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**A Critical Assessment of Japan's Foreign Aid Sanctions Policy:
Case Studies of Latin American Countries**

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Abstract

The Japanese government introduced new foreign aid guidelines in 1991 and it pledged to impose aid sanctions on those aid recipient countries whose governments violated human rights or democratic principles. The introduction of the new aid guidelines is expected to produce a certain effect on Japan's foreign aid policy. This paper examines Japan's aid sanctions policy toward Latin American countries as a case study. Since new ODA guidelines were introduced, Japan implemented three positive reinforcements in Latin America, i.e. in Nicaragua, El Salvador and Peru, while negative reinforcements were introduced twice, i.e. in Haiti and Guatemala. The findings indicate that Japan apparently pledges to promote human rights and democracy with the aim of showing solidarity with other aid donor countries while the pursuit of economic interests seem to remain a driving force behind Japanese aid policy.

1. Introduction

The Japanese government introduced new foreign aid policy guidelines in 1991 and it pledged to impose aid sanctions on those aid recipient countries whose governments violated human rights or democratic principles.¹ According to a Japan's high ranking officer in the Ministry of Foreign Affairs (MOFA), under the new aid guideline, "the government said it would pay full attentions to.....efforts toward democratization, respect for human rights and freedom" (Kawakami, 1993).

Before the introduction of the new aid policy guidelines, Japan seldom showed an interest in the political conditions in aid recipients (Orr, 1993a). The introduction of the new aid guidelines is expected to produce a certain effect on Japan's foreign aid policy. However, Japan has been repeatedly criticised for taking lenient measures toward aid recipients in Asia (see Arase, 1993 and Okuizumi, 1995).

It is very important to note that the Japanese government uses its aid power to influence aid recipients not only by employing "negative reinforcement" (*shokyoku-teki kanren* in Japanese) but also through the use of the "positive reinforcement (*sekkyoku-teki kanren* in Japanese)". In other words, the Japanese government can choose to impose negative reinforcement (the suspension or a decrease in foreign aid) on recipient countries where undesirable policy changes occur, while positive reinforcement (an increase in foreign aid) would be applied to aid recipients that conduct desirable policies in the light of Japan's foreign aid guidelines (Furuoka, 2006).

This paper examines Japan's aid policy toward Latin American countries. Since new

¹ There is a "policy shift" in the Japan's foreign policy after the end of the Cold War. For detailed discussion, see Furuoka (2002).

ODA guidelines were introduced, Japan implemented three “positive reinforcements” in Latin America, i.e. in Nicaragua (1991), El Salvador (1991) and Peru (1992), while “negative reinforcements” were introduced twice, i.e. in Haiti (1991) and Guatemala (1993) (Furuoka 2005).

2. Positive and Negative Reinforcements

To understand Japan’s aid sanctions policy, the Japanese way of imposing aid sanctions needs to be taken into account. The Japanese government justifies its dealings with repressive regimes by stressing the importance of the “persuasive approach” practiced by Japan. According to *Japan’s ODA 1994*, “The policy dialogue pursued by Japan is unique in that Japan does not apply its standards automatically to the planning of development projects... This stance putting emphasis on policy dialogue is reflected in the ODA Charter” (MOFA, 1994: 53).

In a similar vein, *Japan’s ODA 1995* states that when problems contravening the principles of the ODA Charter occur, it is important to listen to explanations of recipient countries and hold dialogues with them. The document thus describes Tokyo’s methods, “The Japanese approach is to work tenaciously on the recipient countries toward achieving the goal through friendly persuasion and quiet and patient diplomacy” (MOFA, 1995: 47).

The Japanese government admits that it prefers to use positive reinforcement. According to *Japan’s ODA 1995*, Tokyo adopts positive reinforcement with the aim of encouraging recipient countries that show signs of improvement in such areas as democratisation, human rights and restraints in military expenditure. By contrast, Japan employs negative reinforcement when political situations in recipient countries are

viewed as undesirable in the light of Japan's ODA Charter (MOFA, 1995: 48).

From the Japanese government's perspective, positive reinforcement is more practical and effective than negative reinforcement. The Japanese government explains its preference for the use of positive reinforcement by stating that negative reinforcement can backfire and thus retard the movement toward improvement. Besides, the use of negative reinforcement may create an impression that Japan is trying to impose her values on aid recipients (MOFA, 1995: 48).

Japan's ODA 1996 mentions that problems that may arise with the implementation of negative reinforcement. The document claims that even if the recipient country's actions are repugnant to the principles of Japan's ODA Charter, it is not appropriate for Japan to cut off aid immediately because those actions might be dictated by the recipient's security and are domestic matters. As the document explains, "Furthermore, there could be a case where both desirable and undesirable actions in the view of the ODA Charter co-exist in one country at the same time. In this case it would be inappropriate to pay attention solely to the negative events and reduce or freeze ODA disbursement" (MOFA, 1996: 38-39).

