

# Japan's varied responses to energy vulnerability

by Robert Albota

In Japan's most serious nuclear 'accident' to date, officials at the Japan Atomic Power Co. this spring were forced to shut down the nuclear reactor located near Tsuruga, on the island of Honshu. Many Japanese, concerned over the growing number of nuclear power plants in their earthquake-prone country, were angered by reports of the spillage and dumping into open waters of contaminated waste water from the reactor — and incensed at the subsequent cover-up of the incident by authorities.

The effect of the Tsuruga affair on public opinion proved to be a setback for the Japanese government's promotion of nuclear power as one of several alternative energy sources needed to ease the burden of energy-starved Japan. According to a recent report issued by the Trilateral Commission, Japan is the only member of the Organization for Economic Cooperation and Development which has succeeded in developing — and gaining widespread public acceptance — of a comprehensive energy policy which includes stringent conservation measures and the diversification of Japan's sources of energy. In a report issued last year by Canada's Institute for Research on Public Policy entitled *The Men With the Yen*, author Zavis Zeman concluded: "...Confident in the correctness of the basic orientation of her energy policy, Japan is coping with the present oil crisis...with few of the signs of panic that might be expected if energy pauperism is indeed *the Achilles' heel* of the country."

## Dependence on Middle-East

An adequate supply of energy from stable markets is vital to ensure a prosperous Japanese economy which, after the U.S., is the world's second largest consumer of energy. Heavily reliant on imported foreign oil to fuel its electric power generating plants and industries, Japan, perhaps more than any other heavily industrialized nation, must race against time to find new sources and guaranteed suppliers of energy.

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*Robert Albota is Assistant Editor of International Perspectives. He did research on Japan's energy policy while on a three week visit to Tokyo last year.*

"Right now, 80 percent of Japan's oil comes from the Middle East. This is too much. We must diversify and import oil from other countries such as Mexico and China", writes Shingo Moriyama, the Director-General of Natural Resources and Energy of the Ministry of International Trade and Industry. "Japan has become increasingly uneasy about its reliance on imported oil. The so-called second oil crisis (of 1979)... sharpened this fear. The sudden rise in oil prices and erratic supplies have led Japan more and more toward an energy policy that seeks to develop alternatives to oil. . . The goal is (to) bring the share that oil fills in Japan's total energy supply down from 70 percent to 50 percent by the end of the decade", adds Mr. Moriyama.

In the drive to lessen its dependence on Middle-Eastern oil, the Japanese government in 1974 launched a massive program to educate the public on the necessity to conserve oil and electricity and develop new sources of energy from unconventional means. Targets and goals have been set to the end of this century to ensure that never again will the country be caught off-guard by an oil *shokku* which sent shockwaves through government and economy during the 1973 Middle East oil embargo, and again as the result of the 1979 cut-off of Iranian oil, the production cut-back in Saudi Arabia and higher prices charged by the OPEC cartel. "Because the Middle East is such an important source of oil", writes Toshiro Shimanouchi, a counsellor with the Japan Federation of Economic Organizations (Keidanren), "we have unwittingly depended on the oil-producing countries of the area, and thus, we seem to have placed the well-being of our citizens in the hands of countries with weak social and political foundations... We on our part must reduce our dependence on these countries by developing alternate energy as rapidly as possible. We are over a barrel and we want to get off." The outbreak of war between Iran and Iraq in September 1980 did not precipitate a third oil crisis, because the Japanese had planned contingency measures to prevent another oil emergency. Shipments of Iranian oil, which were suspended to protest the hostage-taking and later halted by the war with Iraq, accounted for 10 percent Japan's imported oil.