

NATIONAL INTEREST AND JAPAN'S FOREIGN AID POLICY

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INTRODUCTION

Official foreign aid relates closely to pursuit of national interests. That is why it is arranged by and through national governments across the world and is the subject of national policy. In giving foreign aid, national governments are spending from the public purse; they need to justify their actions in 'giving' public monies abroad when competing needs at home already have heavy pull on the national budget. The terms 'aid' and 'assistance' suggest that care for the wellbeing of others is the motivating force. Aid/assistance is to help, support, provide relief to others who are in need, and it bespeaks the generosity of the donor. But a considered look at the geopolitical context of where and when national governments spend foreign aid monies, upon whom and for what, reveals a defining characteristic. Altruism is not the exclusive motivation of national governments' foreign aid programs. They are always intended to serve national interests, alongside or even irrespective of the needs and interests met at the receiving end.

In this article we consider Japan's foreign aid policy. We turn to examples of the who, what, when, where and why of this 'giving' abroad in the context of international and domestic politics to understand how Japan's foreign aid is put to work in pursuit of Japan's national interests, to also 'give' to the Japanese nation. As this discussion illustrates, over time foreign aid has been used to serve more complex national interests for Japan as domestic and foreign policy needs require. Limits upon how Japan can engage as an international actor while upholding its 'pacifist constitution' designed to restrict Japan's involvement in international military actions, have helped propel foreign aid as a versatile policy tool to deliver symbolic and practical outcomes at both donor and recipient ends of the aid process.

We first clarify the ambiguous concepts of 'national interest' and 'foreign aid' and then briefly overview Japan's foreign aid program as a useful backdrop. We then consider what the types, timing and recipient destinations of this program indicate about Japan's foreign aid policy motivations. Overall, we see how foreign aid has been deployed as an ever more valuable policy tool for Japan, in pursuit of economic, diplomatic and strategic objectives for Japan's comprehensive national security.

UNDERSTANDINGS OF NATIONAL INTEREST AND FOREIGN AID

Political leaders in donor countries speak loosely of ‘serving our national interests’ to justify spending from the public purse on overseas aid programs. Using foreign aid in pursuit of national interests has been acknowledged widely in the foreign aid discourse (e.g., USAID 2002, Hook 1995, Donald 1983), to the point where Hook’s cross-country study of foreign aid describes the linkage as ‘virtually axiomatic’ (Hook 1995: xi). Yet the notion of national interest is still conceptually rubbery. In the international relations literature the concept is explored rigorously using paradigm-consistent theoretical frameworks. State-centric realist studies validate foreign aid as a move by the state essentially to protect national territory, while liberal traditions see the public or national interest served by government programs such as foreign aid to be ‘some summation of private interests’ (Krasner 1978: 28).

In this article we accept Krasner’s understanding of the national interest associated with national foreign aid policies as the objectives sought by the state (Krasner 1978: 5-6). We therefore take national interest to refer to the policy objectives set by Japanese aid policy decision makers. In the Japanese case, high-ranking national bureaucrats have been the main state actors who plan and process objectives in aid policymaking. In more recent years, however, political leaders have begun to play a much greater role in determining and shaping ODA policy directions. As true of all national policies, policymakers’ perceptions of shift in domestic and external circumstances may urge them to shift what they recognise as national interests and policy objectives and priorities to best serve these interests. Thus we observe shifts over time in destination, type and scale of Japan’s aid programs and in the national interests these programs are deployed to serve.

For many years Japan’s aid discourse has tended to skirt around the ‘axiomatic relationship’ between Japan’s foreign aid and pursuit of national interests. Japanese political leaders – like leaders of many donor nations – have preferred to downplay that the nation’s foreign aid programs are motivated primarily by pursuit of national interests while also serving the interests and needs of recipient nations. But in recent years while the Japanese economy remains under stress, some Japanese leaders have publicly acknowledged the primarily self-serving purpose of Japan’s foreign aid giving.

