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Japan-United States Friendship Commission)

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MEMORANDUM

NATIONAL SECURITY COUNCIL

C.F.

017158

February 12, 1981

1170
IT057
FG006-11
FG006-12

ACTION

MEMORANDUM FOR: RICHARD V. ALLEN
FROM: DONALD GREGG dg
SUBJECT: Japan/U.S. Friendship Commission

I am meeting President Ward of Stanford (the head of the Commission) and Frank Tenney (its Executive Director) tomorrow at 11:00 a.m., substituting for you. An additional development has taken place:

-- The Japanese are still unaware of Mr. Stockman's plan to end the Commission.

-- Ohta of the Embassy has called to say that there is a Government of Japan plan underfoot to have one of Prime Minister Suzuki's presents to President Reagan be a Japanese contribution of several million dollars to the Commission.

-- Tenney and Ward are to have lunch with Ohta tomorrow.

-- Tenney, quite rightly in my view, feels that he should level with the Japanese at that point.

Since writing the attached memo to you (Tab A), I have had a least half a dozen calls all strongly opposing the cancellation of the Commission. Gaston Sigur was among those who called. My own sense that cancellation would be a mistake is even stronger than it was yesterday. Silvio Conte is going to become the House Republican Member on the Commission and has indicated his intention to fight the Stockman decision. State is also strongly opposed.

RECOMMENDATIONS:

1. That Tenney and Ward be authorized to tell Ohta of the Japanese Embassy of the Stockman decision.

_____ Approve Disapprove

2. That Tenney and Ward also be allowed to state that the White House and the Department of State oppose this decision and are working to have it reversed.

_____ Approve Disapprove

I would appreciate word on these two items, and any other thoughts you may have on this matter, before my 11:00 a.m. meeting with Tenney and Ward.

- Need: Private
Paradise
- I was discuss w/O.

NSC # 8100422

2/19/81

Read

I believe this is an
"old" item - if my recollection
serves, RVA did stop by this
press meeting for a few minutes -
attached returned for files

Need
for my
1100
press - by

RICHARD V. ALLEN

WASHINGTON

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NATIONAL SECURITY COUNCIL

INFORMATION

February 11, 1981

MEMORANDUM FOR: RICHARD V. ALLEN
FROM: DONALD GREGG *DG*
SUBJECT: Japanese Matters

OBE
I saw plus
in memo
to use it
2/11/81

I note from your schedule that you are having dinner with Okawara tonight. Two topics may emerge:

- re Suzuki's visit, we are still awaiting Japanese reaction to our proposed dates of 5 and 6 May. We know that the Japanese would prefer dates in April - either mid month or at the end. These dates conflict with other Chief of State visits now in the works (Begin and Sadat) and with a proposed Presidential trip (Mexico). The ball is now in the Japanese court.

- I have received several calls today about Mr. Stockman's plan to abolish the Japan/U.S. Friendship Commission. Senator Roth's office called to register his very strong concern on the matter. (Roth was to be the Republican representative on the Commission.) The Commission lives off the interest from a \$36 million fund (half of which is in yen), and was created by an Act of Congress in 1975. Stockman wants to abolish the Commission and turn the \$36 million into the Treasury. This would require legislation and Senator Roth's message was that he would fight to keep any such legislation from being passed. I hope the Japanese do not know about this at this point. If they do, the above background should enable you to take whatever line you wish in either supporting or questioning the Stockman decision. My own feeling is that abolition of the Friendship Commission would be widely misinterpreted in Japan and could result in a squabble with Congress.

NATIONAL SECURITY COUNCIL

INFORMATION

February 11, 1981

MEMORANDUM FOR: RICHARD V. ALLEN

FROM: DONALD GREGG *Dg*

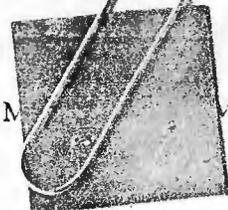
SUBJECT: Japanese Matters

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NATIONAL SECURITY COUNCIL


INFORMATION

February 11, 1981

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REQUEST FOR APPOINTMENT WITH MR. ALLEN

Dr. Robert Ward of Stanford, chairman, and
Mr. Francis Tenney, executive director,
the Japan - U.S. Friendship Commission, would
like to meet with Mr. Allen today or Friday,
February 13th, whenever he would be available.
(Dr. Ward will be in D.C. through Friday.)

Please reply to Roberta Stewart at 673-5295

_____ Cannot schedule them at this time.

_____ Please ask Gregg or Lacey
to see them.

_____ I will see them for _____ minutes.

MR. ALLEN:

2/12/81, 1400: Mr. Gregg will be seeing Dr. Ward and Mr. Tenney,
who say they have strong Congressional support for
continuation of their Commission, at 11:00 A.M. Friday.
He would find it helpful to know your view on this
(2nd para. of his memo #422).

Attached

SS

NATIONAL SECURITY COUNCIL

February 13, 1981

MEMO FOR: RICHARD V. ALLEN

FROM: DON GREGG 

Here is a copy of the U.S./Japan
Friendship Commission letter to
Stockman, protesting his decision.

I have underlined some portions that
explain about what the Commission does.
This may be of help to you if you get
to Stockman today. I'll give you more
information after having met Frank Tenney
and Robert Ward, who is Director of the
Center for Research in International
Studies at Stanford. He is not the
president of Stanford, as I may have
indicated to you.

JAPAN UNITED STATES FRIENDSHIP COMMISSION

日米友好基金

1875 Connecticut Avenue, NW, Suite 709
Washington, DC 20009

Area Code 202-673-5295

Chairman
Dr. Robert E. Ward, Director
Center for Research in International Studies
Stanford University

Executive Director:
Francis B. Tenny

Assistant Executive Director:
Ivan P. Hall

Vice Chairman:
Robert S. Ingersoll
Deputy Chairman, Board of Trustees
University of Chicago

February 12, 1981

The Honorable
David A. Stockman
Director
Office of Management and Budget
Washington, D. C. 20503

Dear Mr. Stockman:

I understand that you are considering a recommendation to the Administration and the Congress that would, if adopted, result in the abolition of the Japan-United States Friendship Commission and the transfer to the Treasury's general funds of the trust fund that the Commission administers. As Chairman of the Commission, I appreciate this opportunity to respond to this initiative on your part.

Given the importance and urgency of the situation from the Commission standpoint, I have come to Washington in order to present our case as effectively as possible. I would very much welcome an opportunity to do so to you personally and have asked your associates to inquire as to whether this might be possible. Should such an appointment not be possible, let me state why I and my colleagues believe that such an initiative would be ill-advised. I apologize for the length of the statement but, you will appreciate, the issue is vital for us.

We would argue, first, that abolition of the Friendship Commission would exacerbate U.S. relations with Japan in a way that lends itself to unusually effective adverse exploitation by both the Japanese and world media and do this at a moment when the relationship is already beset with a large number of very serious problems in such politically sensitive fields as auto imports, semiconductors, energy, nuclear fuel reprocessing, security, and--on the horizon--computers and electronic hardware and software in general. The Administration has made clear in the course of the election campaign its intention to address these problems energetically and with despatch. We welcome such an initiative as urgently needed if the enormous mutual benefits of our \$50 billion trade relationship with

Where?

Japan are not to be further endangered and eroded by the absence of consistent official policies supported by intelligent and decisive negotiations on our part.

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not
So on the
part*

However, such negotiations are bound to be tender, controversial, and highly publicized on both sides and by the world press as well. The strains involved will be exacerbated by inflation, unemployment, and slow growth in both economies. They are certain to test severely the public and political good will on both sides of the negotiations, American as well as Japanese. It is our impression from the outside that the Administration has begun these negotiations with admirable skill and judgment and we look forward to constructive results from the forthcoming visits of Foreign Minister Ito and Prime Minister Suzuki. Under these circumstances, it seems ill-advised to us to take a move calculated in public terms to exacerbate strained relations even further and lend itself to sensational and unwarranted charges that the Reagan Administration by abolishing the Friendship Commission is revealing its true attitude toward Japan. This would be particularly ironic in the sense that the Commission was created by Republican initiative during a Republican administration.

*What the
hell is
this?*

The Commission is both well-known and well-regarded in Japan. Its abolition would, therefore, be resented on substantive as well as symbolic grounds. This regard is high enough in fact that the Japanese Government is currently considering, in what we understand to be favorable terms, our request for a gift to the Friendship Commission of from \$3 to \$5 million in support of our programs.

) 10

Quite apart from such adverse effects on U.S.-Japanese diplomatic relations, we would argue that a number of the Commission's activities are of fundamental value to the United States in the more effective conduct of our Japanese relationships. One of the most conspicuous and costly aspects of these has been the decreasing competitiveness of the United States in both our dealings with Japanese business and the attractiveness of our products compared to theirs. Underlying these failures and shortcomings on the part of American business and products is a widespread ignorance of Japan, the Japanese, and the factors that affect their commercial, financial, legal, political, and economic behavior. We simply lack the knowledge and training that would enable us to compete more effectively. Recognizing this, the Friendship Commission has been supporting the following remedial programs of direct and immediate national interest:

1. We are funding the work of a U.S.-Japan Political Economy Study Group that brings together regularly seven of the United States most distinguished specialists on the Japanese economy with an equal number of their Japanese counterparts. This binational group is studying the basic longterm structural problems of our economic relationships, developing scenarios as to how these might best be resolved to the benefit of both countries, and reporting these results to a group of concerned senators and congressmen, their staff members, and meetings of the relevant business and financial leaders in New York and San Francisco.

