

Japanese PM tours Latin America

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Japanese Prime Minister Shinzo Abe concluded a five-nation tour of Latin America earlier this month, the first Japanese prime minister to visit the region in 10 years. Abe used the trip as an opportunity to expand Tokyo's economic and political influence, in order to counter that of China in particular.

Abe's itinerary included stops in Mexico, Trinidad and Tobago, Colombia, Chile and Brazil. The trip began two days after Chinese President Xi Jinping finished his own tour of the region. Both Xi and Russian President Vladimir Putin were in Brazil for an economic conference of the BRICS group of so-called emerging economies—Brazil, Russia, India, China, and South Africa.

Abe began his trip in Mexico on July 25 where he met President Peña Nieto. The two leaders agreed to various deals, including one involving Mexico's oil firm, Petróleos Mexicano (Pemex), with Japan's development bank and the Japan Oil, Gas, and Metals Corporation. Pemex is currently undergoing privatization, which these deals are meant to accelerate.

On July 28, Abe met Prime Minister Kamla Persad Bissessar of Trinidad and Tobago, another energy-rich nation—it is the leading Caribbean producer of oil and gas. The visit was the first by a Japanese prime minister and the two leaders discussed the opening of a Trinidad and Tobago embassy in Tokyo.

Abe also launched the first Japan-Caribbean Community (Caricom) summit along with 14 leaders from the small island states. Abe is seeking support for Japan's bid for a temporary seat on the UN Security Council next year, something that China opposes.

At the summit, Abe took an indirect shot at China, saying: "Japan will work with the Caricom member states in promoting the three principles of the rule of law at sea: 1) making and clarifying claims based on international law; 2) not using force or coercion; 3) seeking to settle disputes by peaceful means in the

international community."

Abe has repeatedly accused China of trying to unilaterally change the status quo in the East China Sea through coercion. Tokyo is locked in a dispute with Beijing over the rocky outcrops known as Senkaku in Japan and Diaoyu in China. Abe has refused to even recognize that there is a dispute, and is exploiting the tensions to justify Japan's remilitarization.

Abe was also the first Japanese prime minister to visit Colombia, meeting President Juan Manuel Santos. The two discussed a free trade agreement, talks on which began in 2012.

In Chile, President Michelle Bachelet told Abe: "I want to show you that Chile is a great partner and an enormous entryway to the Latin American region." Japanese corporation Mitsui signed a major deal with Chile's state-owned copper company Codelco. Some 90 percent of Japanese investment in Chile is tied up with the copper industry.

For Abe, Brazil was the last and possibly the most important leg of his trip. Over the past decade, China has become Brazil's largest trading partner. In 2000, trade between Japan and Brazil was twice that between the Latin American country and China. Last year, Brazil's trade with Japan was less than a fifth that with China.

Japan has also slipped from the third largest source of direct investment in Brazil in the 1980s to sixth. From 1950 to 1985, Japan invested heavily in the iron and steel industry. Since then, not only has Japan lost ground in Brazil to China, but also to competitors like South Korea.

Abe met with President Dilma Rousseff and agreed to deals to expand cooperation in mining, particularly iron ore. Japanese banks also extended \$US700 million to help Brazil build oil rigs and increase soy and corn exports.

The last Japanese prime minister to visit Latin

America was Koizumi Junichiro, in 2004. His visits to Brazil and Mexico yielded promises for closer economic relations with Brazil, as well as Brasilia's support for expanding the number of permanent and non-permanent seats on the UN Security Council. In Mexico, Koizumi and then Mexican president Vicente Fox signed an Economic Partnership Agreement.

Koizumi stated at the time: "Endowed with energy and rich natural resources, Latin America continues to grow in importance. To my country, which has few natural resources, securing a stable supply of resources in the mid- to long-term is an issue of grave importance."

Over the past decade, however, China has become the top trading partner for major countries in South America, including Brazil, Chile, and Peru. Trade between China and Latin America now exceeds \$250 billion annually. According to the Economic Commission for Latin America and the Caribbean, China will overtake the European Union as the region's second largest trading partner.

Abe is determined to assert Japanese interests in Latin America. In an email to Bloomberg.com, Japanese foreign ministry spokeswoman Kuni Sato declared: "It is true that there were lost decades in Japanese investment. The Abenomics is getting Japan out of the deflationary spiral and is renewing Japanese business interest in Brazil and Latin America, as can be seen in the high profiles of the business leaders accompanying Prime Minister Abe."

While Japan has been encouraged by the US to take a more forceful stance internationally as a part of Washington's "pivot to Asia," aimed against China, the Abe government is also determined to assert Japanese imperialism's own economic and strategic interests.

Since coming to office in December 2012, Abe has visited 47 countries in an 18-month span. The Japanese prime minister has mostly focused on Asia, making stops in each one of the ten Association of Southeast Asian (ASEAN) member states within his first year of office, as well as building relations with India. He has also made a determined diplomatic push into Africa and Europe.

Abe's aggressive diplomacy has gone hand-in-hand with Japanese remilitarisation and the development of Japanese defence ties, particularly in Asia. On August

1, Japan's Foreign Minister Fumio Kushida and his Vietnamese counterpart Pham Binh Minh announced a deal for Japan to send six patrol boats to Vietnam. This follows Vietnam's clashes with China in June and July over a Chinese oil rig in disputed waters.



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