For example, in 2002 an LDP (Liberal Democratic Party) report indicated the ruling party’s position that in the revised 2003 ODA charter, ODA ‘should be redefined based on the national interest’(Sunaga 2004:5). But the final document reflected aversion to this term mainly from NGOs, and instead cast Japan’s ODA as to ensure ‘Japan’s own security and prosperity’ while also ‘contributing to the peace and

development of the international community' (GOJ 2003: 2), i.e., altruism alongside national interests. A more recent example is a 2010 report in English by the Ministry of Foreign Affairs (MOFA) titled 'Enhancing Enlightened National Interest' Even though the meaning of 'enhancing', 'enlightened' and 'national interest' remains unclear in the document (MOFA 2010), what is clear is the government's recognition that with national budget cutbacks domestically, it now needs to validate this expenditure to Japanese constituents whose taxes fund these expensive programs abroad. Six years earlier, Sunaga (2004: 4) identified how public knowledge of misappropriation of funds and other scandals associated with ODA weakened the necessary public support inside Japan for the nation's ODA programs.

The growing Japanese scholarship on this important aspect of Japan's international activities suggests a similar tendency to avoid rigorous analysis of Japan's ODA in relation to the national interest. Exceptions include the work of Hirano (2012) arguing the case for explicit linkage, and Matsumoto (2014) positioning the objectives of Japanese aid between national self-interest and altruism. This survey article contributes to the scholarship by arguing that Japan's foreign aid is driven primarily by Japan's own broad national interest, through what is explicitly national policy planned and directed by representatives of the state. As Rix (1980) observed in a seminal study that drew Japanese aid into fuller scholarly appreciation, a decentralized approach to aid policy meant that none of the multiple ministries involved fully represented 'the national interest'; a 'government' view of national objectives was lacking (1980: 35). Yet as Tsunekawa (2014: 5) argues, even with policy decentralization and lack of coordination, the full bulk of ministry contributions to aid policy moved in the same direction in serving national interests. Over 20 years of efforts to streamline aid policy administration and implementation, particularly impelled by prolonged national economic downturn since the early 1990s, now show some success in consolidating the overall thrust of policy and its pursuit of national interests. The 2014 official report 'OECD Peers Review: Japan' suggests a whole-of-government approach on a number of aid programs (OECD 2014), which is an important outcome given the mounting strategic policy imperatives.

JAPAN'S FOREIGN AID PROGRAM: A BRIEF OVERVIEW

Japan's aid program has operated for 60 years, its origins tracing to the San Francisco Treaty of 1951 that obliged Japan to pay war reparations. Japan began its modest foreign aid program through the Colombo Plan in 1954, while still a recipient of World Bank aid. Growth of the national economy paralleled growth of the aid budget, with

expansion of programs, objectives and geographical reach. Japan connected itself with the western camp of industrialized donor nations by joining the Development Assistance Committee (DAC) in 1961 and the Organization of Economic Cooperation and Development (OECD) in 1964. Yet it maintained a distinctive aid profile by focusing on loan programs rather than grants. In the 1990s Japan emerged as the world's largest aid donor and stayed in this position for about a decade. It has since slipped alongside national economic downturn – to number four/five on the DAC donor table in 2013 (OECD 2014:16) – but is likely to remain a significant donor for many years to come, with a commitment of USD11.8 billion in 2013 .

Aid remains a key diplomatic tool in Tokyo's foreign policy kit. Aid policy objectives can be divided into several areas that serve Japan's national interest. These focused initially on commercial and other economic interests, but along the way strategic objectives have been firmly embedded into the aid program. Tokyo has also used its aid as a diplomatic tool to earn not just goodwill but also kudos (though at times has drawn opprobrium) regionally and globally – as a player of great significance and as an 'aid great power'. It weaved a narrative of national security in the broader sense into the aid programs, which in more recent years have included pursuit of 'human security'. Support for defense-related activities was a taboo in Japan's aid discourse hitherto. Now, however, space has been made within aid policy, and security and defense-related aid projects may well be given firmer roots through the revised ODA charter due for release towards the end of 2014. Here we consider the main types of national interest that Japanese aid policies have served, are serving and are likely to serve into the future: economic and commercial; diplomatic and strategic; security and defense; and other interests.

