure did not succeed in changing Japan's economic, political, and diplomatic policies all aimed at proving to OPAEC that Japan was on its side. The first case study demonstrate that Japan enjoyed a large margin of freedom that it did not have in the second case study. Indeed, during the Iranian hostage crisis, Japan started by taking an independent position when it purchased the Iranian oil. However, the reaction of the US to Japan's decision led to an important shift in Japan's policies toward a more pro-US policy.

Japan's margin of freedom in 1979 was clearly more limited than in 1973 and the different dynamics between the parties involved in each case study might have contributed to that. Indeed, the relations between the parties involved in 1973 were indirect as already explained above. Therefore, since the US's requests were for Israel's benefit, Japan might have felt less responsibility in not complying with its ally's view. As opposed to the first case study, the relations with the parties involved in the second case study were direct and the consequences of not complying to the US's will would have been bigger. Evidently, the US-Japan alliance did not change between 1973 and 1979 but the different margins of freedom could be due to Japan's perception of how much the US was or should have been involved in the crises.

(2) Press and public opinion

Press and public opinion had a much larger influence in the second case study than in the first one. Indeed, at the time of first oil crisis, Japan's awareness on the Palestinian question was still low compared to European countries or North American ones.¹ The Japanese public opinion and the press showed a stronger support for Palestinians rather than for Israelis in 1973 but there is no evidence that they had any influence on the government's policies. Furthermore, without polls on the Japanese public's opinion on the Arab-Israeli conflict over time,² their interest in the region is difficult to evaluate. Since the Japanese public never proposed any concrete policies to the

¹ Naramoto, "Japanese Perceptions on the Arab-Israeli Conflict," 86.

² Ibid.

government, it makes even less likely for it to have had a significant impact on its policies. As for the second case study, the position of both the public and the press was clearer than in the first one. Indeed, the majority of the public criticized Japan's purchase of the Iranian oil and were understanding of the US's accusations towards Japan. Several of them even contacted newspaper offices to request that the government shows a stronger support towards the US. MOFA was criticized for not anticipating US's reaction and Ohira for his inability to fix the inter-ministerial disagreement that led to Japan's decision to purchase Iranian oil. Having studied the disagreement in details, this study concludes that MITI has dismissed MOFA's opinion which was to consult with the US before making the purchases and that MOFA did predict a deterioration of Japan's relations with the US. As for Vance's meeting with Okita, it received abundant press coverage and newspapers focused in their reports, on the potential negative consequences that Japan's decision could have on the US-Japan alliance. The Japanese government adopted several policies as a result of all the above-mentioned factors. For instance, the head of MITI, Amaya Naohiro visited Washington to discuss the hostage crisis and the Japanese ambassadors to the Middle East declared that the taking of hostages was an obvious violation of international law. Furthermore, MITI reinforced the restrictions on purchasing oil in the spot market at elevated prices and planned to make sure that the Japanese companies respected them.

The difference in the influence of the Japanese public and press on the government in both case studies come from the fact that the relationship between Japan and the US is much closer and dates longer than that with Palestine. Since the US is Japan's main ally, it is understandable for the public and press to feel more involved and react more strongly to the US disappointment. Furthermore, since Japan did not take a decision that hurt Palestine directly, there was no sense of responsibility and guilt towards it, unlike the case with the US.

(3) International system

The international system, in this case the EC, played a role in Japan's foreign policy decision-making process, in both case studies. Japan and the EC's policies were aligned during the first oil crisis and the Iranian hostage crisis. Indeed, during the first oil crisis, the EC and Japan were both supportive of OAPEC. Even the Netherlands, that was the least close to OAPEC compared to other EC members and was the only one facing an embargo, joined in preparing the statement of

November 6. As for the Iranian hostage crisis, the EC and Japan were aligned as well in their intention to support the US and develop sanctions against Iran.