Who is on it?

Who pays for mtgs?

2. A somewhat similar binational group of electrical engineers, economists, political scientists and others headquartered at Stanford and Tokyo Universities is addressing itself to the specific problems of the semiconductor industry under the Commission's auspices. The national importance of the auto dispute with Japan pales by comparison with the longrange importance of our joint problems with semiconductors. Again, the effort is to clarify a number of contentious issues with respect to the impact of tax systems or R&D expenditures in both countries, access to technology, government-business relations, capital formation and allocation, and emerging trends in U.S.-Japan competition in the semiconductor area. The findings and recommendations are being systematically reported to both government and business.

How?

3. U.S. graduate schools of business have long and seriously neglected any systematic effort to train their students to function effectively in business dealings with particular foreign countries. Recognizing this, the Friendship Commission has assembled some of the United States most experienced specialists on the Japanese economy and business practices and enabled them to produce a series of instructional units suitable for incorporation into existing courses on international business or economics on such subjects as Japanese government-business relations, corporate business, marketing practices, organizational and decision-making behavior, etc. These are currently being disseminated to all major U.S. schools of business.

would like to see

4. We are similarly disadvantaged in our national dealings with Japan by a great scarcity of leadership and staff knowledgeable and experienced about Japan in such critical fields as law, economics, business, and journalism. There are, for example, probably fewer than twenty-five professional American economists who specialize in Japan, know the language, and have extensive experience in both countries. If we are to compete on advantageous terms with the Japanese, we must do better than this. Consequently, the Friendship Commission has for several years been

funding a series of fellowships intended to train young graduate students in business, law, economics, and journalism in the Japanese aspects of their calling and equip them with language, cultural, and professional skills that should be of great lasting value to the United States. Similarly, we have provided partial incentive funding that is leading to the establishment of new chairs in Japanese business and Japanese law at the University of Michigan and Columbia University respectively.

5. One of our great handicaps in dealing with or understanding the Japanese in a larger sense is the scarcity of Americans with a working knowledge of the Japanese language. The Commission has long recognized this as a basic and continuing problem and has, therefore, become a major and essential supporter of the Interuniversity Center for Japanese Language Studies in Tokyo. This is the advanced language training facility open to qualified students from any American college or university. It provides real fluency in Japanese for approximately 70 to 80 per cent of American career specialists in Japan. It is generally regarded as the leading institution in the world for advanced training in the Japanese language for foreigners. ok
enapt.

6. Both the American Congress and the Japanese National Diet play important roles in the determination of a wide variety of relations between the two countries. Yet in institutional terms the members of each legislature have very little actual understanding of how the other body operates or the political and economic factors that constrain its decisions and actions. In an effort to improve this condition, the Commission has recently sponsored an interparliamentary conference of members of the two legislatures featuring carefully prepared papers and wideranging discussions of these matters.] ?

7. In a longterm sense the country depends upon its libraries as a principal source of information about both past and present circumstances in Japan. Most of the relevant information is in Japanese and our libraries have long neglected the collection of such "exotic" materials on grounds of expense and limited user interest. Now we urgently need such information. The Commission is, therefore, making it possible for some ten major libraries widely scattered throughout the United States to keep our information about Japan current and adequate to service our national needs. ||

Finally, we on the Commission do not agree that the financial benefits accruing to the Treasury from the dissolution of the Commission would in any way match the losses to the national interest involved.

The Commission may be the smallest and most economical independent agency of the U.S. Government. It has a total staff of three--two in Washington and one in Tokyo. It is, my colleagues and I on the Commission believe, performing very creditably a variety of services of substantial national importance that are provided by no other agency of government. It does this at no new annual cost to the government. Its funds originated from a 1975 congressional appropriation that constitutes a responsibly administered federal trust fund held about half in dollars and half in yen equivalent. By international agreement the latter half can only be spent for cultural purposes in Japan. We do not see that the country would gain by exchanging the very minor, temporary, and constrained financial benefits that would result from dissolution for the criticism of the Administration that such an action would inevitably entail both here and abroad and the very real and continuing values that the country will derive from the continuation of the Commission's activities.

have
them
expended

It is upon grounds such as these that my colleagues and I urge you to change your recommendation with respect to the Friendship Commission. It seems to us of particular importance that this be done at the administrative level. To leave the outcome to subsequent Congressional decision will make inevitable the adverse reactions that will clearly follow in Congress and in the press both here and in Japan. We would very much like to avoid these and hope that you will see fit to make this possible.

With thanks for your attention and any consideration you may be able to give to our request.

Sincerely yours,



Robert E. Ward
Chairman

T. Hur

RECEIVED 12 FEB 81 14

TO ALLEN

FROM GREGG

DOCDATE 11 FEB 81

KEYWORDS: JAPAN

OKAWARA, YOSHIO

WARD

SUBJECT: TOPICS FOR POSSIBLE DISCUSSION AT ALLEN DINNER W/ OKAWARA ON 11 FEB

ACTION: FOR INFORMATION DUE: STATUS C FILES WH C

FOR ACTION

FOR COMMENT

FOR INFO

ALLEN

GREGG

Approved

COMMENTS

REF# LOG NSCIFID (C / C)

ACTION OFFICER (S)	ASSIGNED	ACTION REQUIRED	DUE	COPIES TO
<i>KA</i>	<i>X</i>	<i>In Review</i>	<i>2/12</i>	
<i>C</i>	<i>2/18</i>	<i>noted by RVA</i>		<i>DG ✓</i>
<i>C</i>	<i>2/19</i>	<i>Allen disapproved recon</i>		<i>DG ✓</i>

DISPATCH

W/ATTCH FILE

W/C *HA*

WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

O - OUTGOING

H - INTERNAL

I - INCOMING

Date Correspondence Received (YY/MM/DD) 82106117

Name of Correspondent: Robert E. Ward

MI Mail Report

User Codes: (A) _____ (B) _____ (C) _____

Subject: Submits three fifth annual Report covering fiscal year 1981 of the Japan - United States Friendship Commission

ROUTE TO:

ACTION

DISPOSITION

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>EC Geis</u>	ORIGINATOR	<u>82106118</u>		<u>C</u>	<u>820618</u> CS
<u>CA Full</u>	<u>A</u> CS	<u>820618</u>		<u>C</u>	<u>820618</u> CS
<u>PD John</u>	<u>A</u> CS	<u>82106118</u>		<u>C</u>	<u>82107118</u>

ACTION CODES:

- A - Appropriate Action
- C - Comment/Recommendation
- D - Draft Response
- F - Furnish Fact Sheet to be used as Enclosure
- I - Info Copy Only/No Action Necessary
- R - Direct Reply w/Copy
- S - For Signature
- X - Interim Reply

DISPOSITION CODES:

- A - Answered
- B - Non-Special Referral
- C - Completed
- S - Suspended

FOR OUTGOING CORRESPONDENCE:

- Type of Response = Initials of Signer
- Code = "A"
- Completion Date = Date of Outgoing

Comments: Not for transmittal to the Congress.

Keep this worksheet attached to the original incoming letter.
Send all routing updates to Central Reference (Room 75, OEOB).
Always return completed correspondence record to Central Files.
Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

RECORDS MANAGEMENT ONLY

CLASSIFICATION SECTION

No. of Additional Correspondents: _____ Media: L Individual Codes: 4800 4610

Prime Subject Code: RS Secondary Subject Codes: CO048
EO005

PRESIDENTIAL REPLY

Code	Date	Comment	Form
C	_____	Time: _____	P- _____
DSP	_____	Time: _____	Media: _____

SIGNATURE CODES:

CPn - Presidential Correspondence
n - 0 - Unknown
n - 1 - Ronald Wilson Reagan
n - 2 - Ronald Reagan
n - 3 - Ron
n - 4 - Dutch
n - 5 - Ron Reagan
n - 6 - Ronald
n - 7 - Ronnie

CLn - First Lady's Correspondence
n - 0 - Unknown
n - 1 - Nancy Reagan
n - 2 - Nancy
n - 3 - Mrs. Ronald Reagan

CBn - Presidential & First Lady's Correspondence
n - 1 - Ronald Reagan - Nancy Reagan
n - 2 - Ron - Nancy

MEDIA CODES:

B - Box/package
C - Copy
D - Official document
G - Message
H - Handcarried
L - Letter
M - Mailgram
O - Memo
P - Photo
R - Report
S - Sealed
T - Telegram
V - Telephone
X - Miscellaneous
Y - Study

085202PD

DOCUMENT NO. 085195 PD

OFFICE OF POLICY DEVELOPMENT

083757PD
IT057

STAFFING MEMORANDUM

DATE: 7/13/82 ACTION/CONCURRENCE/COMMENT DUE BY: 7/16/82

SUBJECT: U.S.-Japan Friendship Commission Annual Report

	ACTION	FYI		ACTION	FYI
HARPER	<input type="checkbox"/>	<input type="checkbox"/>	DRUG POLICY	<input type="checkbox"/>	<input type="checkbox"/>
PORTER	<input type="checkbox"/>	<input type="checkbox"/>	TURNER	<input type="checkbox"/>	<input type="checkbox"/>
BARR	<input type="checkbox"/>	<input type="checkbox"/>	D. LEONARD	<input type="checkbox"/>	<input type="checkbox"/>
BAUER	<input type="checkbox"/>	<input type="checkbox"/>	OFFICE OF POLICY INFORMATION		
BOGGS	<input type="checkbox"/>	<input type="checkbox"/>	GRAY	<input type="checkbox"/>	<input type="checkbox"/>
BRADLEY	<input type="checkbox"/>	<input type="checkbox"/>	HOPKINS	<input type="checkbox"/>	<input type="checkbox"/>
CARLESON	<input type="checkbox"/>	<input type="checkbox"/>	PROPERTY REVIEW BOARD	<input type="checkbox"/>	<input type="checkbox"/>
DENEND	<input type="checkbox"/>	<input type="checkbox"/>	OTHER	<input type="checkbox"/>	<input type="checkbox"/>
FAIRBANKS	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
FERRARA	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
GUNN	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
B. LEONARD	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
MALOLEY	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
MONTOYA	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
SMITH	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
UHLMANN	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
✓ ADMINISTRATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

Remarks:

If there is a brief Executive summary of this, I'd like to see it.