ECONOMIC AND COMMERCIAL INTERESTS

Japan began its aid program directed primarily to Japanese commercial objectives, focussing on Asian recipient nations. Programs were initially tied to supply of goods and services from Japan, over time particularly through tied yen-loan programs. Rix rightly observed that aid was not only integral to Japan's available repertoire of foreign economic policies, it was also 'the only diplomatic weapon Japan could use in her relations with the developing countries' (1980: 11). Japanese terminology signals this economic focus. Rather than '*enjo*' (aid), official documents used the term *keizai kyoryoku* (economic cooperation) referring to reparations, technical cooperation and government assistance to private business abroad (Rix 1980: 24).

The understanding was rooted in reciprocity. Programs would not only supply much needed raw materials such as mining and energy resources to develop Japanese industries, but also as Asian nations developed economically they would provide markets for Japanese products and destinations for private Japanese investment in these markets. The first yen loans to India in 1958 were provided with the clear aim of developing iron ore in Goa for Japan's fledgling steel industry. As Lancaster observed, commerce played a major role in determining country allocation and use, and 'the Japanese business community – especially construction, engineering, and consulting firms – implemented much of Japanese aid (Lancaster 2007: 110-11). Emphasis on 'request-based' policy encouraged Japanese companies to prepare projects attractive to the aid ministries in Tokyo on behalf of the recipient countries and once approved these companies carried out the project that delivered them direct commercial opportunities. Japan's success in meeting economic policy objectives of foreign aid is demonstrated in the literature (for example, Arase 1995 and Arase ed. 2005).

Japanese policymakers neither denied nor acknowledged the commercial motivations of their bilateral aid. Their flagship policy of 'self-help' has been based on the premise that economic growth in recipient nations through large infrastructure projects would have a trickle-down effect to help with poverty reduction in the recipient nation. But as the aid budget grew, alongside overseas concern that Japan's tied projects returned much of their commercial benefit to Japan, Tokyo adjusted its aid policy. A primary way was by slowly untying Japan-funded large ODA projects from exclusively Japanese suppliers to allow local and international companies (mainly US and European but often in collaboration with Japanese contractors) to be part of the bidding process.

By the early 1970s Japan had become an economic success story, evident when Japan became the world's second largest economy in 1968. Japan's global economic strength through the 1980s brought changes in domestic and international circumstances that shifted Japan's foreign policy needs. With the majority of Japan's ODA projects untied by the late 1980s, some of the large Japanese companies lost interest in ODA-related projects. And international status took on a different hue for Japan, now as regional economic giant. In the wake of criticisms from outside and inside Japan that its foreign aid policy flagrantly pursued its own commercial interests, Tokyo began to consider how aid programs could satisfy other national interests as discussed below. The commercial objective of Japan's bilateral aid programs lost some significance in the earlier years of the 1990s but was never abandoned, and national economic interests through yen loan programs are still the mainstay of Japan's ODA. Indeed, these programs have regained significance in the new century while the Japanese economy

struggles for regrowth and China's economic momentum positions this powerful neighbour of Japan in an ever more strategically influential position regionally and globally.

In more recent years, Japan's continuing recession has inspired calls inside Japan to relink ODA projects with Japanese business interests. The Japanese business community tried to pressure the government to tie its one-off \$5 billion in government credit for the Asian financial crisis to purchases in Japan (Lancaster 2007: 120). The government tried from the late nineties to promote Japan's cutting-edge technologies through a new scheme of tying called 'Special Terms for Economic Partnership' (STEP), which improved Japanese firms' procurement inside the government's ODA projects from 29 per cent in 1999 to 38 per cent in 2001. Japanese business people have argued that the government should better integrate ODA into Japan's economic and trade policy in line with growing economic integration in East Asia, and should use ODA more actively 'to ensure the interests and prosperity of Japan, based on clear-cut strategies and priorities' (Sunaga 2004: 7). Matsumoto has examined the linkage between ODA and Japan's commercial interests through a recent project in Myanmar, exposing a pattern again widespread in Japan's ODA projects (Matsumoto 2014). Commercial interest is being returned to its original salience in aid policy objectives, in response to Japan's long-term economic downturn while Japanese companies are seeking profitable business opportunities overseas. ODA projects have always offered that attraction to Japanese businesses.

