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**THE IMPORTANCE
OF JAPAN/
SOUTH AFRICA
RELATIONS**

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H.E. MASOTOSHI OHTA, the Japanese Ambassador to South Africa, studied at the University of Tokyo, where he graduated with a Master's degree. He also studied at Brown University in the United States and the London School of Economics. He then entered the Japanese Ministry of Foreign Affairs in 1956, and in a distinguished career he has served in the Japanese Mission to the United Nations in Geneva, and in his country's Embassies in Kenya, Switzerland and Burma, as well as in the Foreign Ministry and Prime Minister's Office in Tokyo. In 1990 he was appointed Consul-General in South Africa, with the personal rank of Ambassador, and earlier this year (1992), when full diplomatic relations were established and the Consulate-General raised to an Embassy, he became Ambassador Extraordinary and Plenipotentiary to the Republic of South Africa.

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It should be noted that any opinions expressed in this address are the responsibility of the author and not of the Institute.

THE IMPORTANCE OF JAPAN/SOUTH AFRICA RELATIONS

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It is a great pleasure for me, as the Ambassador of Japan, to have been invited to address this meeting of the South African Institute of International Affairs. As South Africa proceeds - along a difficult, but challenging course - into a transitional stage, towards a negotiated political settlement, the issue of a balanced and better relationship between South Africa and Japan has become of prime importance.

Relations between our two countries have already been considerably strengthened:

- * In 1990 and 1991 Mr. Nelson Mandela, President of the African National Congress, visited Japan;
- * In mid-May 1992 the economic mission of the Japan Federation of Economic Organizations, or Keidanren, came to South Africa, with a view to investigating the environment for investment in this country.
- * From 3 to 6 June 1992 State President and Mrs. de Klerk visited Japan and I had the honour of accompanying President de Klerk during this period.

Before entering into the main theme of my address, namely, the importance of relations between Japan and South Africa, allow me to give you my personal impressions of and observations on South Africa. My present posting to this country is the third time that I am serving on the African Continent; firstly in Kenya in the late 1960s and later in Zambia in the mid-1980s. Since those days, I have carefully and keenly watched the South African political situation and am presently excited that the process towards democratization has finally commenced. We regard it as a victory for all South Africans who have fought so tenaciously for this. It is thus my experience and firm belief in the irreversibility of the process of political reform.

Geographically, Africa is far away from Japan and historically, its ties with Japan have been weak by comparison with those of European countries. These are the main reasons why the Japanese people have had relatively little general interest in and concern for Africa as a whole. South Africa was simply known as a country of apartheid. However, this situation has now changed. On 2 February 1990 President de Klerk made his memorable speech which changed the course of South African history. I particularly refer to his announcements regarding the unbanning of the African National Congress and other political parties, as well as the granting of amnesty to political prisoners in certain categories. Since the day that speech was made, the release of Mr. Mandela nine days later, and a series of further positive and innovative measures taken by the South African Government, general news regarding South Africa - as

well as the policy of the Japanese Government towards this country - has appeared in the Japanese media on a regular basis; sometimes, even as main news items. This new phenomenon has drawn much positive attention to South Africa. To date, the highlight of the Japanese media coverage of South Africa, was without doubt, the State President's recent visit to Japan.

With regard to today's topic, it may be interesting for you to learn that one of the first contacts between our two countries was Jan van Riebeeck, whose name is very familiar to all of you. What is not common knowledge, is that he stayed in Nagasaki in the western part of Japan, where he was posted as a merchant of the Dutch East India Company from 1647, for a period of one year. He later set sail and his ships anchored in Table Bay in April 1652.

I would now like to return to that part of my address, which I am sure you are most eager to hear about, namely, the State President's visit to Japan. I realise that, due to the extensive coverage of the South African media, you are all aware of the outlines and results of his visit. I may, however, be able to give you a different and more detailed perspective, as I was in the privileged position of accompanying President de Klerk during his stay in Japan and, therefore, am able to give you a first-hand account of events.

As a matter of fact, President de Klerk's visit only became a reality on his fourth attempt to visit Japan. On three previous occasions, his requests to obtain a visa for Japan were rejected because of restrictive measures against South Africa. President de Klerk jokingly referred to this fact when he expressed his joy after permission for his historical visit was granted.

