

OLIVIERO FRATTOLILLO

Japan's ODA Historical Path: From Top Donorship to the Decline

Abstract: *Since the September 2001 terrorist attacks on the World Trade Center and Pentagon, the U.S. and all other major industrialized countries, except Japan, have sharply increased ODA (Official Development Assistance) in hopes of reducing poverty in developing countries, which they see as a main factor inflaming Islamic fundamentalism and therefore as the hotbed of terrorism. This is a far cry from the 1990s when all major aid donors but Japan were suffering from 'aid fatigue' in the wake of the Cold War and either cut back on or failed to significantly increase aid. After attending the International Conference of Asian Political Parties in Southwest China's Kunming City (July 17, 2010), Japan has indicated it wants to exit from the system of aiding poor countries. The move comes at a time of weakening U.S. economy, and China's drive to enlarge its role in the arena of aid politics in both Africa and Asia. This paper attempts to explore how is changing Japan's role within the international aid system from a historical perspective aimed to highlight the domestic and structural factors that led to the rise and fall of the country as aid-donor. Particular attention has been paid to the gaiatsu (external pressure) exerted during the Cold War years by the U.S. on the Japanese decision-making process as part of the reassessment of its geopolitical priorities.*

Keywords: Japan; Foreign Aid Politics; International History; Cold War; New Millennium.

Introduction

The dominant position in the studies dealing with the recent supposed Japan's disengagement in foreign aid policy has often neglected a critically important dimension in the analysis of this phenomenon, even from a historical perspective. Japan's ODA (*Official Development Assistance*) politics has been commonly considered as a mere and instrumental emanation of the national interest which merged the specific needs of the country's private sector. Since the 1960s, in fact, Japanese overseas assistance has been inscribed into a sort of mercantilist logic, but what is not problematized is the weight exerted by specific factors, which are essentially political, both at domestic and at international level. In the first case, the image that has been often constructed did not take into account its interpretation in the Japanese context (constrained by the limits imposed by the Yoshida Doctrine), or – in the words of Carol Gluck – without “bringing the outside in”. In the second case, instead, it must be argued that the external

world has exerted a strong influence on Japan's domestic history, namely in a country that once belonged to a pre-existing international order (the Sinocentric system) which was very far from the peculiarities of the Westphalian system. This can be faced in the framework of Japan's history and its political structure, in addition to external structural factors. A number of themes and dimensions – historical, economic, and strategic – are involved in its foreign aid politics. Furthermore, the role of the U.S., and more specifically, the evolving Japan-American postwar relations have conditioned and encouraged Japan to seek a circumscribed, low-profile approach to foreign politics. To make sense of this, it is necessary to employ a deductive analytical framework which take into consideration the wider and deeper political trends occurring in Japan, and that has clearly conditioned its engagement with the West. Inoguchi Takashi has proposed Japan's historical models or perceptions as “free rider” (in economic and security terms), “challenger” (in trade terms), and as “supporter” (of international economic and political structures).¹ It is the coexistence of these models that represented an enigma to the Western world. This inconvenient apposition continued almost during the entire Cold War era, although the image of Japan as a supportive member – even if competitive – of the international community was becoming upward.

This paper describes the rise and decline of Japan as aid donor country from the 1960s onwards, highlighting the relevance of ODA both as an instrument of economic hegemony and as a tool of soft diplomacy. In the aftermath of the 1997 Asian financial crisis, and even more after 11/9, despite an initial increase of aid funds, Japanese overseas assistance suffered a sharp setback caused mainly by the international economic downturn. This phenomenon, knew within the Japanese circles as *enjo tsukare* (“aid fatigue”), is going to erode Japan's international clout, since ODA has long been among the country's most effective foreign policy tool. Moreover, this appears also affecting regional geopolitical equilibriums which are involving directly China.

¹ See I. TAKASHI, *Tinkering Every 15 Years: A New Major Turn in Japan's Foreign Policy?*, in «Japan Spotlight: Economic, Culture & History», 23, 2004, pp. 38-39.

What is questioned here is how Japan's role within the international aid system is effectively shifting, in the light of the global changes before and after 9/11, and even more following the recent economic downturn. Attention has been paid on the *gaiatsu* ("external pressure") exerted by the U.S. on the Japanese decision-making process as part of the reassessment of its geopolitical priorities. During the Cold War years, the bipolarism acted as the systemic variable (the "independent variable") which resulted in the Japanese ODA *response* (the "dependent variable"). In the pure realist anarchy, especially related to the first bipolar phase, Japan's foreign aid politics was, in fact, the expression of a bilateralism within which high politics issues were gradually supplanting those of low politics. The economism of the Yoshida Doctrine inevitably affected the quality of Japanese overseas assistance, which has often been sacrificed on behalf of the overcoming of structural issues. In a long-term perspective, notwithstanding, Japan successfully managed a series of questions concerning its relations with the outside world, thanks to its low-profile approach and due to its pragmatic nationalism - a combination of ethical relativism and cultural particularism, which is a distinctive feature of Japanese foreign policy. It prevented Tokyo to rely on a set of fixed principles, inducing it to pursue national interests case by case, conforming to the international conditions of the moment.

Mainstream international relations theory fails to fully explain Japan's posture toward Europe during the Cold War era and after. The discussion arises with particular reference to the neo-realist paradigm, since the neo-liberal model is theoretically more flexible, and therefore less binding. The issue of change or transformation within the international system can be considered the most critical front in the analysis performed on Waltz's structural realism.² A problem that is reflected by analogy on Mearsheimer's offensive realism: the inability to explain systemic changes and the power distribution issue.³ As it is inherent in Emile Durkheim's "dynamic density", the internal relationships with all types of societies become more and more complex and difficult to

² See K.N. WALTZ, *Man, the State, and War: A Theoretical Analysis*, New York, Columbia University Press, 2001.

³ See J.J. MEARSHEIMER, *The Tragedy of Great Power Politics*, New York, Norton & Company, 2003.

manage but, most of all, *constantly changing*.⁴ In addition, as the systemic changes take place from single units, neo-realism could not be able to explain them. This approach reminds us to Robert Keohane's idea, according to which neo-realism is particularly weak in predicting change, especially in those cases where this is determined by domestic and economic factors that the theory excludes aprioristically.⁵

In the Japanese case, the weakness emphasized by a number of authors about the contribution of neo-realism is particularly well suited to the country's specificities and its conduct in foreign policy – not being Japan, moreover, an actor who can put on the top of its international agenda hard politics issues. While, obviously, times may have existed in history in which the country pursued its own “national interest” – defined by Peter Katzenstein as the result of «regulatory and constitutive norms»⁶ – even in the dynamics that have characterized its relations with Europe, Japan may be mainly an actor that followed a mercantilist approach. From the neo-liberal perspective, instead, many aspects probably suggest that Japan's ODA performance can be easily inscribed within a process of “complex interdependence”, as defined by Keohane and Joseph Nye, at least since the early 1970s.⁷

1. *The “Golden Sixties” and the kaihatsu-yunyū strategy*

By the early 1960s, some of the countries that had recently reached their independence from the colonial powers began to press on the United Nations (UN), together with the non-aligned countries, so that it could extend its activities to the promotion of development among the poor countries, while ensuring international economic equity. This position was formally expressed in 1960 UN General Assembly, where it was formally requested more assistance to Developing Countries (DCs) from the rich world.