Japan's ODA 1996 stresses the importance of recognizing the recipient countries' efforts to improve their political situations and states, "As the aim of the ODA's principles is to help recipient countries put the content of the principles into practice, it is necessary to encourage them to embrace the principles as a value worth of pursuit of their own accord and urge them to make efforts for its realisation". The Japanese government thus explains why Japan avoids imposing her own values on aid recipients, "If Japan takes strict actions to recipient countries... it may be viewed by the latter as a

unilateral imposition of values, provoke a backlash, and delay improvements in the situation. When there emerges in a recipient country a move repugnant to the spirit or the principles (of the ODA Charter), it is important to have bilateral dialogue or to bring international influence in collaboration with other countries rather than unilaterally tamper with ODA projects” (MOFA, 1996: 38-39).

The question is whether Japan’s preference for positive reinforcement is effective or desirable. There are contradicting views on the practice of dealing with repressive regimes through positive reinforcement. For example, a leading Japanese economic journal praised Japan’s initiative in Myanmar, calling it “Sun diplomacy”. Using an analogy of Aesop’s fable about a wager between the north wind and the sun, the article compared the US approach (negative reinforcement) to the north wind while Japan’s policy (positive reinforcement) was equated with the sun. According to the journal, Tokyo’s diplomatic efforts and contacts with the Myanmar military government contributed to the release of Aung San Su Kyi (*Ekonomisuto*, June 18, 1996: 17).

A Japanese ODA specialist, Wataru Hosaka, gives an altogether different analysis of the same event. He states that the use of Aesop’s fable was not very successful and could neither explain nor justify Japan’s policy toward Myanmar. Hosaka points out that it is unacceptable that the Japanese people’s taxes are spent on a repressive regime and warns that such policies will render “nominal” the ODA Charter’s principles (*Kokusai Kaihatsu Janaru*, February. 1996: 26-27).

2.1. Positive Reinforcement

Although the Japanese government has more frequently employed positive reinforcement since the ODA Charter’s introduction in 1992, a prototype of this method

had existed before the announcement of the new aid guidelines. According to Inada (1995: 5), Japan's active assistance to the new government of the Philippines, after President Marcos was ousted in 1986, can be considered the first case of the application of positive reinforcement.

Since the introduction of the new aid guidelines, Tokyo applied positive reinforcement and provided foreign aid to three Latin American countries, Nicaragua (1991), El Salvador (1991) and Peru (1992). These nations had a long history of civil disorder and had struggled to establish more democratic political systems. Positive reinforcement was also employed in Africa in Madagascar (1991), Zambia (1992) and Guinea (1992).² In Asia, positive reinforcement was used in Mongolia (1992), Cambodia (1992), the Asian republics of the former Soviet Union (1992), and Vietnam (1993) (see Furuoka, 2006).

2.2. Negative Reinforcement

The Japanese government is usually very prudent in applying negative reinforcement and resorts to it only if persuasion does not work. According to Orr (1993b: 14), when serious human rights abuses take place in a recipient country or there is a serious setback in democracy (especially, a military *coup d'etat*), Tokyo takes the following three steps: 1) persuasion, 2) persuasion plus soft measures, 3) aid cuts.

In the initial stage, Japan expresses concern about the situation and warns the recipient country of possible punitive measures. Tokyo uses diplomatic channels to persuade a recipient to improve the negative situation. If there are no signs of improvement after the first warning, the Japanese government issues the second warning. If the negative

² The detailed descriptions of Japanese aid sanctions policy toward African countries, see Furuoka (2007).

situation persists, Japan normally freezes the amount of foreign aid at the previous year's level. Finally, if this measure also fails, the Japanese government reduces or suspends foreign aid to the country.

Since the introduction of the new guidelines in 1991, Tokyo has reviewed foreign aid to nine African countries, i.e. Kenya (1991), Zaire (1991), Malawi (1992), Sudan (1992), Sierra Leone (1992), Togo (1993), Zambia (1993), Nigeria (1994), and the Gambia (1994) (see Furuoka, 2007). In Latin America, Japan used negative reinforcement in Haiti (1991) and Guatemala (1993). It is worth noting that, in the 1980s before the ODA Charter was promulgated, Japan had taken similar measures towards two Asian countries, i.e. Burma (1988) and China (1989) (Furuoka, 2006).