The influence of the EC on Japan's policies was significantly higher in the second case study. The reason is that there was a direct collaboration between both parties and an active effort to develop sanctions against Iran. There were several meetings between Japanese officials and EC's ministers and an exchange of ideas and views that created joint measures toward Iran. Most of the measures were similar between the EC and Japan but adapted to each country's different circumstances. In the first case study, the influence of the EC on Japan was indirect. Indeed, it was by comparing EC's policies toward OAPEC and the latter's reaction to them that Japan increased its efforts. For instance, when OAPEC counted the EC as friendly on November 18, Japan questioned what was missing in its October 26 statement compared to that of the EC. This encouraged it to try harder by reconfirming its position on November 18 and declaring another statement on November 22. The reason why OAPEC rejected Japan's first statement was because it did not include what the country would do if Israel continued its occupation. However, looking at the EC's statement on November 6 that was accepted by OAPEC, it did not specify either what the EC would do if Israel did not withdraw. This leads to believe that OAPEC had different expectations from Japan that could be related to the latter's closeness with the US and therefore its increased potential of influencing its ally.

If Japan didn't have the EC as a reference, it might not have realized that the outcome could have been different and might not have had the same sense of urgency to take more initiatives toward OAPEC.

III. The methods in dealing with the direct and indirect effects on the Japanese government

(1) Culture

This study determined that the theory of comprehensive security guided Japan's foreign policy throughout both case studies. Several elements suggest that this theory was being adopted such as Japan's focus on ensuring an economic stability and keeping a low political involvement. The latter was reflected through Japan's vague statements in the first case study, its shifting policies in

the second one, its diplomatic gestures, economic aids, and the modeling of its steps to those of the EC.

(2) Personality and character of the leader

Both Tanaka Kakuei and Ohira Masayoshi were efficient in managing the economic situation of Japan following the oil crises. Tanaka proved that constitutional and administrative constraints could not prevent a prime minister from actively participating in the foreign policy making process. In the process of enacting the two emergency bills, Tanaka extended the limits of the legislation by controlling the price of oil, set a schedule, and organized the coordination between bodies. As for Ohira, he guided Japan into taking a more pro-US policy during the Iranian hostage crisis and developed efficient ways to achieve that. From his collaboration with the EC to the use of moderation and graduation in Japan's sanctions against Iran. Ohira provided Japan the support and encouragement it needed to prove to the US its loyalty. Indeed, the purchase of Iranian oil by Japan early in the crisis had major consequences on its alliance with the US and Ohira was strongly criticized for not having prevented that outcome. Since Japan had oil supplies that could last it up to 102 days, the purchase of Iranian oil is even less justified and adapted to the wave of reactions it triggered.

CONCLUSION

This study aimed to understand the foreign policy making process of Japan during the Arab-Israeli conflict in 1973 and the Iranian hostage crisis in 1979, in light of its alliance with the United States (US). In examining the foreign policy-making process, nine domestic and international factors were chosen from a list developed by Alieu S. Bojang.¹

This study had three main objectives which were to determine the factors that influenced the foreign policy decision-making in Japan during the first oil crisis and the Iranian hostage crisis, to compare them and examine if they had the same level of influence in each case study, and to assess the margin of freedom that Japan had when implementing its policy towards the Middle East in light of its alliance with the US.

The choice of these case studies derives from the similarity of Japan's position in both of them in which it had to navigate between honoring its obligation to stand by its ally- the US and preserving its important energy interests in the Middle East. In the first case study, Japan was under the pressure of the Organization of Arab Petroleum Exporting Countries (OAPEC) to support the Arab position in the Middle East in order to avoid facing an oil embargo. The US, supporting Israel in its conflict with OAPEC, pressured Japan as well by requesting it not to abide to the pressure exercised by the Arab countries. Indeed, during a meeting between Prime Minister Tanaka Kakuei and US Secretary of State Henry Kissinger, the latter informed Japan that their alliance would be negatively affected if Japan supported Arabic countries. Kissinger added that if Japan worsened its connections with Israel, Jewish financial heads would impose an embargo on Japanese products. Similarly, following the taking of the hostages by Iran on November 4, the US asked its allies to join it in imposing a series of sanctions against Iran. In this case too, Japan was torn due to the fact that its large energy interests with Iran were at risk. Indeed, in addition to its Iranian oil supplies,

¹ Alieu S. Bojang, "The Study of Foreign Policy in International Relations," *Journal of Political Sciences & Public Affairs* 06, no. 04 (October 18, 2018): 3, <https://doi.org/10.4172/2332-0761.1000337>.