⁴ See A. GIDDENS, ed., *E. Durkheim: Selected Writings*, Cambridge, Cambridge University Press, 1972, p. 150.

⁵ See R.O. KEOHANE, *Theory of World Politics: Structural Realism and Beyond*, in R.O. KEOHANE, ed., *Neorealism and Its Critics*, New York, Columbia University Press, 1986, pp. 158-203.

⁶ P.J. KATZENSTEIN, *Cultural Norms and National Security: Police and Military in Postwar Japan*, New York, Cornell University Press, 1996, p. 19.

⁷ See R.O. KEOHANE - J.S. NYE, *Power and Interdependence*, Canada, Pearson Education, 2011.

The success of the 1959 Communist revolution in Cuba, the ongoing crisis in the Belgian Congo and the inauguration of an international aid politics by Communist China helped to increase the Western awareness on the strategic relevance of the international assistance. In 1961, following the inauguration of the program known as a “Decade for Development” (destined to become the “First Decade”), the industrialized countries were invited to devote 1% of their GDP to Official Development Assistance (ODA), in the forms of grant aid, soft loans and Foreign Direct Investment (FDI).

At the first United Nations Conference on Trade and Development (UNCTAD I) held in Geneva in 1964, and which was attended by seventy-seven DCs (“The Group of 77”), Japan participated as a member of the “rich countries” (Group B). Having now reached the status of industrially advanced country, it assumed on this occasion its first official engagement in the context of ODA, pledging to programmatically devote to foreign aid resources equivalent to 1% of the GDP. The Pearson Report, commissioned by the World Bank (WB) and published in 1969 by an international team led by Canadian Prime Minister Lester Pearson, was probably the strategy paper that best represented the political spirit characterizing the “Decade for Development”. The report indicated the need for the advanced countries to achieve the goal of allocating 1% of GNP (of which a minimum rate of 0.7% in the form of ODA) to the South of the world by 1975.

The delicate fiscal and monetary problems that the U.S. faced during the 1960s, led Washington to shift part of the burden concerning the financial aids to the other members of the “club of rich countries”. The extraordinary economic growth that Japan was experiencing at that time did not permit it to escape from this commitment.⁸ Moreover, the imbalances of the U.S. economy made it necessary urgent adjustment measures among Japan-American relations. Washington pressed Tokyo in order to abandon its attitude toward the *Ajia no hi-seijika* (“de-politicization of Asia”) and to do more in supporting anti-Communist forces in its own geopolitical area. Thus Japan started up a policy of intense aid flows destined to countries like Taiwan, South Korea and Indonesia, and during the meeting between Prime Minister Satō Eisaku and

⁸ See H. SUKEHIRO, *Japanese Foreign Aid: Policy and Practice*, New York, Praeger, 1975, pp. 12-13.

President Lyndon Johnson in 1965 «recognized that the elevation of living standards and the advancement of social welfare are essential for the political stability of developing nations throughout the world and agreed to strengthen their economic cooperation with such countries».⁹

With its accession to the Organization for Economic Co-operation and Development (OECD) in 1964 as official member of the Development Aid Committee (DAC), Japan was subjected to a sort of *gaiatsu* (“external pressure”), in order for it to abide by the standards of the donor countries’ community. Compared to the period 1961-1964, in fact, in the years between 1965 and 1970 the average of Japanese ODA increased threefold – from a total of US \$112 million to US \$361 million on a yearly basis – even surpassing the assistance levels of France, UK, Germany, and becoming second only to the U.S.¹⁰

In 1966 Japan began to provide loans for commodities aimed to help countries in crisis with their balance of payments, through loans in yen that would allow them to import basic goods without having to draw down its financial reserves. Three years later, the Japan Overseas Volunteer Corps (JOVC) started promoting an impressive assistance program for technical projects. To meet the American requests, moreover, Japan intensified its assistance to some Asian countries that had priority from a strategic perspective. Only seven of the thirty projects based on grant aid, covering the period 1969-1973, were addressed to countries other than Vietnam, Laos, Cambodia and Thailand.¹¹ Another effect of the *gaiatsu* exerted on Japan was highlighted by the active role the country played in certain programs of regional cooperation, such as the establishment of the Asian Development Bank (ADB) in 1965, the organization since 1966 of an annual Ministerial Conference for the Economic Development of Southeast Asia in Tokyo, and its growing contribution to the implementation of projects designed within the Mekong Committee.

⁹ Joint Statement of Japanese Prime Minister and U.S. President Johnson, Washington, January 13, 1965: <http://worldjpn.grips.ac.jp/documents/texts/JPUS/19650113.D1E.html> (last access: 4/12/2018).

¹⁰ See OECD, *Development Assistance Review*, Paris, OECD, 1971, pp. 199-200.

¹¹ See *ibid.*

Japan's politico-strategic reorientation for the second half of the 1960s, also produced permanent changes in the geographical distribution of aid. Between 1961 and 1964, in fact, the country signed nine agreements on soft loans, eight of which were destined to the Southeast Asian countries. Between 1965 and 1970, the number of similar projects was increased to fifty-two, but it was accompanied by a significant change in geographical distribution. Countries like Iran, Chile, Argentina, Uganda, Tanzania, Kenya and Nigeria were among the new recipients of the Japanese ODA.

Some problems, however, persisted. Between 1950 and 1972, Japan's fast economic growth, based on the development of the heavy industry, and the increasing level of national exports, were causing a certain intolerance in most trading partners, especially in Asia. In the early 1970s, in East and Southeast Asian non-Communist countries Japanese goods were flooding the stores. The South Koreans feared that the foreign money could spread corruption in their country and that Japanese imperialism could take the place of the old colonial rule. The Thai student associations organized boycott actions against goods imported from Tokyo, while the Indonesians protested against the exploitation of their forests and other natural resources by unscrupulous foreign businessmen.