Large ODA commitments in recent years to countries like Vietnam, Indonesia and India present significant business opportunities for Japanese companies through large projects. The top three recipients of Japan's gross aid in 2012–2013, these nations accounted for close to one third of the total ODA budget (OECD 2014). As in the early years of Japan's aid program, large aid projects offer Japanese companies an entry to these emerging markets where prospects for economic growth are immense. But these nations have more than just economic appeal to Japan; they are also significant strategically.

DIPLOMATIC AND STRATEGIC INTERESTS

Above we noted that in response to criticisms from the late 1970s that Japan was using foreign aid to serve explicitly economic self-interests, Tokyo began to consider how aid programs could satisfy other national interests. These were diplomatic and strategic, and recognition of the utility of foreign aid to serve these interests was surely opportune. In terms of diplomacy, aid has also been clearly used as an instrument to build friendship,

cultivate goodwill, and signal support (or otherwise) for nations regionally and internationally, consistent with Japan's diplomatic needs. Yasutomo argued in the 1980s that Japan used aid to enhance its national prestige, seeking to maximize 'public relations effect' through prime ministers announcing large aid packages at regional and global summits (Yasutomo 1989-90: 501). The practice continues. For example, Prime Minister Abe announced during his visit to Myanmar in May 2013 that Japan would not only waive a 190 billion yen debt but also give Myanmar a new 91 billion yen aid package. Tokyo has come to recognize Myanmar's strategic significance for Japan, not just in Myanmar's noteworthy progress with democratisation and its status as an important supplier of natural resources to Japan, but also for its potential to help balance China's powerful presence in the region.

Japan's use of aid in this way as a tool of international diplomacy has often drawn the label 'gift diplomacy' (*omiyage gaiko*). In attempts to repair Japan's damaged image abroad, for example, Japanese prime ministers have announced huge aid packages to their counterparts while on official visits. Prime Minister Takeo Fukuda, for instance, announced a massive ODA package of more than one billion dollars for Southeast Asian nations as part of the 'Fukuda Doctrine' during his regional tour in 1977, after massive anti-Japanese protests and riots in some Southeast Asian capitals when Prime Minister Kakuei Tanaka visited in 1974. The Fukuda doctrine with its huge aid package was deployed in Southeast Asian nations to cultivate goodwill towards Japan, to try to convince Southeast Asian nations that Japan was their true friend and partner in development and economic growth (Lam 2013). Katada sees as part of Japan's customary *omiyage gaiko* the special dispensations it gave to China while a recipient of Japan's aid, for example working on a five-year commitment basis for aid projects rather than the usual annual commitment (Katada 2010: 56).

Foreign aid is offered by the Japanese government as a way to meet various diplomatic needs. Currently, for example, Japan is seeking a non-permanent seat on the United Nations Security Council (UNSC) for 2016–17. Japan was set to run against Bangladesh in an election at the United Nations due in October 2015 to elect one member from the Asia-Pacific group for a two-year term. Japan was embarrassed to be defeated by Bangladesh for a seat on the UNSC in 1978 and certainly wanted to prevent a repeat of that outcome. To this end, Foreign Minister Fumio Kishida visited Bangladesh in March 2014, and Bangladesh Prime Minister Sheikh Hasina toured Tokyo in May to meet with the prime minister and senior leaders in search of new ODA commitments and other economic assistance. Japan agreed to provide some 600 billion yen in economic aid for infrastructure development over 4-5 years (Miyasaka 2014). As

expected (Rashid 2014), during Prime Minister Abe's visit to Bangladesh in early September 2014, Bangladesh Prime Minister Sheikh Hasina announced Dhaka's withdrawal from the race in favour of Tokyo's bid for a non-permanent seat on the UNSC. This allows Japan to take the seat uncontested.