Japan was working on the construction of a petrochemical plant with Iran (IJPC). This project was Japan's largest private overseas investment and had over one hundred companies and twenty banks indirectly participating as shareholders and lenders.² Following the oil crisis in 1979, Japanese companies such as Mitsubishi and Mitsui suffered from severe drops in petroleum imports and the IJPC project became even more crucial for MITI as it represented an eventual solution to the shortage of petroleum in Japan.³ Consequently, the loss of the project would have had severe consequences on Japan's economy. As for the difference that sets both cases apart, it is related to the dynamics between the different parties involved. Indeed, when studying the Arab-Israeli conflict, several elements were examined through its policy towards the Israeli-Palestinian conflict since the latter was at the core of the Arab-Israeli conflict. Therefore, Japan's relations with Arab countries tightly depended on the stance it took regarding the Israeli-Palestinian conflict. However, since Japan's energy interests were with OAPEC and not with Palestinians, the policy of Japan in ensuring its interests with OAPEC is often studied indirectly through its relationship with Palestine. Moreover, Japan had to take into consideration its relationship with Israel as well despite the latter not being its ally. But since Israel is the US's ally, avoiding a complication of its relationship with the US meant, in this case, supporting Israel. While the relationship between interests and policy of the involved parties was indirect in the first case study, it was direct in the second one. Indeed, Japan's security and energy interests were with the US and Iran, respectively, both being directly involved in the conflict.

Going back to the research questions presented in this study, the main one was the following:

Which factors influenced Japan's foreign policy towards the Arab-Israeli conflict and the Iranian hostage crisis in light of the indirect and direct relations between the concerned parties?

To answer the main research question, three sub-questions were examined:

² Michael M. Yoshitsu, *Caught in the Middle East: Japan's Diplomacy in Transition* (United States: Lexington Books, 1984), 41.

³ Yoshitsu, *Caught in the Middle East*, 42.

a. What was Japan's foreign policy towards the Arab-Israeli conflict during the first oil crisis of 1973, considering Japan's economic interests in the Middle East and the fact that Israel is a US ally?

This part will briefly remind the circumstances of the first oil crisis in 1973 and the foreign policies implemented by Japan at that time.

The first oil crisis in 1973 started with the Yom Kippur War that started on October 6 and ended on October 25, 1973 following two ceasefires by the United Nations. The war started with Egypt and Syria's armed forces attacking Israeli placements in Sinai and Golan Heights in an attempt to take back the Arab territories captured by Israel during the previous war known as the Six-Day War of 1967. The Yom Kippur War led to the first oil crisis on October 1973 when members of the Organization of Arab Petroleum Exporting Countries (OAPEC) imposed an oil embargo on all countries that they consider as having helped Israel during the Yom Kippur War.⁴ The originally targeted countries were the United States, who supplied Israel with weapons, and the Netherlands for its military assistance. Other countries were not safe from OAPEC's measures as they risked facing an embargo if they did not prove their support to Arab countries. There were also subject to the general oil production cutbacks announced on November 4 by OAPEC in which it was going to decrease its production by 25% with an extra 5% for the month of December.⁵ OAPEC separated the nations into three categories: friendly nations which were not affected by the cutbacks; neutral nations which were imposed the general cutbacks; and unfriendly nations which faced a full embargo.⁶ Japan's oil supplies depended on the position it would take regarding Arab countries in their conflict with Israel. Japan could not directly and freely support OAPEC the way it wanted to because the US was urging it to resist OAPEC's pressure. An example of the US pressure is detected during US Secretary of State Henry Kissinger's meeting with Japanese Prime Minister Tanaka Kakuei on November 15, 1973. During their meeting, Kissinger attempted to concern

⁴ "The Price of Oil - in Context," CBC News, April 18, 2006, <https://web.archive.org/web/20070609145246/http://www.cbc.ca/news/background/oil/>. (Accessed on December 12, 2021).

⁵ Nester and Ampiah "Japan's Oil Diplomacy", 77.