The Japanese financial support was becoming of paramount importance for the countries of this area, but there was also a common feeling that Tokyo was offering less favorable terms than other advanced countries, and that its assistance was aimed exclusively to favor the interests of the Japanese private sector. The dimensions of the problem became alarmingly clear in January 1974, when Prime Minister Tanaka Kakuei went to visit several countries in Southeast Asia, causing widespread protests and disturbances. The demonstrations turned against the "economic imperialism" of Tokyo, but the discontent was also fueled by the ostentation of «Japanese abrasive manner and style of behavior».¹² On the other hand, Japan's dependence on a number of countries in importing oil and mineral products was significantly enhanced along with serious deterioration of its environmental conditions caused by the rapid process of national

¹² L.D. HAYES, *Introduction to Japanese Politics*, New York & London, M.E. Sharpe, 2005, p. 230.

industrialization. This implied a renewal of the national policy guidelines: reshaping the country's foreign aid policy, while coping with the *gaiatsu*, would have also allowed to solve problems like these. The strategy of *kaihatsu-yūnyū* ("Development-cum-Import") was thus aiming at ensuring adequate raw materials to the country, combating environmental pollution and reducing excessive internal imbalances in international trade that were damaging Japan's partners. Most of the cooperation projects were conceived according to these three purposes, even if priority continued to be given to those programs which favored the procurement of raw materials and energy sources. This was particularly evident in the loans accorded by the Export-Import Bank of Japan (EIB), and it is not without significance that the main projects carried out within the *kaihatsu yūnyū* strategy were aimed at importing uranium and oil.

The peace agreements signed between 1954 and 1959 already allowed Tokyo to build a fairly extensive trade relations with most countries of the region, but this process was fully accomplished only in these years. This neo-mercantilist approach was the result of a precise national strategy, whose goal was not the achievement of political and military power, but reaching economic development (the economy's primacy over politics).¹³ While the U.S., entangled in Vietnam, were working hard in order to encourage the creation in the anti-Communist countries - such as Singapore, Malaysia and Thailand - of a broad united front, Japan sought to create benevolent conditions for its own economic interests.¹⁴ Moreover, the economic policy promoted during the 1960s produced impressive results, and Japan «was already the fifth-largest economy in the world».¹⁵ In the same period, the DAC urged donor countries to increase their ODA commitments, and to support projects which had to be untied from any kind of conditionality. Japan was facing a dilemma: the sense in which Western standards defined the overseas assistance was incompatible with the orientation the country followed until then. Thus in 1969, in order to redefine the functions of the Japanese

¹³ See F. MAZZEI - V. VOLPI, *Asia al Centro*, Milano, Università Bocconi Editore, 2006, p. 91.

¹⁴ See M. YAHUDA, *The International Politics of the Asia-Pacific*, London, Routledge, 2003, p. 195.

¹⁵ A. LYMAN MILLER - R. WICH, *Becoming Asia: Change and Continuity in Asian International Relations Since World War II*, Stanford, Stanford University Press, 2011, p. 63.

economic cooperation, it was decided to establish a *Taigai Keizai Kyōryoku Shingikai* (“Council for International Economic Cooperation”), which was then headed by Okita Saburō, the former President of the Japan Economic Research Centre.

2. Merging mercantile realism and aid diplomacy (the 1970s)

The proceedings of the *Shingikai* were opened in March 1970 by the Premier Satō Eisaku, and was aimed at obtaining technical advices on the most effective strategies to be adopted in order to promote economic cooperation according to the country's fast rise, both economically and diplomatically. Indeed, if the domestic policy focused on the maintenance of peace and prosperity, Japan's international political agenda was characterized by the adoption of an “omnidirectional diplomacy” (*zenhōi gaikō*), looking for a “friendly approach” with all countries.¹⁶ Satō faced with a new international scenario. The world order was no longer merely a reflection of a flexible bipolarism. The emergence of new conflicts, not necessarily global but linked to local antagonisms, produced by ideological issues and imbalances in regional arrangements, determined new strategic scenarios. A process of multipolarization that, although it was still under development, suggested that the stability of the international system could no longer depend solely on the peaceful coexistence of the two blocks.¹⁷ Satō was aware that the emergence of this first form, more and more pervasive, of economic interdependence was inaugurating a real “age of internationalization” (*kokusaika jidai*).¹⁸ And, as was happening for several other countries, Japan was beginning to suffer the effects of exogenous factors. In the late 1960s, a number of events produced profound changes in the international framework. Need only to recall the link between the Prague Spring and the wave of global youth protest: for the first time, on that occasion, the interiorization of the Cold War system emerged in the minds of various cultures and peoples. It was probably the symptom of a deeper change that resulted

¹⁶ See B. EDSTRÖM, *Japan's Evolving Foreign Policy Doctrine: From Yoshida to Miyazawa*, London, MacMillan Press, 1999, pp. 57-70.

¹⁷ See S. EISAKU, *Satō Eisaku Nikki*, vol.1, Tokyo, Asahi shibunsha, 1999.

¹⁸ I. MAKOTO, *Sengo Nihon Gaikō-shi*, Tokyo, Yūhikaku, 2010, p. 110.

from an unexpected economic development that made it harder for the states the control on the societies. The linear phase of hegemonic control exerted by the two superpowers could probably be considered concluded.¹⁹

The 1973 oil crisis forced Japan to strengthen its access roads to oil and its derivatives. To do this, Tokyo adopted two strategies, different but complementary. On the one hand, it increased its ODA towards the countries holding energy reserves (in this context particular attention was paid to the Near and Middle East). On the other hand, it abandoned the markedly pro-Israel position followed in the past and began to support the Arab cause, recognizing the PLO as the Palestinian representative body and organizing an important diplomatic mission in the Middle East and North Africa to improve its image and its market.²⁰ This reorientation of foreign policy was the synthesis between its traditional strategic pragmatism and the recent tendency to achieve greater independence from the U.S.²¹

The Soviet intervention in Afghanistan in December 1979, which took place during the Iran revolution, ended the period of detente, inaugurating a new and more complicated phase of the Cold War. As was clearly demonstrated by the promulgation of the “Fukuda Doctrine”, Japan was the first government to understand that military power was becoming increasingly irrelevant in an increasingly interdependent world. In those years, Japanese policy-makers formulated a more detailed conceptions of the role of economic power within security policy. The notion of Comprehensive National Security Policy (*Sōgō anzen hoshō*), emerged during the Ōhira administration (1978-80), was officially adopted under his successor Suzuki Zenkō.²²

Though the same Ōhira stated that Japan should support the U.S. efforts in containing the threat posed to international security and argued that the world was still divided into opposing camps (*jin'ei*), this does not meant that the fidelity of Japan to the

¹⁹ See A. MARWICK, *The Sixties: The Cultural Revolution in Britain, France, Italy and the United States, 1958-1974*, Oxford, Oxford University Press, 1998.