Please return this tracking sheet with your response.

Edwin L. Harper
Assistant to the President
for Policy Development
(x6515)

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

July 7, 1982

FOR: OPD STAFF

FROM: JUDY JOHNSTON *JJ*

SUBJECT: Annual Reports

The following reports are in my office should you wish to review them:

- 086285 Agriculture - 3rd Quarterly estimate of meat imports
- 086206 FEMA - 1981 activities
- 086500 USITC - Report on certain coin-operated audiovisual games and components
- 085912 11th Annual Report of the National Advisory Committee on Oceans and Atmosphere
- 085614 HHS - 1981 Annual Report of the Indian Health Care Improvement Act
- 085917 HHS - 9th Annual Report of the Director of the National Heart, Lung, and Blood Institute
- 085811 Justice - Report on Voluntary Agreement and Plan of Action to Implement the International Energy Program
- 084630 DOD - Semi-annual Procurement from Small and Other Business Firms
- 084261 Justice - 6th Annual Report of the National Institute of Corrections
- 084462 DOT - Annual Report, Federal Facility Ridesharing Program
- 083802 DOE - 5th Annual Report of the Interagency Geothermal Coordinating Council
- 083757 - U.S. - Japan Friendship Commission Annual Report

JJ
*It should be a brief case summary
of this and also to see if*

Japan-United States Friendship Commission

1875 Connecticut Avenue, NW, Suite 910
Washington, DC 20009
Area Code 202-673-5295

Chairman:

Dr. Robert E. Ward, Director
Center for Research in International Studies
Stanford University

Vice Chairman:

Robert S. Ingersoll
Chairman, Japan Society, Inc.
Former U.S. Ambassador to Japan

Executive Director:

Richard A. Ericson, Jr.

Associate Executive Director:

Ivan P. Hall

June 15, 1982

083757

The President
The White House

Dear Mr. President:

I have the honor to submit to you the fifth Annual Report of the Japan-United States Friendship Commission, which covers Fiscal Year 1981.

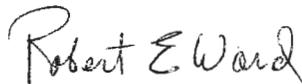
During the year under review, the Commission devoted most of its available resources to strengthening the foundations of mutual knowledge and understanding between the Japanese and American peoples through support to such basic and long-term projects as language study for Americans and assistance to institutions of higher learning in both countries for research, curriculum development, faculty improvement, library acquisitions, and teaching in American and Japanese studies. It also sponsored an active program of cultural and artistic exchanges and launched initiatives to meet the need for professional education for Americans in Japanese law and business practices, and to develop a corps of journalists with a background in Japanese area and language studies.

In addition to the foregoing, an area of continuing interest to the Commission was the effort to create a network of organizations in the various population centers of the United States, each of which would assume responsibility for public education and programming on Japan in its surrounding geographical region. In May, 1981, Prime Minister Suzuki presented a generous gift of \$2,000,000 to the Commission to be spent over a period of four to five years on this program. The Commission awaits passage of legislation now part of the pending State Department Authorization, which would permit it to invest and expend this money in the manner contemplated. When these funds become available to augment the Commission's own resources, they will ensure that an effective public affairs program on subjects involving Japan will remain one of the Commission's chief objectives for the foreseeable future.

日米友好基金

The Commission believes that over the past five years it has become a valuable resource to the United States in its overall relations with Japan. This is due in good part, we believe, to the dedication and active participation of its eighteen Commissioners, past and present, each of whom represents the Congress, an interested federal agency, or a segment of the private sector involved in education, the mass media, business, banking, and the arts.

Respectfully yours,

A handwritten signature in cursive script that reads "Robert E. Ward". The signature is written in dark ink and is positioned above the printed name and title.

Robert E. Ward
Chairman

日米友好基金

THE JAPAN-UNITED STATES FRIENDSHIP COMMISSION
ANNUAL REPORT

1981



THE JAPAN-UNITED STATES FRIENDSHIP COMMISSION
December 1981

Chairman:

Robert E. Ward *
Director, Center for Research in International Studies
Stanford University

Vice-Chairman:

Robert S. Ingersoll *
Chairman, Japan Society, Inc.
Former U.S. Ambassador to Japan

Members:

Daniel J. Boorstin
The Librarian of Congress
Congressman Silvio O. Conte
Joseph D. Duffey
Chairman, National Endowment for the Humanities
Stanley M. Erdreich, Jr. * * *
Senior Vice President, The First National Bank of Birmingham
Francis S. M. Hodson
Chairman, National Endowment for the Arts
James F. Hoge, Jr.
Publisher, Chicago Sun-Times
John H. Holdridge
Assistant Secretary of State for East Asian and Pacific Affairs
Senator Daniel K. Inouye
Former Senator Jacob K. Javits
Arch L. Madsen *
President, Bonneville International Corporation
Thomas P. Melady
Assistant Secretary of Education for Post-Secondary Education
Senator William V. Roth, Jr. *
Garrett N. Scalera
President, Tokyo Institute of Policy Studies
Evan H. Turner
Director, Ackland Art Museum, University of North Carolina
Charles Z. Wick *
Director, International Communication Agency
Congressman Clement J. Zablocki *

* Members of Executive Committee

* * Financial Advisor

Staff:

Executive Director:

Francis B. Tenny (1981); Richard A. Ericson, Jr. (1982)

Associate Executive Director and Japan Representative:

Ivan P. Hall

Secretary:

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JAPAN UNITED STATES FRIENDSHIP COMMISSION

日米友好基金

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Chairman:
Dr. Robert E. Ward, Director
Center for Research in International Studies
Stanford University

Executive Director:
Francis B. Tenny

Assistant Executive Director:
Ivan P. Hall

Vice Chairman:
Robert S. Ingersoll
Deputy Chairman, Board of Trustees
University of Chicago

The years 1980 and 1981 marked a changing of the guard for the Japan-United States Friendship Commission. John W. Hall and Francis B. Tenny, respectively Chairman and Executive Director of the Commission since its inception in 1975, chose to retire from office. In this, my first annual report as the new Chairman, I want above all else to acknowledge on behalf of my colleagues and myself our deep and continuing indebtedness to both of them for the wisdom and effectiveness of their leadership during the Commission's formative years. They have left a legacy in which both the United States and Japan should take pride. In this same context it is my pleasure to welcome to the Commission Ambassador Richard A. Ericson, Jr. who, on January 1, 1982, will replace Mr. Tenny as Executive Director.

These same years have seen other important changes in the Commission's membership. As a result of the 1980 elections our founding father, Senator Jacob K. Javits of New York, and Congressman John B. Anderson of Illinois retired from the Commission. In their place we extend the most cordial of welcomes to Senator William V. Roth, Jr. of Delaware and Congressman Silvio O. Conte of Massachusetts. Similarly, we bid a fond farewell to John E. Reinhardt, Richard C. Holbrooke, Albert H. Bowker, Livingston L. Biddle, and Joseph D. Duffey among our public sector members and warmly welcome in their stead Charles Z. Wick, Director of the U.S. International Communication Agency; John H. Holdridge, Assistant Secretary of State for East Asian and Pacific Affairs; Thomas P. Melady, Assistant Secretary for Post-Secondary Education; Francis Hodson, Chairman of the National Endowment for the Arts; and, pending his confirmation by the Senate, William J. Bennett, Chairman-designate of the National Endowment for the Humanities.

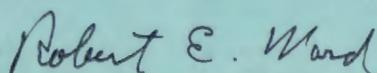
Where our private-sector membership is concerned we salute the splendid services of James A. Linen and Kozo Yamamura whose terms have expired and, with the greatest of pleasure announce that Senator Javits has agreed to replace Mr. Linen as a private member, thus insuring for the Commission the continuity of his experience and wisdom. We also extend the most cordial of welcomes to Garrett Scalera, President of the Institute of Policy Studies in Tokyo who will replace Professor Yamamura. Notable also is the selection of Robert S. Ingersoll, former Deputy Secretary of State and Ambassador to Japan, as the Commission Vice-Chairman.

1981 has also been a successful year in programmatic terms. We have thus far supported and extended the programs and policy guidelines so effectively established by our predecessors. At the same time we have begun an intensive review of the record with a view to identifying old programs that may be approaching obsolescence or new opportunities that offer promise.