Some diplomatic uses of Japanese aid have a clearly strategic edge in procuring Japan's national security. This became evident especially from around the end of the 1970s when Tokyo used aid to secure resources essential for Japan's economic wellbeing. The understanding that securing essential resources is part of Japan's national security is articulated in the concept of 'comprehensive security' (*sogo anzen*). Greater assistance to the resource-rich Middle East and the nations of Central and South America when Japan was desperate for continued energy resources exemplifies well.

But beyond resource security, Japan's ODA has also been aligned to the strategic needs of Cold War dynamics. In the name of 'burden sharing', Japan has directed aid for security/military purposes to frontline states such as Pakistan, Thailand and Turkey, as identified by its principal security partner, the United States. When Japan came under intense criticism from its key ally as a 'free rider' and 'unfair trader', with severe diplomatic and economic consequences, the Japanese government turned its aid to purposes that would serve US strategic interests. This also served Japan's national interest by enabling Japan to adroitly manage its most important strategic partnership through ODA.

These imperatives changed considerably, however, with the end of the Cold War. Here was space for Japan to articulate fresh thinking on its aid objectives, which it did through its 1992 ODA Charter. Nevertheless, what Japan has identified as its strategic interest in serving its US ally through ODA policy has not waned in the post-Cold War period. Japan's huge aid to Afghanistan (fourth largest recipient in 2011) and Iraq (tenth largest), is a case in point.¹ Rankings of these two nations in Japan's aid table have fluctuated year by year, but both have received sizeable amounts of ODA in recent years even though they have not been traditional recipients of Japan foreign aid. Their strategic significance in the context of the US 'war on terror' campaign makes them worthy recipients of Japanese aid. Japan supports US strategy in this way, often under US pressure, because it is unable to provide military support as other US allies do, given its anti-military constitution. But in the present geostrategic climate aid is deployed not just for diplomatic and strategic purposes. Japan now also uses its foreign aid in the pursuit of security and defence interests.

¹<http://www.oecd.org/dac/stats/documentupload/JPN.JPG>

SECURITY AND DEFENSE INTERESTS

Article 9 of its constitution prohibits Japan from maintaining a military. It is therefore reasonable to expect that in the spirit of the constitution, Japan's ODA will have little to do with traditional security and defense associated with military activity. Yasutomo argued in the late 1980s that with Japan's international status as 'aid great power' rather than military great power, nonmilitary statecraft substituted for military diplomacy. Aid as a form of statecraft thus inherited Japan's pacifist spirit of the postwar era, 'which has molded aid into a concrete, activist, global foreign policy tool for a "heiwa kokka," a peace-loving Japan' (Yasutomo 1989-90: 502). Indeed Japan's 1992 ODA Charter explicitly prohibits Japan from giving aid for military purposes or to countries experimenting with weapons of mass destruction and instead directs aid towards promotion of democracy and human rights.

The charter's intent is worthy, but Japan has implemented only selectively from this charter to suit its national interest. Japan froze aid to Myanmar in June 2003 following the arrest and detention of pro-democracy leader Aung San Suu Kyi, to signal policy alignment with its US and European partners and to demonstrate that Tokyo does follow the ODA Charter. But that same year it did not apply this yardstick to Indonesia following military actions against demonstrators in Aceh province. The strategic understanding that Indonesia is too big and too important for Japan to apply the same measures as it applied to Myanmar prevailed. Similarly, Tokyo handled Beijing with kid gloves after the Tiananmen Square military operation against pro-democracy demonstrators in 1989 and after China's nuclear testing in 1995, but it came down heavily on India in 1998 when New Delhi conducted nuclear testing. China was certainly of great economic and diplomatic interest to Japan while India at that time was not. Aid was the tool to punish.