²⁰ See J. MORIKAWA, *Japan and Africa: Big Business and Diplomacy*, London, Hurst&Company, 1996, p. 69.

²¹ See K. NORIO, *Tanaka Kakuei Tei Shosei Nikki*, Tokyo, Nikkei BP kikaku, 2002, pp. 70-72.

²² See I. MASARU, *Nihon Ga Ikōshi Gaisetsu*, Tokyo, Keio University, 1997.

U.S. would preclude a different point of view between the two countries if security issues had concerned either economic or otherwise. The Nixon shock and the American defeat in Vietnam had, however, demonstrated that the guarantees offered by the alliance with Washington were not absolute. The oil crises, on the other hand, had highlighted the danger of the country's dependence from international economy, against which the U.S. hard power could not do anything.

According to Elena Atanassova-Cornelis, «Japan's definition and practical implementation reflect the country's historical and normative background as well as its post-World War II preference for non-military and human-centred foreign policy».²³ In Japan's foreign policy the boundaries between the concepts of comprehensive security and human security are blurred. If the two terms are often considered interchangeable, some scholars have thought it would be more useful to apply the first to the starting stage in which Tokyo ushered this approach, while the second could be used with reference to Japan – as to many other countries – about its tendency to focus on the importance of the individual rather than of the State. Although these differences have often more theoretical than practical value, they converge into a single, multi-dimensional concept of security, which can be interpreted differently depending on the weight given to the third or second level of analysis (the individual or the State). Ultimately, as Amitav Acharya commented, the approach to the security of a State self-positing the “individual level” if it relates to the personal dimension (that is “human security”), and is placed on the “level of statehood” if it relates to the national (that is “comprehensive security”).²⁴ While it is therefore possible to distinguish the kind of threat (physical violence – physical violence and non-military) and leave out the problem of related unit in question (individual/State), human security and comprehensive security meet the same conceptual path, since both concern threats to the security arrangements in a non-traditional way.

²³ E. ATANASSOVA-CORNELIS, *Japan and the 'Human Security' Debate: History, Norms and Pro-Active Foreign Policy*, in «Graduate Journal of Asia-Pacific Studies», III, 2, 2005, p. 58.

²⁴ See A. ACHARYA, *Human Security: East Versus West?*, Singapore, Nanyang Technological University Library, 2001, p. 14.

Many of the human security basic issues gained greater significance after the end of the Cold War and the concept has emerged in relation to the ways to respond to the main challenges, such as forgotten ethnic conflict, civil wars, the spread of problems related to the process of globalization, the widening of the North-South economic gap, the growing attention to the theme of human rights on a global scale. The notion of human security found its theoretical organization in 1990, under the first UNDP Human Development Report.²⁵ Here it is defined, first, in terms of protection from embedded threats as hunger, disease and repression in general. It has already gone beyond the aim of securing the basic needs for security or survival of individuals, incorporating an overview of the total development of the human being and his dignity. Undeniable, on the other hand, the benefits that Japan has achieved embracing this approach to security. It is well known, in fact, that thanks to the protection provided by the U.S. nuclear umbrella, Japan has been able to focus exclusively on its own economic recovery and development, without any need to allocate resources to a large-scale military buildup. Paradoxically, Tokyo's reluctance to establish a fully independent security agenda allowed the Japanese decision-makers to avoid any kind of military action by allowing the country, at the same time, to consolidate its economic growth and pursuing a comprehensive security that would contained within itself the defense, economic and social dimensions.²⁶

The perspective in which Japan's security was framed went therefore beyond the mere military dimension, and this must be made clear as the low priority given to military security, rather than a comprehensive security policy, was based on the non-acceptance of the use of force as a legitimate means of dispute resolution and commitment to not possess any arsenal. This has resulted, in part, the reactive posture of Japan on the international stage from the standpoint of military security, basically throughout the Cold War. This situation contrasts sharply with the unstoppable Japanese

²⁵ See UNDP, *Human Development Report 1990*, Oxford-New York, Oxford University Press, 1990.

²⁶ See M. MOCHIZUKI, *Japan's Changing International Role*, in TH. BERGER et al., eds., *Japan in International Politics: The Foreign Policies of an Adaptive State*, Boulder, CO, Lynne Rienner, 2007, pp. 1-22.

growth in the 1970s and 1980s, but also with the development in other directions – other than strictly military – of its contribution to the maintenance of international security, as increasingly emerged during the second phase of the Cold War, but also for the subsequent Gulf War in 1990. On that occasion, Tokyo offered its contribution by providing US \$ 13 billion ODA and denied military assistance. This approach to security, that can be called of *soft type*, has been the object of criticism which highlighted the excessive withdrawal of Japan on the checkbook diplomacy.

3. Japan's aid leadership: from the endaka to the San Mi-Ittai cooperation (the 1980s)

At the beginning of the 1980s, Japan became the world's biggest donor. Its direct investment in Asia grew vertiginously, so as to exceed those of the U.S. In parallel, we witnessed a decline in relative terms of the American economic strength, which recorded severe trade and budget deficits. As a result, Washington increasingly intensified the pressures on the other advanced nations, in order to alert them in taking more responsibility: Japan, in particular, was sharply criticized for its lack of commitment at international level. However, as it is clear, the country could have not exercised an effective military weight in the management of world affairs, and has come to make use of ODA as political instrument in a perspective of burden-sharing.

The Plaza Agreement, signed on 22 September 1985, marked Japan's political entry among the great powers, when the G5 (U.S., Japan, West Germany, France and Great Britain) met to solve the problem of trade imbalances of the Western economies and to contain the strong fluctuations in the exchange rates of their currencies. The Japanese cooperation would have certainly been essential in trying to control the decline of the dollar on currency markets. The economic policy measures that were decided herein, however, did not produce the desired effects, but those of wonderfully encouraging Japan's presence in a global economy based on the dollar. The yen, in fact, grew by 40% against the U.S. dollar within one year, and as a counter-measure to the *endaka* ("yen appreciation"), Tokyo decided to transfer most of the manufacturing processes overseas, in countries where economic and commercial transactions would have been

accounted for directly in U.S. dollars. This allowed the Japanese business community to leave behind the high labor costs that the *endaka* would have produced in Japan and, at the same time, to largely promote its FDI.

The reaction of the West in the face of disproportionate benefits of which the Japanese economy was taking advantage was characterized by a certain adversity. Japan was confronted with the need to do something in order to strengthen its position within the Western alliance, and thus decided to shift its attention from trade surplus to an increase in its aid flows. The first significant change in the formulation of Japanese ODA policy were induced, soon after, by the great changes that took place on the international political scene at the end of the decade by the collapse of the USSR, which produced new policy responses also in terms of foreign aid policy.