As you know, the policy of the Japanese Government towards South Africa has, in keeping with the advancement of the political reform process in this country, changed completely during the past year. On 27 June 1991 South Africa's three remaining apartheid laws, namely, the Group Areas Act, the Land Act and the Population Registration Act, were abolished. Japan immediately resumed so-called "people-to-people" contact - in the form of educational, tourist, sporting and cultural relations - with South Africa and, in October of the same year, almost all economic restrictions against South Africa were abolished.

In January this year full diplomatic relations between Japan and South Africa were re-established and the Consulate-General in Pretoria was upgraded to an Embassy. For your information, reference is made to the "re-establishment" of diplomatic relations, since such ties were held between the two countries until 1941.

The visit of President de Klerk, as the first ever South African Head of State to visit Japan, symbolises the new relationship between Japan and South Africa and opens a new page in our bilateral relations. The State President was invited by the Government of Japan, not because the political situation in South Africa had been normalised, but because my Government wanted to encourage President de Klerk to further the political reform process, bearing in mind its irreversibility and his achievements thus far.

During the State President's stay in Japan, the Emperor and Empress received him and Mrs. de Klerk in audience. He also held talks with Prime Minister Miyazawa, the Ministers of International Trade and Industry and of Transport, leaders of political parties both in government and in opposition, representatives of leading corporations, and others. Certain newspapers reported the visit as having been a political triumph, but with little to show economically. I disagree with this opinion, my reasons being the following:

* First, the visit was not only historic, but also symbolic ... in the sense that a new chapter in Japanese/South African relations was opened by this successful and meaningful visit.

Prime Minister Miyazawa described President de Klerk in their historical meeting as "bold and courageous" in his moves towards constitutional reform. He added that the doors between Japan and South Africa had been widely opened and that all obstacles in bilateral relations between the two countries had been removed. This kind of political message and signal has an immense psychological impact on the private sector in Japanese society.

What is most important, I believe, is the fact that President de Klerk made a great contribution in improving the image of South Africa amongst the Japanese people, particularly the top leaders in both political and economic circles. The State President's sense of humour, his statesmanship and sincerity left a very positive and lasting impression of South Africa amongst the people of Japan. You can all be proud and confident that he is Head of State at this very crucial moment in South Africa's history. I have no doubt that the cordial relations which he has cemented - even if they appear to be intangible - will be of immense value in the foreseeable future.

* Secondly, it is extremely significant that both governments agreed, in principle, that economic ties between the two countries should be further expanded and strengthened, not only because South Africa needs economic growth for its political and social stability, but also because South Africa could play a more constructive role in southern African economic structures. I admit that there was no concrete agreement - in any form - regarding this, but the important issue is that a fundamental understanding, with a view to expanding

economic relations, was reached between the two sides.

As far as air links between our two countries are concerned, the Minister of Transport of Japan promised that preliminary consultations to conclude an aviation treaty would commence at any moment. In the meantime, an interim arrangement between the Japanese and South African airlines is being negotiated. This is owing to the fact that the capacity of Narita International Airport is presently overloaded and the construction of the new Kansai International Airport will only be completed in 1994.

With regard to the expansion of investment from Japan and the treaty to avoid double taxation, Prime Minister Miyazawa promised to investigate and study the matter in a positive manner. The President of the Export/Import Bank of Japan also pointed out that, upon receiving the report of the fact-finding mission of the Bank which visited South Africa end-May/beginning-June this year, he would study ways in which Japan could co-operate and contribute to the development of the South African economy. For your reference, the Bank has functions such as untied financing, the financing for plant export by Japanese corporations and the financing of the importation of natural resources from South Africa.

You, however, may say that all the aforementioned were merely promises and that no concrete agreements were reached. I would like to emphasize that promises made by top leaders in decision-making in Japan, will, without doubt, bear fruit in some form or another. My humble advice to all of you dealing with Japanese businessmen is that the decision-making process in Japan takes time, but once a decision has been made, it will certainly be acted on. You should, therefore, have confidence in it. Pressure and impatience in the Japanese business world are always counter-productive.

Despite the fact that no concrete agreements were reached, the profound appreciation expressed by President de Klerk of promises made by the Japanese, was exceptionally well received by all concerned. I repeat that this is a very important factor when dealing with Japanese counterparts.

What impressed the Japanese most about President de Klerk, was the fact that he said the purpose of his visit was not to score political points for himself, but to appeal - as a representative of all South Africans, regardless of race - for the necessity of economic growth in South Africa. He particularly stressed the need for vast foreign investment, export markets, advanced technology and entrepreneurship, in order to solve problems such as unemployment, poverty and illiteracy in South Africa. He also expressed his aspiration that South Africa should become the little Japan of Africa.