The most significant development during the year was undoubtedly the Japanese Government's gift of \$2,000,000 in support of the Commission's Regional Programs Project. This is an endeavor to create or expand organizations in a number of major metropolitan areas throughout the United States that will perform functions similar to those of the Japan Society, Inc. of New York City. By no means do all of the problems or the opportunities that characterize the present educational and cultural relationships between the United States and Japan center in New York or Washington, D. C. There is a far broader need for forums that will provide a means of intermediating and clarifying the relations of our two societies in impartial and meaningful terms. It is the goal of our Regional Programs project to make such facilities more generally available throughout the country and, hopefully, in so doing to serve the highest interests of the United States and Japan.

Notable also was the establishment by the Commission of a new program of support for binational research on problems of current importance to the public or private sectors in the United States and Japan. This is intended to bring together small groups of the most qualified specialists in both countries in a joint effort to identify, clarify, and suggest a range of possible solutions for the sorts of enormously complex and difficult problems that currently beset U.S.-Japan relations in such areas as trade and security.

These developments and more are described in greater detail in Mr. Tenny's admirable review of the five years during which his has been the major role in originating, defining, and executing the Friendship Commission's programs. As new hands take over, I can only say how proud we will be, if at the end of the next five years, we can look back on an even approximately comparable record of solid and enduring accomplishments. The Commission and country is in Mr. Tenny's debt. We wish him Godspeed and happiness in his retirement.



Robert E. Ward
Chairman

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The Japan-United States Friendship Commission 1976-1981

The Japan-United States Friendship Commission was established by Act of Congress (PL 94-118) in 1975 to strengthen friendship and understanding between the Japanese and American peoples through the use for cultural and educational purposes of American funds received in repayment from Japan for American-built facilities on Okinawa and for post-war assistance to Japan.

On the completion of its fifth year of program activities, the Commission deems it appropriate to report not only as required on Fiscal Year 1981, but also to review briefly the whole five years to see what has been accomplished to meet the original hopes of the Congressional founders.

The Commission is a unique instrument of the United States Government. It is the only Government Trust Fund devoted wholly to the improvement of relations with a single foreign country, a fund governed by a board of distinguished private citizens from many walks of life with participation of important leaders of the Congress and heads of Executive Branch agencies. The participation of these leaders is evidence of their recognition of the importance of Japan to the United States. The importance to Japan of these American efforts for cultural understanding was shown dramatically in 1981 by a generous

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gift of \$2,000,000 to the Commission from the Government and people of Japan delivered on the occasion of Prime Minister Zenko Suzuki's visit to the U.S. Congress on May 7, 1981.

In administering a law to enhance friendship and understanding, the Commission early observed that there was already a considerable level and history of friendship between Japan and America but rather little understanding between the two cultures and societies. Friendship has grown from the happy experience of thousands of Americans and Japanese in each other's country, pre-war and post-war. But lack of understanding of the difference or similarity in culture, language, social behavior, and political and economic practices carries a susceptibility for unexpected bruises. Americans will persist in acting like Americans, and Japanese will persist in acting like Japanese, as they should. Where friendship overlies a hidden remembrance of prior mortal conflict and current economic competition, the recognition of common interests may be swept away by stereotypes of "double-dealing, inscrutable, unfair, or alien behavior." Americans and Japanese are equally vulnerable to such unwarranted response. Though polls show that American popular attitudes are consistently favorable toward the Japanese people, Ameri-

cans, for their part, do not yet seem as easy in the Japan relationship as in the social give-and-take with our European allies.

The Commission does not pretend that knowledge alone will remove the potential for competition or ill-will. Lacking knowledge and experience, there is missing the perspective and sense of balance that will see how common interests are greater than common differences. On reviewing the state of the Japan-America relationship in 1976, the Commission was pleased to confirm the existence of a goodly number of experts in both countries, people truly knowledgeable and experienced in the other culture who had devoted years to bringing the relationship to where it now is. Many of the experts were in their ivory towers, with the committed as their only audience, while in both countries the leaders and policy makers of government, business, the mass media, education, and the arts went about their work with little real knowledge or experience of the other giant looming through the mist.

Professional education on Japan

In 1976 Japanese studies were longstanding and vigorous in American

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graduate centers, but their extent was limited to scholars in Japanese history, literature, language, and other social sciences and the humanities. There was no systematic teaching of Japanese business in any American business school; there were no journalism programs for the training of American reporters on Japan; only one law school (University of Washington) had a systematic program for the teaching of Japanese law, and there was not more than an average of one economics PhD with full competence on the Japanese economy being graduated each year in the U.S. The Commission has since 1976 sponsored and developed (1) a set of business curriculum modules on Japan, being introduced into business schools throughout the country; (2) a fellowship program in economics which has trained 20 Americans, and a somewhat smaller fellowship program in Japanese law; (3) the first full-time teaching position on Japan in an American business school (at the University of Michigan), and a new full-time position in teaching Japanese law (at Columbia); and (4) a journalist training program with American media bureaus in Tokyo and at two schools of journalism. This is a start, but given the complexity and the competition of American economic relationships with Japan, the nation needs many more professionals trained to work with

the Japanese factor or in a Japanese milieu. Other funding agencies have not yet adjusted their assistance programs to single out fields like business, economics, law, and journalism from the broader background of traditional disciplines.

How the United States can compete or cooperate with Japan without American businessmen knowledgeable on Japanese business practices and the Japanese language, or how the American public can be expected to make intelligent judgments about Japan in the absence of American news media reporting by journalists able to operate in Japanese, or how firms and government agencies can negotiate with Japan without negotiators on our side knowledgeable on Japanese law and practice has yet to be explained. The absence of trained talent, or the failure to use such talent as is available, will not be quickly altered, but the Commission believes that American attitudes are changing. There is a growing awareness that American organizations need Japan competence, and the few dozen professional experts trained in the Commission's first five years are the beginning of a profound difference, to the benefit of both countries.

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American journalism reporting on Japan

In addition to the journalism training programs above, the Commission provided the indispensable support and encouragement for the creation of a Translation Service Center in Tokyo and for the regular distribution to hundreds of American newspapers of a flow of quality translations of Japanese-written commentary from the Japanese press on a wide range of political topics and viewpoints. Set up by the Asia Foundation with Japanese assistance, the Center presents Americans with samples of what Japanese are reading for home consumption. The articles reveal a Japan that is far from monolithic, where a healthy democratic debate rages, as in the U.S., over most issues and the policies to meet them. The program is a success. Nothing like it exists in relation to Japan. At least 75 American newspapers now carry an occasional Japanese-written domestic-consumption commentary in addition to the American reporting from the commercial services and foreign correspondents in Tokyo.

Regional program organizations for Japan affairs in the U.S.

Out of the conviction that American understanding of Japan failed for the

absence of a delivery system to bring to the public forum what American and Japanese experts know about this complex relationship, there grew in 1979 and 1980 the Commission's new program for development of regional American public organizations interested in Japan. On the advice of business, political, media, and academic leaders from many parts of the country, the Commission solicited program plans from public affairs organizations interested in Japan in major regions of the country, such as the midwest, southeast, southwest, and northwest. Included were organizations such as Japan-America Societies, international or world affairs councils and chambers of commerce that were ready to consider expanding their program activities on Japan. Interested organizations were invited to develop plans for a balanced expansion of Japan programming on economic and political issues as well as the social and cultural relationships. Organizations were asked to cooperate with other local groups interested in Japan to expand the local base for financial support and membership. The Commission is convinced that such organizations will succeed only with local initiative, local leadership, and local funding, but the offer of limited-time financial help, especially for the hiring of professional staff competent on Japan, can provide the boost to higher activity and local

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self-sufficiency. Such efforts should not be directed from Washington or New York, although the example of the Japan Society of New York offers a splendid model of what can be done with dedicated leadership and the support of the business community.

By the end of FY 1981, the Commission had made general support grants, averaging in the range of \$50,000 each, to eight major regions of the country, centered on Boston, Seattle, Atlanta, San Francisco, Chicago, Houston, Dallas, and Los Angeles. Full-time staff directors on Japan had been hired by five of these organizations, and others had added part-time expertise or were looking for persons. The number of meetings, seminars, lectures, and cultural events had increased in all regions, and membership rosters and business contributions were beginning to rise significantly. The Commission has indicated that it will support the structural costs of staff and organizational development for only three or four years at most, and after this each organization must stand or fall on its own. Other regions are being added.

The Commission in 1979 and 1980 brought this national program to the attention of the Japanese Government, with the suggestion that a Japanese contribution would be a psychological and a financial stimulus to the growth of these activities for the benefit of both countries. The

Japanese Government responded with a generous donation of \$2,000,000, presented on May 7, 1981 when Prime Minister Zenko Suzuki visited the Senate for talks and a reception hosted by the Commission's Congressional members, Senators William V. Roth, Jr. and Daniel K. Inouye, and Congressmen Clement J. Zablocki and Silvio O. Conte. The Commission will use the contribution in full over a period of four or five years in support of these regional programs, mingling Japanese and American funds without distinction in the Commission's programs for better American public understanding of Japan.

While it is too early to say whether these regional organizations will all become permanently viable at a higher activity level after the end of Commission support, a few things are already clear. There is in almost every part of this nation a public disposition to learn more about Japan, a recognition that Japan is sufficiently successful and important to warrant more thought than it has been given, and a willingness of many prominent people to give their time, their money, and their names to cooperative efforts to bring Japanese and Americans together for informed discussion of the issues that unite or divide us. The fact that the public will is there makes the Commission believe that these programs were offered at the right time in history.