The *endaka* impact on the Japanese economy gave rise to two specific phenomena. On the one hand, it created a surplus of capital within the country and, on the other, it involved a sharp rise in domestic costs of production. Japan had therefore an urgent need for specific policy strategies in order to successfully face the new international challenges. The first response in this regard was offered by a kind of Marshall Plan for Japanese aid (drafted in 1986 by a study group headed by Okita Saburō) under which Tokyo would have invested a total of US \$ 125 billion in DCs by the end of the decade. Japan was becoming the largest global provider of capital and technology, by recycling its own trade surplus through FDI. This was the new line adopted by Japanese politicians in the aftermath of the Plaza Agreement, which resulted in 1988 in the two key concepts for the management of Japanese aid politics all along the 1990s: the *San Mi-Ittai Cooperation* (Three Cooperations in One) and the principle of the horizontal labor division in Asia. Within the *San Mi-Ittai Cooperation* – founded on the three pillars of ODA, FDI, and imports from DCs – the principle of horizontal division of labor in Asia became the direct consequence of the first. The wide range economic cooperation that Japan was creating in the Asian region, would have not only ensured Tokyo a substantial financial income, but it would have also served as outpost for the realization of a more charismatic leadership within the international community, especially from the diplomatic point of view.

In 1989 Japan officially emerged as the world's top donor country in absolute terms. The key role played by the country at the 1992 UN Conference on Environment and Development held in Rio de Janeiro – and on other occasions afterwards – has undoubtedly led to a “change of guard” that made Japanese leadership in the foreign aid politics an important reality of international politics of that decade. The new political vision which was concurrently announced by Prime Minister Toshiki Kaifu in April 1991 defined the issues concerning the political, economic and social development of recipient countries that Japan should must take into consideration before granting any form of assistance: 1) trends in and levels of military expenditures; 2) trends in the acquisition of technology to produce nuclear weapons and/or weapons of mass destruction; 3) promotion of democratization and economic reforms based on the Structural Adjustments Programs (SAPs); 4) protection of human rights. This new political approach presented many elements in contradiction with the philosophy of the aid policy that had preceded it in Japanese political circles. Supported by the MOFA, the policy promoted by Kaifu was modeled, among other, on the priorities of those politicians of the Ministry eager to see Japan get into step with other Western countries in the process of promoting democracy and human rights. In this context, there were also taken into account the requests of the Ministry of Trade and International Industry (MITI) which pressed the Government as to provide assistance even to Socialist countries, in order to secure new business opportunities for the Japanese private sector.²⁷

4. The post-bipolar paradigm and the New Miyazawa Initiative (the 1990s)

After the fall of the Berlin Wall, we witnessed to the end of the ideological metanarrative on which was built the entire Cold War historical discourse, as well as to the dissolution of the infamous dichotomy “friend-enemy” within the borders of the

²⁷ S.N. KATADA, *Japan's Two-Track Aid Approach: The Forces Behind Competing Triads*, in «Asian Survey», XXXXII, 2, 2002, pp. 334-335.

precise East-West scheme, and to the decline of the American hegemony that – in Kupchan’s eyes – «lost its compass».²⁸

Along with the new commitments undertaken by increasing the amount of aid provided and of capitals invested in a large number of DCs since the early 1990s, Japan experienced a significant renewal in the management of ODA programs, such as the improving of the projects implementation and the identification of the objectives to be pursued. In 1990 it was, in fact, created the *Gyōkakushin* (“Provisional Council for the Promotion of Administrative Reform”) aimed at studying practical ways to enhance both the quality of life of the Japanese and the international relations of the country. In its first official report issued in July 1991, the *Gyōkakushin* claimed the need to renew the principles underlying the ODA political management in order to more effectively coordinate the work of the various national agencies. But the most important news that emerged in this report, were the direct result of the crisis in the Persian Gulf and described ODA as a strategic tool of foreign policy which is able to impact positively on the military expenditures trends of the recipient countries and to promote democracy. As a matter of fact, the 1990-91 Gulf Crisis, for which Japan was asked to shell out large sums of money in lieu of a direct military participation, led the *Gyōkakushin* to invoke the urgent adoption of a charter stating the new framework and operational guidelines for ODA management. The report was forwarded to Prime Minister Miyazawa Kiichi and its principles were officially adopted as part of the *Seihu Kaihatsu Enjo Taikō* (“ODA Charter”), which was enacted on 30 June 1992.

In 1993 the WB published a study on the “miracle” of economic development in East Asia entitled *East Asian Miracle*,²⁹ where it was highlighted the efficacy of growth mainly based on savings rates, the general level of education, the promotion of industry, the adoption of new advanced technologies, and macroeconomic stability. The WB emphasized, moreover, the successful cooperation between the public and private, and the creation of the new economic wealth which seemed far more satisfactory than

²⁸ See CH. KUPCHAN, *The End of the American Era: US Foreign Policy and The Geopolitics of the Twenty-First Century*, New York, Knopf, 2002.

²⁹ See WORLD BANK, *The East Asian Miracle: Economic Growth and Public Policy*, Oxford & New York, Oxford University Press, 1993.

elsewhere. The success achieved in the economic development of some Asian countries, through specific strategies promoted and emphasized by the same WB, was therefore indisputable. This study was to convince people that what happened was “phenomenal” and therefore had to be a model for the rest of the developing world, regardless of latitude or distinct social, political and cultural contexts. A few years later, the main reasons cited by the WB to explain the eruption of the 1997 Asian financial crisis, limited to a current account deficit fueled by bank loans, the so-called “under-capitalization” of private companies that base their activities on short-term bank loans, as well as to a markets’ liberalization not properly supported by the appropriate regulatory institutions. To overcome the crisis, in short, the WB recommended new capital transfers in order to stimulate the growth of these countries without, nevertheless, be able to hide the fact that one of the main lessons of this crisis was the fragility of progress in several Asian countries, dramatically putting into question the issue of development based on the mechanisms of economic liberalization. But an ominous shadow of the Asian crisis, which has made its effects felt in all the strongest world economies, was represented by the sharp decrease recorded since 1995 in ODA flows, in particular from Japan, where funds were cut 10,4% in 1998. Nevertheless, in October 1998 the Japanese Government announced the *New Miyazawa Initiative*: a new plan of international assistance able to deal well with the crisis. Within this *Initiative* new funds were allocated to ODA, for a total amount of US \$30 billion, aimed at providing forms of financial assistance. Such programs were directed only to countries such as Thailand, Indonesia, the Philippines, Malaysia and South Korea. The approach adopted by the MOFA on the limited geographical focus of this initiative has been significantly affected by budget cuts imposed on ODA by the Ministry of Finance for the following years. Consequently, the Ministry decided not to provide assistance indiscriminately, but favoring some regions and cutting aid to others. The “multilateralization” of Japan’s security policy has probably found its quintessence in the notion of “human security” and in the manner in which it has been applied.³⁰ The first reference to the safety of the