Now Japan is explicitly supporting its strategic partners with ODA budgets for projects that are directly linked to their security and defense needs. The Japanese government announced in an April 2012 Joint Statement of the U.S.–Japan Security Consultative Committee that it will make strategic use of its ODA to promote safety in the region, including through providing patrol boats to coastal states.² This 'safety' assistance was announced for Vietnam and the Philippines in 2012, but Japan has already been using its ODA explicitly for maritime security purposes for some years. In June 2006, for example, Japan allocated Indonesia 1.92 billion yen in aid towards construction of patrol vessels for preventing piracy, maritime terrorism and proliferation

²<http://www.mod.go.jp/j/approach/anpo/js20120427.html>

of weapons. This project committed to providing three high-speed patrol ships fitted with bullet proof glass that were classified as 'military vessels' and defined as 'arms'.³ In the wake of a China–Philippines stand-off in the South China Sea, in July 2013 Prime Minister Shinzo Abe agreed to provide the Philippines with 10 new coastguard patrol ships as part of Japan's ODA, sending a clear message to all players, especially China, about Japan's commitment to the Philippines (Sato 2013) and to protecting its territorial integrity against China.

Japan's recent focus on Vietnam is especially notable, partly through the attraction of Vietnam's growing economy but more importantly through its historically and currently vexed relationship with China. In the last five years the bilateral relationship has accelerated to the point where in August 2014, Japan announced its intention to provide six used vessels for conversion into patrol boats to support the country's maritime defense activities in the South China Sea. This will be offered through Japan's ODA program to Vietnam's Coast Guard, which is part of Vietnam's military establishment. The *Asahi Shinbun* reported 'Vietnam had to separate its coastguard from its military' because Japan is not permitted to provide ODA for military purposes.⁴ Japan began to strengthen relations with Vietnam, including a military edge, in 2006 signing a strategic partnership agreement that included a defense clause. In 2014 the agreement has been elevated to an 'extensive strategic partnership,' which includes cooperation between the Vietnam People's Army and the Japan Self-Defense Forces. Abe made clear Japan's strategic priority to Vietnam, making his first port of call a visit to Vietnam in January 2013 after taking office in December 2012. Vietnam's interest in a strategic partnership with Japan to counterbalance China is also clear. Following the Chinese ban on supplying rare earth to Japan after a 2010 territorial episode in the East China Sea, Vietnam offered to partner with Japan to develop rare earth elements. In 2012 Vietnam received the largest Japanese ODA loan that year.

Similarly, resumption of aid to Myanmar for a new airport project in its relatively new national capital Naypyidaw was partly a result of Tokyo's concern about China's rising influence there (Oishi and Furuoka 2003: 900). Tokyo will likely firm its focus on Myanmar as democratization appears to be taking strong hold. Since Beijing now has a stronger presence than Japan in this resource rich nation, Tokyo feels compelled to gain lost ground which it can do most effectively through ODA and its business networks built over several years (Slodkowski 2012).

³<http://www.mofa.go.jp/announce/announce/2006/6/0616-3.html>

⁴http://ajw.asahi.com/article/behind_news/politics/AJ201408020031

These examples indicate that Japan is using its ODA and other programs to try to keep a strong foothold in Southeast Asia, and especially to cultivate strategic linkages with countries strategically concerned about China. Japan's projects such as those in the Greater Mekong subregion are also to act as a balancer to China's aid projects (Shiraishi and Hau 2012: 18-22). The Pacific Islands Leaders Meeting in 2012 where Tokyo for the first time proposed ODA to support defense ties with Pacific Island nations also signals Japan's national defense approach to ODA, in response to its concerns about a strong Chinese presence (Watanabe 2012).

The rise in loan aid programs for strategic purposes in countries like India, Indonesia, Vietnam and the Philippines, and growing linkages through aid in Africa, the Pacific Islands and other places strategically important to Japan signal that national security interests are now of paramount importance in Japan's aid objectives. Sato and Asano (2008: 124-25) argue that a realist perspective now drives Japanese aid, explaining decline of both mercantilist aims and pursuit of liberal norms such as promoting democracy, civil rights and poverty reduction, despite the importance attributed to these aims in the ODA charter. Yet even while the realist perspective gains ground in shaping Japan's ODA, commercial and humanitarian programs both remain important as components of 'international cooperation', which itself now has an explicit and more confident strategic edge.