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Artistic appreciation

Some aspects of Japanese creativity in contemporary and traditional arts have attracted American appreciation; other aspects are largely unknown by Americans. Japanese in turn have excelled at some forms of art that were western in origin, such as symphonic music, but have remained ignorant of other forms of the lively arts in America, such as dance. The Friendship Act mandated programs in the arts for people-to-people understanding. In choosing which arts and which people, the Commission decided to offer opportunities for individual talent in all the arts and for organized group activity in the performing arts, other than music.

Now in its fourth year, the Creative Artist Fellowship program offers five residencies per year each in Japan and the United States for Americans and Japanese of highest creative promise. The program is sponsored and financed jointly by the Friendship Commission, the U.S. National Endowment for the Arts, and the Agency for Cultural Affairs of Japan (the Bunkacho). More than 1,500 Americans per year have applied for these five fellowships, and inquiries are now running at the rate of fifty per day. American and Japanese

winners have without exception been individuals of highest artistic achievement in fields such as dance, theater, painting, sculpture, film, and architecture. Their names are listed in the grant section of this and earlier annual reports. All have pursued with dedication their study of the arts of the other country, and have returned home at the end of their grant period with their own creativity enhanced in new directions. Many have expressed this experience in new creative work following their return.

The American dancer and choreographer Manuel Alum, for example, created a new dance for himself, "Made in Japan," which he performed to critical acclaim in New York six times in 1980 and 1981. He went on to receive enthusiastic reviews in New York and elsewhere for dancing the lead role in the Opera Theatre of St. Louis June 1981 premiere of a modern Japanese opera, "The Actor's Revenge," and repeated his Japan-inspired choreography at Jacob's Pillow in the summer of 1981.

The Commission's early decision to support the performing arts, other than music, was based on the observation that two vigorous traditions in theater and dance, the Japanese and the American, were not in contact, while exchanges in musical performance and visual art exhibitions were

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relatively flourishing and portable. The presentation of theater brings people, doing things in a cultural, social and linguistic pattern most characteristic of their inner workings. From a near-zero level in 1976, contacts and exchange between American and Japanese professional theater companies, directors, actors, critics, and writers have flowered. Relationships have grown on a sustaining basis, far beyond simple overseas performance tours, to include actor training, joint productions with Japanese and American actors, proposed exchanges of directors and designers, and play production in translation. On the American side, the Milwaukee Repertory Theater has taken the lead, but ripples from the Japan exchange are evident in San Francisco, Los Angeles, Dallas, St. Louis, New York, Baltimore, and other cities. In Japan, several avant-garde companies and other professionals and intellectuals, accustomed to looking to France, eastern Europe, and the Soviet Union, have now been drawn into American activities and have acquired a healthy respect for the American theater. Similar developments are taking place between Japan and America in the world of dance, but their origins antedate 1976.

The leading events of 1981 were the Japan performance tour of the Milwaukee Repertory Theater company, doing "A Streetcar Named Desire" of Tennessee Williams, and the joint performance by Japanese and American actors, directed by Tadashi Suzuki, of the ancient Greek play "The Bacchae" in Milwaukee, Togamura, and Tokyo. The training of American actors in the unique Suzuki style and their joint appearance with Japanese, each speaking his native language, proved to be an artistic triumph in both Milwaukee and Tokyo and will be repeated in New York in 1982. Also in 1981, the Dance Theatre of Harlem performed successfully in Japan and on Japanese television, and the movement for creation of an indigenous theater of the deaf in Japan was promoted by teaching and performance tours of the National Theatre of the Deaf from the United States.

Academic studies: scholarship, libraries, and language

In adding its resources to existing programs for Japanese and American studies respectively in the universities of both nations, the Commission has sought both to strengthen the basic infrastructure of area studies and to extend these programs and oppor-

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tunities more widely in both countries. For the second year of the travelling Japan Seminar, sponsored jointly with the Japan Foundation, the Japanese panel was sent to Charlottesville, Va; Chapel Hill, N.C.; Tallahassee, Fla., and Knoxville, Tenn., and all known American specialists of Japan in the southeastern states were invited to participate in one of the seminars. In the U.S., distinguished American specialists on Japan were sent by the Association for Asian Studies as lecturers to remote American colleges, and in Japan the travelling lecturer course system by Japanese specialists in American studies was continued at interested Japanese universities lacking their own faculty experts.

In language studies the Commission-sponsored standard test of Japanese, first for a non-European language, went into regular use throughout the country by the Educational Testing Service. The Commission continued to support the premier language school in Japanese for Americans, the Inter-University Center for Japanese Language Studies, in Tokyo. For Japanese scholars of the United States, the Commission sponsored a first-time summer intensive training session at Cornell University in speaking and using English in social and academic settings.

The Commission's support to the major university library collections of Japanese materials over the past four years has not only strengthened collections in a time of rising costs. It has abolished interlibrary loan fees for Japanese materials and improved the access and service to these collections for American scholars everywhere. Major research collections on the U.S. in Japanese libraries have been improved, and a second annual seminar on American studies, in Hokkaido, has been added to the long-standing Kyoto Summer Seminar. The Japanese capacity to understand the United States has been markedly improved through increased research by Japanese scholars in the United States, increased attendance at international conferences, and cooperative meetings and publications that give the American studies profession a higher status in Japan. A larger, more respected, and more internationally articulate body of Japanese scholars of American civilization can be one of the most important forces for better communication between the two countries. The counterpart body of American scholars of Japan also must continually be replenished and renewed by return opportunities for study in Japan. While supporting American research on Japan for purely scholarly reasons, the Commission in 1981 determined to seek out more opportunities where research by scholars can be

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brought to bear on the current and future issues that hurt, in economics and politics, for example. Projects for 1981 were focussed on comparative political economy of the two nations and on the semiconductor industry as a potential for future trouble.

People-to-people and the "grass roots"

The Commission from the beginning has been troubled by the question of how to bring more people into the Japanese-American dialogue. In vigorous democracies, as Japan and the U.S., with massive educational and media systems, programs for the elite cannot be enough. Recognizing that direct personal contact may be the most effective way to cultural understanding, the Commission endorsed the importance of people-to-people exchanges but concluded that its resources were not adequate for support of retail travel programs by young people and others of good will. The Commission sought instead to assist organizations to develop their capacity to sponsor and arrange privately financed exchanges. This included the College and University Partnership Program (CUPP) to arrange small college affiliations, and Sister Cities International for teacher workshops on how to make the most of sister school projects.

For the mass audience, the Commission considered television an unexcelled but expensive medium. In five years the Commission has supported in part the production of some 30 hours of television programming on the arts, culture, people, history, and business of Japan. Most have been broadcast on stations of PBS; other programs are still in production. Two have won prizes. "The Japanese Performing Arts in America" produced by KCET Los Angeles, with UCLA, won the bronze medal at the 24th Annual Film and Television Festival in New York City. "Rebuilding an Old Japanese House," produced by the Boston Children's Museum and the MIT film section won the gold prize of the 25th Competition for Films on Japan by the 1981 Tokyo Cultural Film Festival.

The Commission also considers it important to foster direct professional relationships in fields that have domestic cultural and political impact, such as legislation and government administration, secondary education, and the media. The Commission has sponsored a study and conference by present and former Members of the Congress and the Japanese Diet to produce a handbook on the difference in operating procedures and policy making by the two parliamentary bodies. A five year series of exchange study visits by

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Japanese
Court Dance Theater and
Music from Okinawa



Americans
Harlem in
Tokyo



Americans
Milwaukee in Tokyo



Americans and Japanese
The Bacchae
Milwaukee and Tokyo

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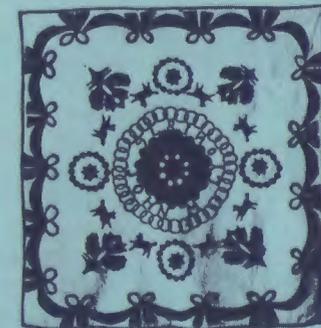
Americans and Japanese
Prime Minister Suzuki and
Senator Roth announcing gift
to the Commission.



Japanese
Performing Arts Mission



Americans
Opera Theatre of St. Louis



American
Folk Art

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chief state school officers and state board of education and PTA officials with their Japanese prefectural counterparts has been conducted, as well as annual exchanges of teams of newspaper editors and writers. These exchanges have developed understanding of common professional problems across the differences of culture and society.

To encourage the development of good reading about the other country for the educated public, who are non-specialists, the Commission established a pair of companion book prizes. In its third year, the Friendship Fund prize for Japan was won by a Japanese scholar, Kazumi Fujimoto, for his study of the development of political parties in America. The prize for the United States was won by an American student of Japanese literature, Karen Wigen, for her translation of a contemporary Japanese novel by Shotaro Yasuoka.

The Japan-America relationship becomes ever more important to both nations, and perhaps more difficult as it becomes more intimate. The Commission faces 1982 with effective new leadership, more committed than ever to use the resources received from the Governments and taxpayers of both countries with wisdom and imagination to strengthen the intellectual compatibility and intelligent understanding between the Japanese and American peoples.