³⁰ See M. GREEN, *Japan's Reluctant Realism: Foreign Policy Challenges in an Era of Uncertain Power*,

individuals appeared when the prime minister Murayama Tomiichi turned to the United Nations General Assembly as part of the Copenhagen World Summit for Social Development in 1995, speaking of “human-centered” social development as a central element of the Japanese ODA policies. His vision was considered part of the Japanese approach to the multilateralism.³¹ In 1997, his successor Hashimoto Ryutarō, addressing to the UN General Assembly, referred to the “human security” citing the principles underlying the debates which took place within international agencies like the OECD, the DAC and the United Nations Development Programme (UNPD), as the «respect for human rights of every citizen» and the «protection from poverty, disease, ignorance, oppression and violence».³² The 1997 Asian financial crisis became for Tokyo a strong incentive in order to promote human security initiatives. In March 1999, Japan and the UN Secretariat launched the United Nations Trust Fund for Human Security (UNTFHS). Beyond the establishment of the Fund, the Japanese Government organized several forums and conferences focused especially on issues such as development and health.³³ Notwithstanding, since 2001 the actors involved in the Fund started to seriously take into consideration the possibility of combating terrorism through the development of human security. The institution of the Commission on Human Security (CHS), an independent organism established by Japan and co-chaired by the former UN High Commissioner for Refugees Sadako Ogata and by the Nobel laureate Amartya Sen, was probably the most immediate expression of this new orientation.³⁴ The efforts of the CHS were in part marginalized by a strong change in the global security landscape, characterized by China’s rise, the North Koreans nuclear ambitions, the U.S. war on

New York, Palgrave, 2003, p. 194.

³¹ See K. KURUSU - R. KERSTEN, *Japan As an Active Agent for Global Norms: The Political Dynamism Behind the Acceptance and Promotion of Human Security*, in «Asia-Pacific Review», 2, 2011, pp. 115-137.

³² D. BOSOLD - S. WERTHES, *Human Security in Practice: Canadian and Japanese Experience*, in «International Politics and Society/Internationale Politik und Gesellschaft», I, 2005, p. 93.

³³ See C. KONRAD, *The Japanese Approach: Tracks of Human Security Implementation*, in «Human Security Perspectives», I, 3, 2006, pp. 22-38.

³⁴ See A. ZWITTER, *Human Security, Law and the Prevention of Terrorism*, Abingdon & New York, Routledge, 2011, p. 10.

terror, and by the following realignment of Japan alongside the White House's military campaign in Afghanistan in 2001, and then in Iraq in late 2003.

5. The emergence of "aid fatigue" in the 9/11 aftermath

Between the end of the old and the beginning of the new millennium, the Japanese foreign aid policy has gone through a new phase of transformation in response to changes in both domestic and international political scene. On the one hand, Japan experienced the so-called *enjo tsukare*, a phenomenon known in the West as "aid fatigue", that is a gradual curtailment of aid flows, partly due to the need to rein in public expenditures, and partly to the absence of popular support for overseas assistance programs. On the other hand, the upheavals caused by the 9/11 terrorist attacks have also affected Japan's international position, as well as its foreign aid policy.

After a new phase of growth in Japanese ODA flows between 1998 and 2000, which was determined by the assistance provided to the countries struck by the Asian financial crisis, the MOFA presented for the FY2002 a request for ODA budget less than 10% compared to the previous year. From that year on, Japanese aid flows experienced a gradual decline: US \$9.847 million in 2001, 9.283 in 2002, 8.880 in 2003. The trend persists, having reached the peak of 6.823 in 2008 and of 6.167 in 2009, while showing by allocating US \$7.331 million in 2010 a slight, but occasional, upward.³⁵

In 2001 Japan has given way to the U.S. as the largest bilateral donor, a position it held for a decade. The loss of the status of top donor country was an emblematic event, since in Japanese's eyes the foreign aid was the expression of the country's global economic power. In 2002 the percentage related to Japan's commitments in the total DAC bilateral aid has dropped to 16%. For the same year Japan's ODA/GDP ratio was recorded at 0.23%, ranking fifth among the member countries of the Committee. At the 2002 International Conference on Financing for Development, which took place in Monterrey, Japan was one of the few members of the DAC that did not pledged to

³⁵ See OECD, *Development Aid at a Glance. Statistics by Region*, in <http://www.oecd.org/dac/stats/aid-at-a-glance.htm> (accessed June 2018).

maintain, or to increase, the funds allocated to foreign assistance, both in absolute and in ODA/GDP terms. This trend continued throughout the decade, ODA/GDP ratio has settled into a range between 0.18% (2009) and 0.20% (2010).³⁶ In 2011 Japan has become fifth among DAC member countries, with respect to the net bilateral disbursements (US \$ 6.774 as 3-year average, on 2008-2010 basis).³⁷ The budget cuts are due primarily to the protracted economic stagnation in Japan and to the gradual growth of public debt levels. In fact, due to expansionary fiscal and monetary policies adopted by the Japanese Government during the 1990s in order to cope with the recession, the total cumulative debt of the country reached in 2000 over 140% of GDP. In a situation where the country needed to take urgent measures to reduce the fiscal deficit, cutting back the ODA commitments was undoubtedly far less unpopular than reducing public expenditures. In fact, while other budget items were supported by the private sector and politicians, this time the business community did not support the allocation of funds to overseas assistance, due both to the policy of untied aid pursued by the MOFA from the second half of the 1990s, and to politicians for which the ODA policy was not a votecatcher.³⁸ The second factor that led to the phenomenon of *enjo tsukare* is the changed attitude of Japanese public opinion about the foreign aid. Since the creation of Japan's international cooperation program, the audience was quite in favor of increasing ODA levels. This kind of support, as stressed above, has made possible a continued increase in aid funds since the 1970s. Now, because of economic and fiscal problems of the country, the public support has been gradually diminishing. Although in 2001 there was a slight increase in support for ODA, as the immediate effect of 11/9, it was not confirmed from 2002 onwards. To address the problem of *enjo tsukare* the MOFA initiated, on one side, a process of reform of the Japanese ODA and, on the other, it widely emphasized the improvement of the aid quality. The reform of the aid system was conducted seeking to introduce greater transparency, effectiveness and

³⁶ See OECD - DAC, *Aid Statistics, Donor Aid Charts*, in <https://data.oecd.org/oda/net-oda.htm> (accessed June 2018).

³⁷ See OECD, *Development Aid at a Glance. Statistics by Region*, in <http://www.oecd.org/dac/stats/aid-at-a-glance.htm> (accessed June 2018).