⁶ Ibid

Tanaka by warning him that a support of OAPEC from Japan would have consequences on their alliance, would disappoint Jewish Americans, and could possibly lead to Israel imposing an embargo on Japanese products. The US wanted Japan's support without deploying any effort to support it in return. Indeed, when Tanaka asked Kissinger whether the US would compensate Japan's oil shortages if it faces an oil embargo from OAPEC, Kissinger refused.

Overall, Japan's policies during the first oil crisis reflected a generally supportive position of the Arab countries. Just a week after their meeting, Tanaka's cabinet announced a statement in which Japan's aligning with the Arab countries' position was confirmed. It was not Japan's first statement since Japan had previously declared two, on October 26 and on November 18, both of which rejected by OAPEC. However, the last one denounced Israel more strongly as it included that the Japanese government might have to reconsider its policy with Israel if no future developments were made. Since Japan's status was only changed to "friendly" on December 25, more than a month following its last statement, it was not the direct reason for that change. Indeed, Japan deployed a series of diplomatic and economic initiatives to change OAPEC's mind. For instance, on December 10, 1973, Vice Prime Minister Miki Takeo visited eight Arabic countries to explain Japan's position on Israel to Arab leaders. Moreover, he proposed large amounts of economic aids including 38 billion yen in credit to Egypt to extend the Suez Canal and 27.7 billion yen in private loans to Syria to help them build oil refineries.⁷

b. What was Japan's foreign policy regarding its economic interests with Iran during the Iranian Hostage Crisis of 1979 in the midst of the hostile relationship between Iran and the US?

The Iranian revolution at the end of 1978 led to the second oil crisis and later on, the Iranian hostage crisis. The revolutionaries were protesting against the US and against the Shah, Mohammad Reza Pahlavi, who was supported and influenced by the US. The revolutionaries accumulated several reasons that led them to resent the US and the shah over time. For instance, they perceived the US as a threat to their religious and cultural values and accused it of

⁷ Ibid., 27.

monopolizing trade concessions, influencing the Shah, and treating the Iranians unequally by paying higher salaries to Americans. The revolution ended with the exile of the Shah and his wife to Egypt and the taking over of the leader of the revolution, Ayatollah Khomeini, as the new supreme leader of Iran. Shortly after, the Iranian hostage crisis took place on November 4, 1979 when the shah went to the US for treatment of his terminal cancer. Although Carter was reluctant in letting him enter the US, it did not stop the Iranians from reacting strongly and for suspecting a plot between the Shah and the US aimed to take down Ayatollah Khomeini's regime.⁸ Consequently, a group of Iranian students gathered outside the US embassy, climbed its walls, and took hostage the sixty-five Americans that were inside.⁹ The relationship between the US and Iran became tenser and graver when Khomeini approved the embassy takeover¹⁰ and refused to meet with former Attorney General Ramsey Clark and Senate Intelligence Committee staff chief, William Miller, sent by Carter to request the release of hostages.¹¹ The severing of Iran's relationship with the US complicated Japan's efforts to protect its energy interests with Iran.

This study proved that Japan's policies early on during the Iranian hostage crisis reflected a Japanese support of Iran and not of the US. Indeed, Japan responded favorably to the Iranian government's request to buy the excess oil stock remaining in Iran due to the US embargo. This decision created a wave of criticism toward the Japanese government from the US, the Japanese public, and the press. These reactions encouraged Japan to start a gradual shift of its policies that

⁸ David Patrick Houghton, *US Foreign Policy and the Iran Hostage Crisis*, vol. 75 (Cambridge: Cambridge University Press, 2001), 58.

⁹ *Ibid.*, 51.

¹⁰ "Case Studies in Economic Sanctions and Terrorism Case 79-1 US v. Iran (1979–81: Hostages)," Peterson Institute for International Economics, accessed December 11, 2021, <https://www.piie.com/publications/papers/sanctions-iran-79-1.pdf>.