Francis B. Tenny
Executive Director
1976-1981

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Grants Awarded in U.S. Fiscal Year 1981 (October 1, 1980-September 30, 1981)

	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
A. Japanese Studies in American Education		
1. LANGUAGE		
a. The Inter-University Center for Japanese Language Studies in Tokyo, for advanced training of American graduate students		219,803
2. GRADUATE FELLOWSHIPS		
a. Economics The Association for Asian Studies, Ann Arbor, Michigan, for a national program for graduate students of economics specializing on Japan	79,500	
b. Law The American Bar Foundation, Chicago, Illinois, for post J.D. study specializing in Japanese law	69,338	
c. Journalism Columbia University Graduate School of Journalism, New York, for study in New York and on-the-job training in Tokyo Inter-University Center for Japanese Language Studies in Tokyo, for on-the-job training in Tokyo Bureaus of The Associated Press, Newsweek, McGraw-Hill World News, and The Asian Wall Street Journal	28,000	14,370
3. LIBRARIES		
a. Consortium of ten major collections, for acquisition of Japanese materials and improvement of service to outside scholars Columbia University, New York, N.Y., for the Eastern group of four (Columbia, Harvard, Princeton, Yale)		74,836

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	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
University of Michigan, Ann Arbor, Michigan, for the Midwestern group of two (Chicago and Michigan)	2,000	35,547
Stanford University, Stanford, California, for the California-Southwest group of two (University of California, Berkeley, and Stanford University)	10,000	28,064
University of Washington, Seattle, Washington		18,709
University of Hawaii at Manoa, Honolulu, Hawaii	16,932	2,870
4. PROFESSIONAL EDUCATION		
a. Business Education		
University of Michigan, Ann Arbor, Michigan, for first installment of 1-to-3 challenge grant to establish faculty position in Japanese Business in the Graduate School of Business Administration	50,000	
b. Legal Education		
Columbia University, New York, N.Y., final installment of challenge grant for establishment of faculty position and fellowships in Japanese law	75,000	
5. RESEARCH		
a. The Social Science Research Council, New York, N.Y., to enable consultation and planning by American scholars with the Japan Society for the Promotion of Science for joint research in the social sciences	31,250	
b. The Social Science Research Council, New York, N.Y., for faculty research in Japan by American scholars of Japan	44,216	81,934

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	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
c. Princeton University, Princeton, N.J., for study by American and Japanese scholars together of the Tokugawa-Meiji transformation of Japan in the 19th century	40,605	
d. The Social Science Research Council, New York, N.Y., for the first part of a study by American and Japanese scholars of Japanese Aesthetics and Practice	16,875	
e. The <i>Journal of Japanese Studies</i> , published at the University of Washington, Seattle, for publication subsidy	18,508	
6. OUTREACH		
a. The Association for Asian Studies, Ann Arbor, Michigan, for support to the Northeast Asia Council program of lecture circuits, projects in undergraduate teaching methods and resource surveys, travel of scholars to major American collections in Japanese Studies, and organization of scholarly panels on Japan at national conventions of major scholarly disciplines	43,835	
b. The Association for Asian Studies, Ann Arbor, Michigan, for traveling seminar by four Japanese scholars in Charlottesville, Virginia; Chapel Hill, North Carolina; Tallahassee, Florida; and Knoxville, Tennessee, sponsored jointly with the Japan Foundation	13,516	
c. The Central Educational Network, Chicago, Illinois, to complete the program of broadcast on public television stations in the 12 state central region of the 30 part series <i>Japan the Living Tradition</i> and <i>Japan the Changing Tradition</i> in connection with its use in courses by educational institutions	25,000	

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	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
7. UNDERGRADUATE EDUCATION		
a. Amherst College, Amherst, Massachusetts, for the exchange of faculty in support of the Associated Kyoto Program for American students at Doshisha University, Japan, sponsored by eleven American colleges and universities (Amherst, Bucknell, Carleton, Colby, Connecticut, Mount Holyoke, Oberlin, Smith, Wesleyan, Whitman, Williams)	25,000	24,612
b. University of Illinois, Urbana-Champaign, Illinois, for the exchange of faculty in support of the Konan University Year-in-Japan Program of the Universities of Colorado, Illinois, Michigan State, and Pittsburgh	44,079	
8. SECONDARY EDUCATION		
a. National Council for the Social Studies, Washington, D.C., for compilation and distribution of lessons and exercises based on examples of contrasting treatment of historical events in Japanese and American textbooks	6,000	
b. Sister Cities International, Washington, D.C., for a national program of teachers' workshops and other activities to encourage teaching activities with sister schools in Japan	64,000	
TOTAL FOR JAPANESE STUDIES	\$703,654	\$500,745

	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
B. American Studies in Japanese Education		
1. RESEARCH CENTER DEVELOPMENT		
a. The University of Tokyo, for research materials and activities of the Center for American Studies at the Faculty of General Education		58,573
b. Doshisha University, Kyoto, for research materials and activities of the Center for American Studies at the University		41,628
2. BOOKS AND LIBRARIES		
a. The Asia Foundation, San Francisco, for build-up of library collections at ten Japanese universities (Doshisha, Hiroshima, Hokkaido, Kyushu, Nanzan, Ochanomizu, Ryukyu, Tokyo, Tsuda, Tsukuba) and for short term visits by American specialists	105,700	7,815
3. FACULTY DEVELOPMENT		
a. Keio University, Tokyo, for fourth year of program for the establishment of a faculty position in American Cultural History at Keio, including the training of the incumbent in the United States and interim service of an American professor at Keio		71,942
b. The International House of Japan, Tokyo, for a summer 1981 training program in English language discussion and seminar technique at Cornell University, Ithaca, N.Y., for 12 Japanese faculty members in American Studies		23,067
4. FACULTY RESEARCH		
a. The American Council of Learned Societies, New York, N.Y., on a partly matching basis for fellowships for Japanese professors of American Studies to do research in the United States	120,000	

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	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
b. The International House of Japan, Tokyo, for research training in the United States for two Japanese faculty members of American Studies in the social sciences on the Nitobe Fellows program		33,150
c. The National Humanities Center, Research Triangle Park, North Carolina, for a Resident Fellowship for a senior Japanese scholar in the Humanities relating to American civilization	37,375	
d. The Kyoto American Studies Summer Seminar, sponsored by Doshisha and Kyoto Universities, for support of the summer 1981 sessions on a partly matching basis with the Japan Society for the Promotion of Science		31,038
e. The Hokkaido Association for American Studies, for an August 1981 Northern Japan Seminar in American Studies at Hokkaido University	10,702	46,431
f. Osaka University, for a combined program in American Studies and Japanese Studies in seminars, teaching, and facilities for visiting American scholars, jointly with Osaka University, Kobe University, and Osaka University of Foreign Languages		44,574
g. The American Studies Foundation of Japan, Tokyo, for travel of Japanese scholars participating in American Studies conferences overseas from Japan		13,695

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	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
h. Japan Association of International Relations, Tokyo, for editing and text-preparation of an English language edition of the Association's Japanese language book <i>Post World War II Japanese Research in Diplomatic History and International Politics, A Basic Bibliography and Critical Essays</i>		12,134
i. American Studies Book Prize, including honoraria for jury and prize award 1981 Winner: Mr. Kazumi Fujimoto of the National Diet Library for his book <i>Amerika Kindai Seito no Keisei (The Formation of Modern Political Parties in America)</i>		3,227
5. UNDERGRADUATE TEACHING		
a. For visiting lecture services for new credit courses by Japanese professors of American Studies, Ryukyu University, Naha, Okinawa		2,335
b. The Asia Foundation, San Francisco, for provision of audiovisual materials on the United States for use in undergraduate teaching at Tokyo, Doshisha, Tsukuba, and other universities	33,750	
TOTALS FOR AMERICAN STUDIES	\$307,527	\$389,609

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	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
C. The Arts		
1. EXCHANGE FELLOWSHIPS FOR CREATIVE ARTISTS		
<p>a. Jointly sponsored program funded by the Japan-United States Friendship Commission, the U.S. National Endowment for the Arts, and the Agency for Cultural Affairs of Japan (Bunkacho). Administered in Japan for the Commission by the International House of Japan, Inc.</p> <p>Commission grant funds for the artists in FY 1980</p> <p>Pass through funds from the National Endowment for the Arts for FY 1981</p> <p>Support services for Japanese artists by the Asian Cultural Council, New York, N.Y.</p> <p>American Fellowship Winners in 1981</p> <p>Linda Feferman, screenwriter and film maker, New York, N.Y.</p> <p>T. James Hayward, painter, Minneapolis, Minnesota</p> <p>Andrea P. Leers, architect, Arlington, Massachusetts</p> <p>Nathan Lyons, photographer, Rochester, New York</p> <p>Elyn Zimmerman, sculptor, New York, N.Y.</p> <p>Japanese Fellowship Winners in 1981</p> <p>Tomoko Kato, violinist, Tokyo</p> <p>Shuji Mizumoto, sculptor, Tokyo</p> <p>Miyuki Murabayashi, classic ballet-dancer, Tokyo</p> <p>Toshiaki Sato, stage lighting designer and operator, Tokyo</p>	<p>32,480</p> <p>28,200</p>	<p>36,210</p> <p>75,000</p>