³⁸ See K. HIRATA, *New Challenges to Japan's Aid: An Analysis of Aid Policy-Making*, in «Pacific Affairs», LXXI, 3, 1998, p. 331.

accountability, in order to regain the confidence of Japanese taxpayers. Since 1999, several reforms have been concerned the administrative apparatus responsible for managing overseas assistance programs. However, the main innovation to be mentioned is the revision of the *Seifu Kaihatsu Enjo Taikō*, published in August 2003. In order to ensure that the new Charter was aligned with the expectations of the public, over eight meetings were held in the presence of journalists, researchers, representatives of the business community, and NGO staff. From the perspective of the efficiency, the new document devotes an entire section to the policy formulation and aid projects implementation, in which, among other things, the Government undertook appropriate measures to prevent corruption and fraudulent use of ODA. As regards, however, the effectiveness, the new Charter explicitly links the policy of international assistance to the national interest, but never use this expression explicitly. Firstly, the document sets out among the priority objectives of Japan's ODA «to contribute to the peace and development of the international community, and thereby to help ensure Japan's own security and prosperity».³⁹ But more importantly, considering the successive ODA cuts, beyond the implementation of a general reform of the aid system, the Japanese Government focused its efforts on improving the “quality” of aid as to compensate for its reduced “quantity”. The MOFA therefore redirected the funds towards human-centered projects with a particular focus on the social sector and the environment. The so-called “soft aid”, which focuses primarily on the Basic Human Needs, such as the alleviation of poverty, the strengthening of gender policy and the sustainable development, became the new instrument to be favored. The main advantage is that this type of aid projects requires funds less soft than the traditional ones (such as large infrastructure projects), and ensures a positive feedback from the public opinion in the country.

The 9/11 terrorist attacks, which were followed by the “war on terror” against the Taliban Government in Kabul and the “preventive war” against the regime of Saddam Hussein, have not directly involved East Asia, but they have, in some way, altered the

³⁹ See MINISTRY OF FOREIGN AFFAIRS OF JAPAN, *Revision of Japan's Official Development Assistance Charter*, in <http://www.mofa.go.jp/policy/oda/reform/revision0307.html> (accessed June 2018).

region's geostrategic landscape, affecting the trans-Pacific relations.⁴⁰ With specific regard to Japan, the war against the Taliban offered the country the chance to move closer to a "normalization" of its foreign policy. In fact, Japan is considered by many analysts as abnormal from the point of view of its international behavior, because of its tendency to adopt a "reactive" position in relating to events and changes in the structure of the International System. In other words, Japan's conduct in the international arena would be sharply determined by the *gaiatsu*, and more specifically by the *beiatu* ("American pressure"). The country reacted to the dramatic events of 9/11 with a readiness in many ways surprising. Prime Minister Koizumi Jun'ichirō immediately announced that the country would have provided military support to the U.S. intervention in Afghanistan, and by the end of the same year, the Diet passed a law that, broadly interpreting the article 9 of the Constitution, allowed for the first time in the postwar era, the active participation of Japanese Self-Defense Forces (SDF) in military operations conducted without the UN endorsement. It was an historic decision, and taken individually, with which Japan tried reducing its dependence on U.S. foreign policy and security. This decision seemed to have led Japan on the path of "normalization" at least for two reasons: it lessened the constitutional restrictions and stripped the neighboring Asian countries, especially China, of the possibility of complaining by following instrumental purposes for a revival of Japanese militarism, as this was now being used to serve the noble cause of fighting international terrorism. However, the steps made towards the "normalization" of Japan as an autonomous international actor were subsequently canceled, or at least restrained, during the war launched by President George W. Bush on Iraq. In fact, this time, the participation of SDF in the operations of the coalition led by Washington was, in a sense, an obvious choice for Koizumi Cabinet, due to a sort of strategic-diplomatic entrapment in which Japan has found itself, mainly because of the strategy of brinkmanship pursued by North Korea, based on the nuclear blackmail.

⁴⁰ See F. MAZZEI, *Nuova 'Centralità' della Cina e 'Rientro' del Giappone in Asia*, in «Politica Internazionale», I, 2-3, 2004, p. 115.

Moreover, although many analysts consider almost inevitable the gradual militarization of Japan, at the same time they considers highly unlikely that the country would become a U.S. military ally in all respects. The increased military role of Japan must be evaluated in the context of the “special relationship” that bound the country to the U.S. in the postwar years. Ultimately, as a result of Japan’s “forced” participation to the war in Iraq, the asymmetric character of this relationship has been renewed. Although today it is more correct to refer at it as a relationship of interdependence rather than dependence, it remains still fully asymmetric, since its disruption, or even its simple deterioration, would cost to Tokyo far more than for Washington. This situation results in a sense of vulnerability on the part of Japan, which leads him to yield to U.S. pressure by altering its course of action even when it seems to affect its own interests. This modus operandi is also found in the Japanese ODA policy, so much so that Japan has often changed its conduct in order to face the pressures, whether implicit or explicit, of Washington.

Tokyo feels even more vulnerable now because of the change of U.S. strategy in the Far East, leading to 9/11 and subsequent events. In fact, the White House begun to move towards a closer relationship with China, giving credit to those students that look to overcome the “Japan-bashing” in favor of the “Japan-passing”, namely replace Beijing to Tokyo in the analysis of the major international players because of the perceived decline of Japan’s economic superpower status. The ultimate result has definitely been an improvement of the U.S.-Japan alliance, since neither Koizumi nor the leaders who preceded him and who tried to go beyond the institutional framework based on the Yoshida doctrine, have never seriously questioned it.⁴¹ Once again that has been considered the most suitable context within to operate a balance of power in the region that would bring Japan to play an even more active international role. Koizumi Government did not inaugurated any process aimed to alter the ideological and institutional structure of Japanese security politics, nor did it questioned the human

⁴¹ See B. EDSTRÖM, *The Yoshida Doctrine and the Unipolar World*, in «Japan Forum», VI, 1, 2004, pp. 63-85.

security theoretical foundations.⁴² This means that Japan did not reach a viable alternative to the Yoshida doctrine, but – as stressed by McCormack – Koizumi’s approach certainly encouraged a Japanese domestic environment more open and receptive towards issues converging more and more on a multilateral level in world forums.⁴³ While acknowledging the vital importance of hard security matters, Japan increased the scope of its soft policies both regionally and globally. But even if Japan aims to increase its international role through the alliance with Washington, its approach to the security issues remains anchored to the principles of multilateralism.