¹¹ Letter from Jimmy Carter to Ayatollah Ruhollah Khomeini regarding the Release of the Iranian Hostages, 11/06/1979, File Unit: Iran: 11/1-14/79; JC-NSA: Records of the Office of the National Security Advisor (Carter Administration), 1977 - 1981; Jimmy Carter Library, Atlanta, GA, accessed December 12, 2021, <https://www.archives.gov/historical-docs/todays-doc/?dod-date=1106>.

were more aligned with those of the US. For instance, several Japanese officials felt the urgency of initiating talks with the US on how to solve the crisis and, in collaboration with the EC, Japan started to develop a sanction plan to be imposed on Iran if the latter did not release the hostages. Furthermore, Japanese ambassadors became more vocal about the nature of the crisis and agreed that it was an obvious violation of international law. As for MITI, the inter-ministerial disagreement pushed it to reinforce the restrictions on purchasing in the spot market at high prices and to keep a close eye on the Japanese companies' abidance to its rules. The US also found support from political parties such as the Moderate Democratic Socialist Party (DSP) which was exercising pressure on its government to adopt measures that reinforced the US position.¹²

c. To what extent can Japan manipulate its limited margin of freedom towards the United States in order to preserve economic interests with a third party that has hostile relations with the United States?

This study assessed Japan's freedom when implementing policies toward OAPEC and Iran in 1973 and 1979. It concluded that Japan's margin of freedom was larger in the first case compared to the second. Indeed, the statement that Tanaka's cabinet announced on November 22 was the third one following two previous ones that were disproved by OAPEC. This indicates that Japan was willing to deploy efforts and adjust its position until it reached OAPEC's expectations. For instance, Japan added to its latest statement that it would reconsider its policy with Israel if no future developments were made.¹³ Japan added that idea to remedy the criticism it received from OAPEC regarding its statements on October 26 and November 18 in which it did not specify what it would do if Israel does not respect the demands of Arab countries. Furthermore, Vice Prime Minister Miki Takeo visited eight countries in the Middle East in December which were the United Arab Emirates, Egypt, Kuwait, Qatar, Syria, Iran and Iraq. During his trip, he explained Japan's position on Israel to Arab leaders and promised that Japan would reexamine its policy towards the

¹² Department of State to Secretary, Telegram 120046.

¹³ William Nester and Kweku Ampiah, "Japan's Oil Diplomacy: Tatemaie and Honne," *Third World Quarterly* 11, no. No.1 (January 1989), <https://www.jstor.org/stable/3992221>, 78.

country. Furthermore, Miki proposed large amounts in economic aid, including 38 billion yen in credit to Egypt to extend the Suez Canal, and 27.7 billion yen in private loans to Syria to help build oil refineries. These measures show that Japan was not limited by the US that was asking it not to surrender to the Arab pressure. Additionally, Japan's relationship with Israel at that time confirms that. Indeed, in reaction to Japanese companies not trading with Israel, the Japanese government justified its lack of involvement by saying that its regulations do not apply on the private sector. However, there were several occasions when the government strongly assisted big Japanese enterprises trading with Arab countries which indicates that it could have intervened in the private sector's trade with Israel but chose not to.¹⁴ As for Japan's margin freedom during the Iranian hostage crisis, it was clearly more limited than during the first oil crisis. Japan started by taking a very independent path from that of the US by purchasing the Iranian oil. That decision opposed everything the US wanted its ally to do regarding Iran. Following the pressure and criticism that it received from the US, among other factors, Japan's policies reflected a change in Japan's intention which was to prove its support to its ally. Upon collaboration with the EC, Japan showed a determination in implementing sanctions against Iran. Despite the shift, Japan did not completely align to the US's requests but adjusted them to better fit its interests. For instance, Japan had reservations and adjustments regarding the US resolution introduced on December 30, 1979. Those reservations included the IJPC project and the suspension of oil contracts with Iran concluded before the introduction of the resolution. Nevertheless, the US-Japan alliance, among other factors, strongly influenced the Japanese government's shifting policies.