日米友好基金

	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
<p>Takako Yoshitake, modern dance performer, Tokyo</p> <p>2. AMERICAN CULTURAL PERFORMANCES IN JAPAN</p> <p>a. Milwaukee Repertory Theater, Milwaukee, Wisconsin, for 25 performance tour of Tokyo, Nagoya, Osaka, Yokohama in May-June 1981 of repertory production of <i>A Streetcar Named Desire</i>, by Tennessee Williams, under Japan sponsorship of the Institute of Dramatic Arts (Gendai Engeki Kyokai)</p> <p>b. Dance Theatre of Harlem, New York, N.Y., for seven performance tour of Tokyo, Kyoto, Osaka, Kobe in November 1981 under Japan sponsorship of the Nippon Cultural Centre</p> <p>3. JAPANESE CULTURAL PERFORMANCES IN THE UNITED STATES</p> <p>a. By Japanese groups from Japan</p> <p>The University of California, Los Angeles, for national PBS satellite telecast of the Classical Performing Arts Friendship Mission of Japan, August 1981, with participation of Japanese master instructors of Noh, Kyogen, Nihon Buyo, Shamisen, and Hayashi, and American performer pick-up through PBS simultaneous broadcast participation by KCET Los Angeles, WGBY Springfield, Massachusetts, and KHET Honolulu, Hawaii</p>	<p>82,787</p> <p>50,000</p> <p>75,000</p>	

日米友好基金

	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
The Asia Society, New York, N.Y., for a 25 performance U.S. tour by the Court Dance Theater and Music from Okinawa at colleges, museums, and theaters in Hawaii, California, Arizona, Kansas, Iowa, Texas, Missouri, Illinois, Michigan, Vermont, Washington, D.C., Georgia, Florida, Ohio, and New York City, in cooperation with the Japan Foundation	40,000	
b. By American Groups		
Alum Dance Foundation, Inc., New York, N.Y., for three New York performances of <i>Made in Japan</i> , choreographed and danced by Manuel Alum, 1978 Creative Artist Fellowship Holder in Japan	3,000	
The Opera Theatre of St. Louis, Missouri, for participation of Japanese composer, choreographer, and musicians in American premiere of the modern Japanese opera <i>An Actor's Revenge</i> , by Minoru Miki, for four performances in June 1981	14,640	
The University of Illinois, Urbana-Champaign, for partial tour costs of University production of <i>kabuki</i> in English in Illinois, Indiana, Tennessee, and Iowa	1,400	
4. GROUP EXCHANGE PROJECTS		
a. The University of Wisconsin, Milwaukee, for actor training project and production in Milwaukee of <i>The Bacchae</i> , with mixed American and Japanese cast, under direction of Tadashi Suzuki, Founder and Director of the Tokyo Waseda Shogekijo	22,500	

日米友好基金

	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
b. The National Theatre of the Deaf, Waterford, Connecticut, for training of Japanese deaf actors in U.S. and American instruction of deaf theater in Japan	17,300	
c. The Byrd Hoffman Foundation, New York, N.Y., for exploratory trip to Japan by American theater writer/director Robert Wilson and an associate	5,956	
TOTAL FOR THE ARTS	\$373,263	\$111,210 *
*Including \$75,000 received from the National Endowment for the Arts for FY 1981 program.		
D. Cultural Communication and Public Affairs		
1. MAJOR REGIONAL PROGRAMS: CHALLENGE GRANTS FOR INSTITUTION BUILDING		
a. Chicago-Upper Midwest Region: The Chicago Council on Foreign Relations, for staff development and Japan programs in Illinois, Wisconsin, Minnesota	49,400	
b. Southern California Region: The Japan-America Society of Southern California, Los Angeles, in cooperation with the Japanese American Cultural and Community Center and other California organizations, for staff and program development	60,000	
c. Houston, Texas Region: The Japan-America Society of Houston, for staff and program development	25,000	
d. Dallas, Texas Region: The Japan-America Society of Dallas, for staff and program development	25,000	

日米友好基金

	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
e. New England Region: Second year of combined programs of the Japan Society of Boston and the Boston Children's Museum, for staff and program development including use of the museum's kyo-no-machiya traditional Japanese house for orientation and education activities	50,000	
f. Northern California Region: Second year for the Japan Society of Northern California, San Francisco, for staff and program development and fund raising	40,000	
g. For national program services: The Associated Japan-America Societies of the United States, with headquarters in New York City, for support of staff, organizing effort, and traveling speaker and cultural programs on nationwide basis	35,000	
(Of total regional grants of \$284,400, the amount of \$199,400 was drawn from U.S. appropriated funds and \$85,000 from 1981 Japanese Government donation)		
2. PROGRAM PRODUCTS AND ACTIVITIES FOR AMERICAN PUBLIC UNDERSTANDING OF JAPAN		
a. Television Production		
(1) Shinzen Productions, Inc., Portland, Oregon, for partial support of continued magazine-format series on Japan and Japanese in America for broadcast on public and commercial stations in Pacific and Mountain area	40,000	

日米友好基金

	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
(2) Waterstone Productions, Inc., New York, N.Y., for partial cost of production of documentary television film on the created environments of Isamu Noguchi, sculptor and landscape designer	40,000	
(3) The Educational Broadcasting Corporation, New York, N.Y., in cooperation with WNET/Thirteen, New York, for partial support of production of a video program on impressions of Japan by the video artist Bill Viola, 1979 American Creative Artist Fellowship holder in Japan	30,000	
b. Exhibitions and Film Programs		
(1) Seattle Art Museum, Seattle, Washington, for Japanese curators to accompany the exhibition "100 Masterpieces from the Idemitsu Collection" during exhibition in Seattle, Fort Worth, New York, and Denver	33,460	
(2) The American Federation of Arts, New York, N.Y., for first part of a two-year program of exhibition circuit of Japanese experimental films produced between 1960 and 1980, for showing in cultural institutions in New York, Chicago, Washington, D.C., Portland, Oregon, Minneapolis, Pittsburgh, St. Louis, Berkeley, Los Angeles, Honolulu, Seattle, Miami, and other cities	25,110	

日米友好基金

	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
<p>c. Public Discussion of Current Issues through lectures, seminars, and briefings by scholars</p> <p>(1) The Japan Society, Inc., New York, N.Y. for a program of travelling panels of Japanese lecturers, Japan Caravan 1981, jointly organized with the Japan Center for International Exchange, Tokyo, for discussion meetings in San Francisco, Seattle, Des Moines, Boston, Los Angeles, Houston, Birmingham, Atlanta, Portland, Chicago, Milwaukee, Philadelphia, Minneapolis, Detroit, Cleveland, Baltimore, St. Louis, Pittsburgh, Washington, D.C., Raleigh/Greensboro, and New York</p>	59,000	
<p>(2) The Japan Society, Inc., New York, N.Y., for discussions by a panel of scholars on "U.S.-Japanese Competition in the Semiconductor Industry" in San Francisco, New York, and Washington</p>	14,000	
<p>(3) Stanford University, Stanford, California, for public discussion meetings in Washington, D.C., and elsewhere on Japan-U.S. Economic Relations by a binational group of scholars organized as the U.S.-Japan Political Economy Study Group</p>	26,075	

日米友好基金

	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
<p>d. Professional Counterpart Exchanges and Relationships</p> <p>(1) For journalists The American Committee of the International Press Institute, Richard Leonard, Editor of <i>The Milwaukee Journal</i>, Chairman, and Hugh Patterson, Jr., Publisher of the <i>Arkansas Gazette</i>, Little Rock, Treasurer, for the 1981 exchange of Japanese and American teams of middle management news executives in cooperation with the Japan Newspaper Publishers and Editors Association</p>	37,500	
<p>(2) For state educational leaders The Council of Chief State School Officers, Washington, D.C., for the 1981-82 exchange of twelve member educational leader teams on study tours in cooperation with the Ministry of Education of Japan. American participants in 1981 came from the Chief State School Officers, State Board of Education Members, and PTA state officers from Georgia, Michigan, New Jersey, and Utah</p>	59,737	
<p>Interpreters for Japanese delegation in the U.S. May 1981 through the Department of State</p>	14,653	
<p>(3) For parliamentarians Association of Former Members of Congress, Washington, D.C., for completion of a two-year project to produce a handbook comparing procedures and role of the Congress and the Diet</p>	10,000	

日米友好基金

	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
(4) For businessmen The Pacific Basin Institute, Santa Barbara, California, for a series of seminars for American business and labor leaders and educational films on "Productivity, What Americans Can and Cannot Learn from Japan"	75,000	
The Aspen Institute for Humanistic Studies, New York and Aspen, Colorado, for Japanese speakers participating in the summer 1981 Aspen Executive Seminar for American businessmen	12,000	
e. Translations from the Japanese		
(1) The Asia Foundation, San Francisco, for assistance in the operation of a Translation Service Center in Tokyo in cooperation with the Japan Foundation and other Japanese organizations to provide translation of representative Japanese writing on contemporary topics for distribution as a feature service to American newspapers, and for translation service on Japanese articles for American journals, editors, and publishers	31,000	52,700
(2) The Japan Society, Inc., New York, for jury expenses and prize award for best literary translation of 1980 from the Japanese by a previously unpublished American translator 1981 Prize Winner: Karen Wigen, of Ann Arbor, Michigan, for her translation of <i>A View by the Sea</i> , by the contemporary novelist Shotaro Yasuoka	6,368	