However, Japan’s orientation towards the human security, as developed in the CHS was not abandoned, but converted through the official adoption of the human security doctrine by the UN General Secretariat, following the 2000 UN Millennium Summit. The success of “multilateralization” of the Japanese human security enabled this doctrine not to be neutralized by Japan’s foreign policy agenda, which was seemingly evolving towards a hard dimension. Far from being contradictory, the two agendas may actually be complementary, as they increased the diversification of Japan’s foreign policy objectives and its international coalitions.⁴⁴ The Japanese approach to the human security should be considered as a political tool aimed at managing security issues in a non-traditional way. It coincides with the birth of a new pro-active Japanese foreign policy, which gives priority to security issues by preferring non-military agenda. This new strategic vision appears as the natural result of the country’s post-war historical path, in its evolution from a reactive to a pro-active security actor, as well as in its distinctive aptitude towards the pacifism and the multilateral politics.⁴⁵

⁴² See P.J. KATZENSTEIN, *Rethinking Japanese Security: Internal and External Dimensions*, Abingdon & New York, Routledge, 2008, p. 15.

⁴³ See G. MCCORMACK, *Koizumi’s Japan in Bush’s World: After 9/11*, in «Nautilus Institute», 8, November 2004.

⁴⁴ See E. REMACLE, *Approaches to Human Security: Japan, Canada, and Europe in Comparative Perspective*, in «The Journal of Social Science», 66, 2008, p. 9.

⁴⁵ See E. ATANASSOVA-CORNELIS, *Japan and the ‘Human Security’ Debate: History, Norms and Pro-Active Foreign Policy*, in «Graduate Journal of Asia-Pacific Studies», III, 2, 2005, p. 70.

6. Concluding remarks

In the post-Cold War world scenario, the multilateralism remains the cornerstone of Japanese diplomacy even if, given the specific of the Japanese case and of the Asian model, in a more general perspective, it would be preferable to refer to the explanation of multilateralism suggested by scholars such as Katzenstein.⁴⁶ They moved away from the classic definitions, stating that, within the Asian context, the ‘central link’ does not stem from multilateral formal structures, but from informal economic, cultural and political networks. As observed by Green, it behaves like a jewel beetle or – in Japanese – as *tamamushi*: an insect that changes colours depending on the angle from which you look at it.⁴⁷ Multilateralism denotes potentialities varying within the different units in which the Japanese foreign policy community is articulated. According to Green, multilateralism in Japan “remains so popular” for various reasons.⁴⁸ As is quite clear, one of the most urgent explanations is historical and lies in the need for Japan to be reintegrated into the community of nations. The road to militarism and Japan’s defeat in World War II began with the withdrawal from the League of Nations and the rejection of multilateralism in the 1930s. Japan’s promotion and participation to the world’s multilateral institutions is also an attempt of the country to come to terms with its own past. This is, at the same time, one of the reasons inducing Tokyo to reaffirm the alliance with Washington. In Franco Mazzei’s words, «Japan oppressed by the “weight of history” and having not yet developed a regional strategic vision – that is crucial if we take into account the many sources of conflict that remain in the region (territorial disputes in the South China Sea, the agonizing question of North Korea, the Taiwan issue) – still needs the U.S. military presence in East Asia. On the other hand, to retain the supremacy (or the primacy) in front of the growing power of the PRC, the U.S. cannot do without the alliance with Japan, which is a stronghold on the eastern outskirts

⁴⁶ See P.J. KATZENSTEIN, *East Asia. Beyond Japan*, in J. KATZENSTEIN - T. SHIRAISHI, eds., *Beyond Japan: The Dynamics of East Asian Regionalism*, New York, Cornell University Press, 2006, pp. 1-33.

⁴⁷ See GREEN, *Japan's Reluctant Realism*, cit. p. 196.

⁴⁸ See *ibid.*, p. 200.

of Eurasia».⁴⁹ Connected with this, although seemingly paradoxical, is the need to assert a diplomatic identity independent from Washington.⁵⁰ In this sense, multilateralism is interpreted as an escape from a security policy markedly in line with the U.S. foreign politics agenda.⁵¹

In the aftermath of 9/11, international terrorism has come to prominence as one of the main global issues, and the control of this phenomenon held a central importance in the foreign aid policies of all donor countries. The *ODA Taikō* placed the fight against terrorism as one of the main problems related to stability and development of the international community. Along the same lines, the Charter enshrines Japan's commitment in favor of poverty reduction as a «key development goal shared by the international community, [which is] also essential for eliminating terrorism and other causes of instability in the world». This is, moreover, consistent with the Millennium Development Goals, approved by the UN General Assembly in 2000 through the Millennium Declaration. Between the geographic destination of Japanese aid, Asia remained the priority region because it has «a greater impact on the stability and prosperity of Japan». In 2002 about 74% of bilateral ODA was disbursed to the neighboring countries, as the top ten recipients of Japanese ODA in 2001-2002 were China, India, Thailand, Indonesia, Philippines, Vietnam, Bangladesh, Pakistan, Sri Lanka and Brazil.

The priorities on which Japanese ODA recipients are selected appear, on the other hand, constantly changing. The Afghanistan and Iraq, for instance, in recent years became top priorities. It should also be highlighted that the phenomenon of *enjo tsukare* mainly affected Japan's aid flows directed to China (which has long been among its major recipients), something that resulted in a growing opposition on the part of Japanese public opinion. While Japan experienced a long period of economic depression, it continued to provide assistance to China which has, in the meanwhile,

⁴⁹ MAZZEI - VOLPI, *Asia al Centro*, cit. p. 291.

⁵⁰ See Y. HARUKI, *Beikoku Ka, Chūgoku Ka: Korekara no Sekai Chōryū to Nihon no Sentaku*, Tokyo, PHP Kenkyūjo, 2007.

⁵¹ See P. MIDFORD, *Japan's Leadership Role in East Asian Security Multilateralism: The Nakayama Proposal and the Logic of Reassurance*, in «The Pacific Review», I, 3, 2000, pp. 367-397.

increased its defense expenditures. The Japanese have therefore asked a reconsideration of ODA commitments to China, partly because of the phenomenal growth of its economy, but also due to the clutches of Japan's maritime interests, and to the fact that China had itself become a donor country.

After attending the International Conference of Asian Political Parties in Southwest China's Kunming City on 17 July 2010, Japan hinted quite clearly that it is now taking into consideration a gradual disengagement in ODA politics. Such an announcement acquires a specific value given the particular international situation marked by the American economic decline and the concurrent increasing China's presence in Africa as aid donor country. In those terms, it might be argued that we are living in a moment in history when the well-known "Washington consensus" seems to be replacing the so-called "Beijing Consensus". Moreover, having overtaken Japan as the world's second largest economy, it would seem paradoxical that Japan will continue to provide aid to China, whose rising military power, among other, cannot remain indifferent to Tokyo.