Two main reasons could be given to explain the difference in Japan's margin of actual and perceived freedom in the two case studies. Here, actual freedom refers to the pressure and threats that Japan received from the US such as the bill, directed at Japanese firms that aimed to impose a 50 percent tariff on goods that came from nations that did not cooperate with the US in their efforts

¹⁴ Raquel Shaoul, "Japan and Israel: An Evaluation of Relationship-Building in the Context of Japan's Middle East Policy," *Israel Affairs* 10, no. 1-2 (2004): 273-297, <https://doi.org/10.1080/13537120412331321461>, 277.

against Iran.¹⁵ As for perceived freedom, it refers to Japan's perception of how much the US was or should have been involved in the crises. The first reason is related to the directness in the relationship between the parties involved. As already explained, Japan's security and energy interests were with the US and Iran, respectively, both being directly involved in the conflict. Whereas in the first case study, Japan, not being Israel's ally, could have felt a decreased sense of responsibility in refusing the US's requests. The second reason is Japan's initial decision to purchase Iranian oil. The intensity of the criticism and disappointment that this decision created, led Japan to having to deploy further efforts to try and compensate.

Which factors influenced Japan's foreign policy towards the Arab-Israeli conflict and the Iranian hostage crisis in light of the indirect and direct relations between the concerned parties?

Having answered the three sub-questions, the main one remains to be answered.

The Japanese foreign policy-making process during the Arab-Israeli conflict of 1973 and the Iranian hostage crisis of 1979 was examined through the nine following factors: economic development and natural resources, political system, political parties and interest groups, international law and organizations, alliances, press and public opinion, international system, culture, and personality and character of the leader. This section will remind the influence of each of those factors during the oil crisis of 1973 and the Iranina hostage crisis of 1979.

The first factor examined was Japan's economic development and natural resources. This study concluded that the first oil crisis in 1973 had a stronger impact on the Japanese government's policy than the one in 1979. The first oil crisis came after a decade of economic prosperity and was the first time that Japan realized its dependence on Middle Eastern oil. By 1979, Japan was more conscious about the possible interruption of oil and the consequences of such an occurrence. Therefore, by the time the Iranian hostage crisis started, Japan had enough supplies that could sustain it for more than three months and had a larger sense of security as reflected in some of its measures such as rejecting twice in thirty days the National Iranian Oil Company's oil offer due

¹⁵ Akitoshi Miyashita and Yoichiro Sato, *Japanese Foreign Policy in Asia and the Pacific: Domestic Interests, American Pressure, and Regional Integration* (Palgrave Macmillan, 2001), 88.

to its high price. In contrast, this study showed that Japan's vulnerability in during the oil crisis of 1973 guided some of its policies. For instance, it only took a week for Japan to declare a statement supporting OAPEC after the US refused to provide it with oil. This shows that oil supplies was a strong determinant in Japan's decision to support OAPEC and to go against what the US requested it to do.

Examining the political system shed light on the dynamics and management within the Japanese government and exposed the strong likelihood of a rise in disagreements within the government in times of crises. While MOFA's view was to consult with the US first, MITI prioritized oil supplies and oil prices and the latter's view was the one in both cases. The influence of the political system on the government's policies was significantly stronger in the second case study. Indeed, the inter-ministerial disagreement that was created upon Iran's request for Japan to purchase its oil, led to a decision that had damaging consequences on Japan's alliance with the US. Despite MOFA's request to consult with the US before the purchase of the Iranian oil, MITI's only concern was the price. The structure of the Japanese political system is put into question as it allowed for disagreements of this nature to take place and reflected a lack of coordination between ministries and Japanese oil importers. Indeed, even after MITI's view eventually aligned with that of MOFA and when it asked Japanese companies to stop purchasing Iranian oil, its request was ignored and oil importers still purchased large amounts of spot oil at a high price. Several reasons were given by Japanese officials to explain the actions of oil importers and while some believed that the importers consciously dismissed MITI's order, others said that they had already ordered the oil before MITI's request reached them. This means that either MITI is not very influential or that there is a strong lack of coordination between the actors of the Japanese government.

The influence of the political parties on the Japanese government's policies in the first case study is difficult to assess since most political parties were in agreement with the government on the Palestinians' right for self-determination. However, regarding Japan's relationship with the US, the LDP wanted a focus on Japan's alliance with the US, while the Opposition Parties (OPs) wanted the government to support OAPEC. Eventually, the government's official position toward the Arab position in the Middle East was aligned with the OP's position that and not the LDPs. As for the interest groups, their influence on the government was stronger in the second case study. Indeed, the business sector, to avoid an over intervention from the government in its managing of

the oil crisis of 1973, implemented measures to ensure that. Whereas, in the second case, the business sector initiated a collaboration with the government resulting in the nationalization of the IJPC project. Government officials perceives oil projects as part of their country's foreign policy and therefore, the nationalizing of the IJPC project played a significant role in Japan's foreign policy towards Iran.