OTHER INTERESTS

Apart from the key national interests discussed above, over time other aspects of Japan's foreign aid pursuits have also been associated with serving national interests. These include involvement in multilateral frameworks and contributing to global humanitarian concerns. Aligning with the international aid regime such as the DAC norms and recommendations, and participating in World Bank programs towards poverty alleviation and meeting basic human needs are clear examples. Japan has participated enthusiastically in working to achieve the UN Millennium Development Goals (MDGs) through health and development initiatives, and has allocated funds for many humanitarian programs to fight AIDS, tuberculosis and malaria; promote education; supply water and sanitation; and contribute to food security.

Japan has substantially increased its aid to Africa since it started the Tokyo International Conference on African Development (TICAD) in 1993, with the latest TICAD V held in Yokohama in 2013. The stated purpose of TICAD is to deal with Africa's poverty and social development, through programs related to health, women and children. Yet one Japanese observer claims Japan's aims in Africa have changed

significantly, so it is now focusing TICAD on Japan's 'own economic interests rather than as a consultative forum on development cooperation (Hirano 2012: 183). In Africa Japan now pursues at least two clear national interests beyond, or to some extent part and parcel with, its contribution to humanitarian concerns. One is economic interest, as the continent has huge natural resource supplies including much sought-after rare metals. The other is strategic; China has a rapidly growing presence in Africa and similar economic and geostrategic motivations (Hirano 193-197). As Hirano observes critically, Japan's aid policy towards Africa is now going to be formulated on the basis of Japan's *national interest*' (emphasis added) (Hirano 2012: 198).

What can be regarded as a truly altruistic goal – human security – was added to Japan's ODA agenda after the appointment of Sadako Ogata as JICA's first non-MOFA President in 2003. The 'human security' aspect of Japan's aid policy had been pushed by Keizo Obuchi in his capacity first as foreign minister (1997–98) and later as prime minister (1998–2000). But when Ogata became JICA President she pursued human security as her signature policy; she was previously the United Nations High Commissioner for Refugees and had co-chaired the Commission on Human Security with the Nobel Laureate Amartya Sen. She pushed for a prominent place for human security in the 2003 revised ODA Charter. It should be noted, however, that while the charter includes humanitarian goals, it also makes clear their purpose: to ensure '*Japan's own security and prosperity*' (emphasis added). Japan's aid policy is thus to follow goals at two levels, both of them strategically oriented. The international goals are to promote human security and democracy and to discourage militarization; the national goals are to promote Japan's prosperity and its security. Japan's foreign aid monies serve national and international interests.

CONCLUSION

This article has argued that although not articulated clearly in Japan's aid policy, Japan's foreign aid is essentially oriented towards serving its national interests, as is true for all nations' foreign aid programs. Only recently do we find some acknowledgement of national interest incorporated in official documents and ministerial statements. A true debate about policy intent – what mix of altruism and national self-interest and how the mix should work – is yet to take place in public. Surely a sensitive discussion, perhaps it will always be kept behind closed doors. Since foreign aid is administered through bureaucratic mechanisms with no central command, each ministry pursues its own narrow interest but the sum of these interests certainly serves Japan's national interests, as discussed above of what, where, when and why of Japan's aid

delivery reveals. Altruistic and moral goals are part of foreign aid policy and Japan's broader national interest but they are not, and cannot be, its central objectives. Economic goals and commercial aspects still dominate Japan's foreign aid landscape, alongside strategic and diplomatic interests. In more recent years, Japan is orienting its aid towards defense purposes including maritime security, with the stated aim of regional peace, maritime safety and the rule of law. National interest has without doubt played a dominant role in Japan's aid policy. A national discourse acknowledging this has just begun and is certain to develop further. One document worth watching will be the revised ODA charter to be issued by the end of 2014, a declaration of the ideal and hopefully the real motivations of the foreign aid policy that for the past 60 years has served the Japanese nation – and other nations – very well.

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