Japanese people know that South Africa is abundant in natural resources, that it possesses a solid economic infrastructure, that it is located as a gateway to the southern African region as a whole and that its Gross Domestic Product is as large as the total Gross Domestic Product of 41 sub-Saharan countries.

South Africa not only has the great potential of becoming the driving force for economic development of the southern African region, but it is also expected to play such a role. Recognizing the significance of the economic advancement of South Africa and the function the country is expected to fulfil, the Japanese government and private sector are prepared to offer a helping hand to South Africa. Needless to say, for this purpose South Africa has to get its own house in order by stabilizing its society, both politically and socially. Domestic stability in South Africa must come first through the complete abolition of apartheid and with the birth of a new State based on reconciliation between all races. Unless this becomes a reality, foreign investors - who of necessity must be cautious - will show little interest in South Africa. In this regard, it is encouraging to know that President de Klerk has promised that private property rights in South Africa would be guaranteed under a new constitution.

At the same time, what is required for the economic development of South Africa is not merely economic assistance, but also that the image which South Africa projects to the outside world be one that is eminently desirable for investment, commercial financing, as well as trade and other advantageous activities. I would like to suggest that you and the relevant authorities consider compiling a guide booklet along the lines of "Investment in South Africa", preferably in Japanese, which should include all information in which prospective investors may be interested. The establishment of some form of body such as the "Market Council for Japan", which collects information concerning the Japanese economy and shares such information with its members, could also be considered.

The investment from your side in founding such an organization and publishing a guide booklet of this nature would be very small by comparison with the results it could yield. You may be aware that this type of information guide is quite common in the European Community countries and in all the states of the United States of America.

Worldwide competition to attract Japanese investment is extremely intense; occasionally even cities in a small country compete with one another for investment. South Africa must face this and be prepared for the stern realities. However, I can say with confidence that South Africa has great potential to attract foreign investment, provided that the momentum towards political reform is maintained ... and even accelerated. It is in the hands of the

Government of South Africa and you to make the very best of South Africa's potential.

The progress made by CODESA I was remarkable and, therefore, most encouraging. Unfortunately CODESA II resulted in a deadlock, which caused intense frustration to all parties concerned, but there was still no need for alarm. However, the recent series of ongoing violence in South Africa, including the Boipatong incident and subsequent suspension of CODESA negotiations, has caused grave concern not only to the Government of South Africa, but also to the Government of Japan.

Until the end of June 1992, the interaction between the South African Government and the African National Congress was interpreted as that of two parties paying due consideration to each other in order to avoid damage to the crucial negotiating process, both in rhetoric and in the actual content of the negotiations. Difficulties, therefore, appeared to be temporary setbacks. However, from the beginning of July it has become evident that the will for peaceful reconciliation has been weakened and this may result in a true crisis owing to the vulnerability of the South African society.

It is sincerely and fervently hoped that negotiations for a peaceful settlement in South Africa will be resumed at the earliest possible time, and that solutions be found without further delay in a spirit of co-operation, compromise and consideration.

I would now like to digress and tell you a little about the Japanese work ethic, which is the main reason for the success of the Japanese economy.

Japan is often cited as an example of super success in terms of its economy. The extent of success is portrayed in such a way as to create the impression that Japan was able to reconstruct itself, after its defeat in World War II, from a heap of rubble to a country of skyscrapers. But it is incorrect to say that everything was destroyed in World War II and that Japan had to start again from nothing. For Japan retained its most important infrastructure, which was later effectively utilized to achieve growth, namely its human resources.

Through education, the literacy rate in Japan today is over 99%, with 90% of schoolchildren completing their high school education. By comparison, the matric pass rate for eighteen-year olds in South Africa is 61% for whites and 5% to 10% for blacks. The work ethic, combined with and fostered by this uniformly high standard of education, is therefore the most important factor for success in Japan.

In Japan each individual has an almost equal opportunity to succeed. All one has to do is to win the so-called "examination war" ... to be accepted at a good university, in order to qualify for a good career. The importance of a sound education forms the basis of this cycle; for in order to enter a good university, one has to have the background of a good high school, and in order to enter a good high school, one has to have the background of a good elementary school. In other words, academic capability is the essential key to success. From pre-primary school age, children are made aware of the fact that they must be *hard-working in order to achieve in an extremely competitive educational environment.*

The whole range of middle class workers in Japan are diligent. In a recent survey in Japan, over 90% of respondents said that they considered themselves to belong to the "middle class". These middle class workers are the very people who support the economy.