There is a possibility that the international law and international organizations had an influence on the Japanese government during the oil crisis and the Iranian hostge crisis. While this study concluded that OAPEC's use of economic force violated article 2(1) of the UN Charter, there is no indication that the Japanese government viewed it as a violation as well. If it did consider OAPEC's measure illegal, then this factor had no impact on the government's policies. However, if the Japanese government considered OAPEC's measures legal, it is therefore possible that Japan wouldn't have supported OAPEC otherwise. In that case, the international law and international organizations would have had an influence on the government's policies. In the second case study, Japan's policies were aligned with the ICJ's judgement. Therefore, while the option of a possible influence from the ICJ cannot be eliminated, the extent of that influence is difficult to evaluate.

The study of the influence of Japan's alliance with the US showed that Japan's margin of freedom in the second case study was more limited than in the first one. In 1973, after the US refused to supply Japan with oil, the latter announced on November 22 its support to Arab countries and Japanese officials visited the Middle East and offered considerable amounts of economic aid to several countries in the region. Whereas, in the second case study, Japan took a pro-Iran decision early in the crisis but, following the pressure and criticism that it received from the US, its policies shifted to align with the latter's position. The possible reasons for the different degrees in Japan's independence are explained in the third sub-question explored in this study.

The press and public opinion's influence was greater during the Iranian hostage crisis. At the time of first oil crisis, Japan's awareness on the Palestinian question was still low and the Japanese public never proposed any concrete policies to the government to create a change. As for the second case study, there was a strong wave of reactions from the public and the press following Japan's purchase of Iranian oil. Japanese public opinion and press as well as the US's reaction, strongly influenced the subsequent policies taken by the government in support of its ally. Since the Japanese public had a much deeper connection with the US than with Palestine, it seems natural

for Japanese people and the press to be more active and react more strongly in the face of the US disapproval of the Japanese government's purchase of Iranian oil.

The influence of the international system on the government was stronger in the second case study because there was a direct collaboration between the EC and Japan and an active effort to develop sanctions against Iran. The influence of the EC on Japan, in 1973, was indirect since Japan was reacting to OAPEC's reaction to the EC's policies. It is when OAPEC approved the EC's statement and rejected the Japanese one that the latter started to deploy more efforts towards OAPEC. Despite the similarities in the EC and Japan's respective statements, the fact that OAPEC rejected the Japanese one supposes that it had higher expectations from Japan and that it possibly believed that Japan could influence the US more than European countries could.

The culture factor played a similar role in both case studies since the theory of comprehensive security was established as having guided Japan's foreign policy throughout the 1970s. The elements that reflected the existence of that theory were: a focus on ensuring an economic stability, the vagueness of Japan's statements toward OAPEC, its shifting policies during the Iranian hostage crisis, its diplomatic gestures, economic assistance, and the modeling of its steps to those of the EC.

Lastly, both Tanaka Kakuei and Ohira Masayoshi were efficient in managing the economic situation following the oil crises. Tanaka proved that constitutional and administrative constraints could not prevent a prime minister from actively participating in the foreign policy making process. As for the second case, Japan had oil supplies for more than 100 days by the time the hostage crisis took place. However, this only made the purchase of Iranian oil by Japan early in the crisis less justifiable. The damaging consequences on Japan's alliance with the US led to Ohira being strongly criticized by the Japanese public for lacking political leadership.

This study holds significance in several aspects and further explores the role of domestic factors on the Japanese government's policies, missing in the existing literature. By offering a complete analysis of the influence of domestic and international factors on the policies of the Japanese government, this study allows to understand who are the actors in charge of Japan's decisions and their respective responsibilities. It separates the country (Japan) from its actors. This study will need to be followed by further studies that tackle Japan's foreign policy during

other crises and from different periods, a necessary step to get a more complete understanding of Japan's foreign policy towards the Middle East.

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