

Japan Business Leader Calls For Free Trade, International Development

The article printed here from the Dec. 14 Mainichi Daily News is a report on a speech by Toshio Doko, president of Japan's leading business organization, Keidanren. Doko made the speech at a symposium on U.S.-Japan economic relations, where U.S. Ambassador Mike Mansfield also spoke. Mansfield had warned that unless

JAPAN

Japan surrendered to the demands of U.S. Trade Negotiator Robert Strauss, Congress would pass a flood of protectionist legislation. This was Doko's answer:

Toshiwo Doko, president of the Federation of Economic Organizations (Keidanren), emphasized Tuesday that the international economy should be as open as possible.

Otherwise, a single faux-pas might cause Japan and the United States to lapse into the "nightmare of the 1930s, when we suffered seriously from the vicious circle of protectionism and depression," he said...

Doko said, "Controls on trade do not stop on the shoreline; they invite further controls within nations." Already, he continued, "the world economy has entered an age where we must be constantly aware of the limitation of resources that could only be solved by technological breakthrough and by free international trade which ensures the most efficient allocation of resour-

ces." This is why free trade has become even more important, he said.

"The deficit nations should make efforts to increase their exports of goods and services to the oil-producing nations so as to reduce the current account deficits of the entire oil-consuming world in relation to the producing world," he appealed.

He also urged such strong economies as Japan and West Germany to "render assistance to the weaker economies for a period of time, as well as boosting their domestic demand."

As to the sluggish imports into Japan, he said, the domestic stagnancy is mainly responsible but added that it is also partly "due to lack of efforts on the part of exporters."

"There is room for more efforts by the U.S. government and U.S. enterprises to support the learning of Japanese which, after all, is the language in which we conduct business in Japan, as well as surveys of the local distribution systems, market survey tours to Japan by small and medium enterprises, or improvements in the use of the sole-agent system and so on," he stressed.

Doko called for revamping the domestic industrial structure in Japan and said he would not be surprised when Japanese products, such as color television sets and steel, would be ousted some day by low-priced goods from South Korea and Taiwan on the U.S. market.

If Japan and the United States "lapse into protectionism, the upward path for the developing world will be closed," he said. Therefore, he continued, Japan should reorganize its own industrial structure and make way for such countries.