日米友好基金

	U.S. Dollar Grants	Japanese Yen Grants (in dollar equivalent)
f. Institutional Assistance		
(1) The International House of Japan, Tokyo, for introductions to Japanese counterparts and other assistance to American professional, academic, and artistic visitors to Japan		40,395
(2) The College and University Partnership Program (CUPP), Memphis, Tennessee, in support of its program to develop affiliations between regional state teacher colleges and small liberal arts colleges in the United States and colleges and universities in Japan	40,000	
(3) The Japan-America Student Conference, Washington, D.C., to assist in establishing a permanent organization of the American alumni of the annual Japan-America Student Conferences, which date from 1934	10,000	
3. EXHIBITIONS AND CULTURAL PROGRAMS IN JAPAN FOR JAPANESE POPULAR UNDERSTANDING OF THE U.S. Museum of American Folk Art, New York, N.Y., for exhibition in Tokyo and Osaka, Japan, of "Small Folk, A Celebration of Childhood in America" following its earlier exhibition in New York and St. Louis	30,000	
TOTALS FOR CULTURAL COMMUNICATION AND PUBLIC AFFAIRS	\$878,303 **	\$93,095
** Including \$85,000 in donated funds received from Japan		

日米友好基金

1981 Program Year Combined Dollar and Yen Totals

Japanese Studies	\$1,204,399
American Studies	697,136
The Arts	409,473
Cultural Communication and Public Affairs	971,398
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Grant Program, Total for 1981	\$3,282,406
Administrative Costs for 1981	303,390
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Total Commission Program for 1981	\$3,585,796
Adjustments	
Refunds to Commission for interest earned and unspent balances in grants and other receipts	\$ (14,266)
Funds received from the National Endowment for the Arts and passed through for stipends of American creative artists in Japan under joint program	\$ 75,000
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Total Commission Activity in 1981	\$3,646,530 *

*Includes Funds Donated by Japanese Government.

日米友好基金

Administrative Expenses of the Commission in FY 1981

Dollar Fund	
Personnel	\$ 140,765
Travel	45,481
General Services Administration, for payroll, accounting, and other services	40,500
Printing	9,702
Other Services	9,296
Supplies and Equipment	1,674
Communications	3,752
Office Space	9,310
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Total dollar fund administrative costs	\$ 260,480
Yen Fund (in dollar equivalent)	
Personnel	\$ 13,525
Selection Committee Arrangements and Other Services	6,572
Translation and Printing	2,745
Communications	3,081
Travel	4,385
Office Space	12,602
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Total yen fund administrative costs	\$ 42,910
Total Administrative Costs	\$ 303,390

日米友好基金

Financial Report Status of the Trust Fund

Dollar Fund
Fiscal Year 1981
(10-1-80 through 9-30-81)

Income Statement

Income

Interest on U.S. Treasury Obligations (Earned Basis)	\$ 1,698,503
Received from the National Endowment for the Arts For 1981 Program	75,000
Advance on 1982 Program	29,000
Japanese Government Donation, May 7, 1981	2,000,000
Total Income	\$ 3,802,503

Expense

U.S. Appropriated Funds	
Administration	\$ 251,751
Grants	2,177,747
Total Appropriated Funds	\$ 2,429,498
Less Refunds and Interest on Earlier Year Grants	(7,707)
Net Total Expense	\$ 2,421,791
Funds Donated by Japanese Government	
Administration	\$ 8,729
Grants	85,000
Total Donated Funds	\$ 93,729
Total Expense	\$ 2,515,520
Gain or (Loss)	
Appropriated Fund	(\$ 619,288)
Donated Fund	1,906,271
Total Gain or (Loss)	\$ 1,286,983

日米友好基金

Fund Balance

9-30-81

Original Appropriation, 1-1-76	\$18,000,000
Fund Balance, 9-30-80	19,057,886
Income or (Loss) in Excess of Expense	1,286,983
Fund Balance, 9-30-81	
Appropriated Fund	\$18,438,598
Donated Fund	1,906,271
Total Fund	\$20,344,869*

*The Fund Total does not agree with the Treasury Combined Statement because of receivable adjustments in GSA accounting to be researched and adjusted in 1982.

日米友好基金

Yen Fund

Fiscal Year 1981
(10-1-80 through 9-30-81)

Income Statement

	Yen	Approximate Dollar Equivalent (at Exchange Rate Averages)
Income		
Interest on Japanese Government bonds	¥160,377,098	\$746,853 (@¥214.7 to \$1)
Bank Interest on Deposits	2,423,376	11,473 (@¥211.2 to \$1)
Total Income	¥162,800,474	\$758,326 (@¥214.7 to \$1)
Expense		
Administration	9,573,940	42,910 (@¥223.1 to \$1)
Grants	239,865,032	\$1,094,659 (@¥219.1 to \$1)
Total Expense	¥249,438,972	\$1,137,569 (@¥219.3 to \$1)
Adjustment: Net grants unpaid and refunds received	(13,577,756)	(54,240)
Net Expense	¥235,861,216	\$1,083,329
Gain or (loss)	(¥73,060,742)	(\$325,003) (@¥224.8 to \$1)
Fund Balance (9-30-81)		
Original Appropriation Received 11-1-76	¥3,615,429,455	\$12,529,771 (@¥288.5 to \$1)
Balance Received 10-22-79	325,683,316	1,470,353 (@¥221.5 to \$1)
Fund Balance, 9-30-80	3,986,603,494	16,638,578 (@¥239.6 to \$1)
Income or (loss) in excess of expense	(¥73,060,742)	(\$325,003) (@¥224.8 to \$1)
Yen appreciation or (depreciation)		1,095,423
Fund Balance, 9-30-81	¥3,913,542,752	\$17,408,998 (@¥224.8 to \$1)

日米友好基金

Investment Portfolio

Japan-United States Friendship Trust Fund

October 1, 1981

Dollar Fund

Treasury Obligations

Par Value	Coupon Rate	Effective Rate	Maturity
4,867,000	9.125%	10.20%	May 15, 2009
4,076,000	9 %	10.41%	Feb 15, 1994
700,000	9.25 %	9.96%	May 15, 1989
2,939,000	8.25 %	8.34%	May 15, 1988
1,967,000	8.25 %	8.57%	May 15, 1988
1,821,000	8.25 %	8.95%	Jun 30, 1982
1,480,000		14.46%	Mar 18, 1982
\$17,850,000	Invested		
1,906,271	Balance of Japanese Government donation, on deposit in Treasury pending investment authority		
68,704	Available Cash on Hand		
\$19,824,975	Fund Total *		

*From Treasury Combined Statement. See note at bottom of Dollar Fund Status Report Table on page 32/33.

continued on next page

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日米友好基金

Investment Portfolio Japan-United States Friendship Trust Fund

October 1, 1981 / Continued

Yen Fund

Face Value		Dollar Equiv. (@Y224.8 to \$1)	Effective Rate	Maturity
¥1,644,000,000	Japanese Govt. No. 1-7% Bonds	7,313,167	5.7 %	Feb 20, 1982
750,000,000	Japanese Govt. No. 1-8% Bonds	3,336,299	8.89%	Nov 20, 1984
400,000,000	Japanese Govt. No. 2-7.4% Bonds	1,779,359	8.46%	May 20, 1987
150,000,000	Japanese Govt. No. 3-7.2% Bonds	667,260	8.4 %	Aug 20, 1987
61,500,000	Japanese Govt. No. 3-7.75% Bonds	273,577	8.7 %	Aug 20, 1984
750,000,000	Japanese Govt. No. 5-8% Bonds	3,336,299	8.89%	Nov 20, 1985
100,000,000	Japanese Govt. No. 7-2-8% Bonds	444,840	7.57%	Feb 20, 1986
40,000,000	Bank Certificates	177,936	5.5 %	Nov. 21, 1981
18,042,752	Call Account	80,261	2.5 %	2 day call
¥3,913,542,725	Fund Total	\$17,408,998		

Criteria for Support

The Commission in April 1977 adopted the following criteria for grant support and disseminated them widely:

1. Programs supported by the Japan-United States Friendship Commission will be open to citizens and permanent residents of the United States or of Japan, without regard to race, creed, sex, or national origin.

2. Awards will be made on the basis of academic or professional excellence, evaluated in relation to (a) national and cultural needs for certain professional fields, (b) existing gaps in understanding, and (c) availability or lack of other sources of support.

3. All proposals accepted for consideration will be evaluated by American and/or Japanese professional committees, consultants, or advisors active in the field.

4. The Commission will uphold the principle of nationwide eligibility, benefit, and impact in establishing its grant programs in both Japan and the United States.

Grants may be made to individual universities or local organizations, but primarily in consideration of their contribution to national resources for understanding of the other country.

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5. Grants to individuals, under all programs, normally will be made through academic, professional, artistic, or other appropriate organizations which will examine, recommend, and in most instances select, the individuals to be supported financially by the Commission. The names of such organizations, application dates, and procedures will be announced.

6. Full freedom of investigation and expression will be the condition for all grants. The Commission, however, does not necessarily endorse the conclusions or other contents of its grantees' work.

7. While not discouraging research on matters where Japanese and Americans may differ, the Commission itself will refrain from advocating any particular policies that may be at issue temporarily between the two countries.

8. The Commission welcomes matching grants from other appropriate United States or Japanese sources. These and other forms of cooperation will be taken as evidence of broad interest and support for any given proposal.

9. The Commission as a general rule will work with non-profit organizations in carrying out its programs. In the case of projects involving a financial risk, or profit potential, the Commission reserves the right to channel grants through appropriate non-profit organizations to profit-making enterprises or entrepreneurs on condition that they share any resulting proceeds with the Commission on a proportionate basis.

Grants for regular programs of the Commission will normally be awarded in October and April. Specific proposals should be received by September 1 or March 1.

JAPANESE



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