The old Japanese work ethic originated from Confucianism, which has its roots in China. It is characterised by the preaching of diligence and respect for authority. Other countries affected by the ethic and promoting free enterprise include Korea, Taiwan and Singapore. These countries have all achieved remarkable economic success. This ethic facilitates the idea of group work and also preaches that one should humbly admit one's weaknesses in order to improve. These morals and values are essential to the group orientated formula of Japanese management, namely life-time employment, seniority based wages, community consciousness within the company based on vertical relationships, and decision-making by consensus.

Class conflict, characterised by distinct upper and lower strata, is seldom evident in the relationship between employers and employees in Japan. Employers and employees, managers and workers, co-operate in a system which emphasizes human relations and minimises conflict.

With regard to the aforesaid observations about the Japanese work ethic and employment relations, let us now examine which elements could be relevant to South Africa.

I would like to mention that, after World War II, the Japanese managed to overcome their bitterness of the past and to transform negative feelings into tremendous positive energy, enabling themselves to learn not only as much as, but even more than, their former enemies.

It is quite understandable that, during this transitional period in South Africa, bitterness from the past is still very tangible. However, if it continues to prevail in the New South Africa, the danger of undermining the incentives

to work will remain. If people become accustomed to the mentality that everything evil is a result of the Old White Apartheid Regime - even if this may be true - then they cannot humble themselves to a position of self-criticism. It is only when people confront their weaknesses, that they can open themselves to absorb maximum knowledge and skills from those who have the expertise, be they the white South African community or the international community as a whole.

When one considers the tremendous imbalance in terms of the allocation of resources, as caused by the apartheid system, the New South Africa will inevitably have to address the issue of redistribution of opportunities for all people through an affirmative action programme. Therein lies the danger that past bitterness will dominate the issue, and that the expectation of the people for instant and drastic redistribution of wealth will not only destroy the productivity of industries, but also the incentives of the labour force to become productive. In order to prevent this from happening whilst an effective affirmative action programme is being formulated, it is advisable to embark on an awareness campaign to abandon bitterness, and to transform it into energy to acquire knowledge through learning.

The Government of Japan is well-aware of the importance of assistance programmes for disadvantaged South Africans. As the South African situation changes and moves towards the establishment of a new post-apartheid system, the emphasis of these programmes will shift to the promotion of the peaceful process of negotiations, as well as to assistance in the development of responsible human resources for a new political and economic system.

Japan's total assistance to the South African black community in the 1991 fiscal year amounted to approximately 6 million US dollars, which is 3,7 times more than during the 1990 fiscal year. The Japanese private sector's assistance programme, which is administered by SATA, the Southern African Trade Association, amounts to more than 3,2 million US dollars towards black economic empowerment.

The Japan Federation of Economic Organizations, or Keidanren, has also shown great interest in contributing to the establishment of a job-training centre for returning exiles, in Vereeniging. This project has been initiated by the National Co-ordinating Committee for the Repatriation of South African Exiles, or NCCR. In 1990 the Government of Japan also started new assistance schemes, such as the Small Scale Grant Assistance Programme, as well as job training programmes in Japan in co-ordination with JICA, the Japan International Co-operation Agency.

Japan has no history of colonization of the African continent and oppression of African people, and is historically and socially quite different from European and American countries, which are now carrying out assistance programmes with enormous budgets. By comparison with these countries, Japan's contribution may appear to be rather small, but the Government of Japan is deeply committed to assist South Africa and its people.

Before I conclude, may I say, and indeed emphasize, that in order to achieve democracy in South Africa, one essential ingredient is required ... the human factor. That is to say, sympathetic understanding and thoughtfulness for other people. I believe this to be the very important keystone and basis of co-operation between the people of South Africa. Such a spirit would undoubtedly contribute towards a peaceful solution of the problems facing South Africa at this crucial time.

Japan is willing to share her knowledge and expertise with South Africa, so that it may reach its full potential in becoming the driving force for economic development of the entire southern African region. The Government of Japan will spare no effort in assisting South Africa to realize a non-racial, democratic government and in establishing friendly and mutually beneficial relations between the two countries.

I thank you for your time.