2.3. Driving Force behind Japanese Aid Sanctions Policy

The real driving force behind Japan's aid policy is said to be the promotion of Japan's economic interests. This hypothesis assumes that the Japanese government would take into account economic relations between Japan and the recipient country when deliberating the introduction of aid sanctions against the recipient. In other words, there is a difference in the application of Japanese aid sanctions to those countries that Japan has strong economic relations with to those countries that have weaker ties with Japan. Therefore, before further discussing Japanese aid sanctions episodes in Latin America, this section will briefly analyse Japan's economic relations with her aid recipients.

Among recipients of Japan's ODA, Asian countries have very strong economic ties with Japan. In terms of international trade, Asia has been an important destination for Japanese exports (see Table 1). The region received US\$83 billion of Japanese exports in 1989, US\$90 billion in 1991, and US\$193 billion in 1995. Due to a rapid increase of

Japanese exports to China, the importance of Asia as Japan's trade partner was further enhanced in the 1990s. In 1997, Japanese exports to Asia amounted to US\$177 billion, and increased to US\$277 billion in 2004.

Table 1 Japanese Exports to Developing Countries by Area (million US\$)

	1989	1991	1995	1997	2004
Asia	82,626	90,146	193,411	177,534	273,708
Latin America	8,793	12,221	18,610	19,839	21,649
Africa	4,439	4,960	6,331	4,196	7,657

Source: data on Japanese exports in 1989 and 1991 are from IMF (1996: 267-269)
 data on Japanese exports in 1995 and 1997 are from IMF (1998: 271-273)
 data on Japanese Export in 2004 is from JETRO (2007a)

Latin America and Africa were Japan's minor trade partners (see Table 1). In 1989, Japanese exports to Latin America amounted to more than US\$8 billion. They gradually increased to US\$12 billion in 1991, and further increased to US\$19 billion in 1997. In 2004, Japanese exports to Latin America exceeded US\$ 21 billion. To compare, Japanese exports to Africa accounted for less than US\$10 billion from 1989 to 2003.

To sum up, Japan has stronger economic relations with Asian countries than with Latin American or African countries. If the promotion of own economic interest is real driving force behind Japan's aid sanctions policy, Japan would take strict aid sanctions against non-Asian countries, such as Latin American countries.

3. Japanese Aid Sanctions in Latin America

This section will examine Japan's aid policy toward Latin American countries. Since new ODA guidelines were introduced, Japan implemented three positive reinforcements in Latin America, i.e. in Nicaragua, El Salvador and Peru, while negative reinforcements were introduced twice, i.e. in Haiti and Guatemala. On the other hand,

Japan did not implement negative reinforcement in Peru (see Table 2).

Table 2
Positive Reinforcement and Negative Reinforcement in Latin America

Country	Year	Measures	Human Rights Condition Index ³	Area
Positive Reinforcement				
1. Nicaragua	1991	To assist in national reconstruction efforts	Three (1991)	Latin America
2. El Salvador	1991	To assist in national reconstruction efforts	Three (1991)	Latin America
3. Peru	1992	To assist elections for Constitutional Assembly	Six (1992)	Latin America
Negative Reinforcement				
1. Haiti	1991	Aid suspension (Aid resumed in 1994)	Seven (1991) Five (1994)	Latin America
2. Peru	1991	No aid suspension	Three (1991) Six (1992)	Latin America
3. Guatemala	1993	Aid suspension	Four (1993)	Latin America

Source: Furuoka (2005)

3.1. Positive Reinforcement in Latin America

a) Nicaragua

In 1990, a prolonged civil war in Nicaragua finally ended and a general election was held. The coalition party of the anti-military government (the anti-Sandinistas government) won the election and, in April 1990, the military government peacefully transferred power to the elected government. The leader of the coalition party, Violeta Barrios de Chamorro, became the country's new president. She was able to overcome political instability caused by the strikes that a union affiliated with the Sandinistas had provoked. The new president achieved substantial success in bringing about peace

³ Freedom House Index of political rights is used to measure the human rights condition in recipient countries. The index uses a one-to-seven scale and assigns higher numbers to countries with worse human rights conditions.

domestically by reducing the military force from 80,000 to 20,000 persons and disarming the Contra guerrilla groups that stood against the Sandinistas.

To support these positive changes, Tokyo decided to provide additional foreign aid to Nicaragua. According to *Japan's ODA 1992*, "Japan provided Nicaragua, which saw a peaceful transition from the Sandinista to the Chamorro administration in April 1990, with ¥2.55 billion (US\$17.0 million) in bilateral aid in FY 1990, and the equivalent of US\$70 million in structural adjustment loans and ¥2.085 billion (US\$15.4 million) in grant aid in FY 1991, to assist in national reconstruction efforts" (MOFA, 1993a: 28).

Since then, Japan has continued to support Nicaragua. Japan's ODA to the country increased from US\$1 million in 1990 to US\$48 million in 1991, and reached US\$54 million in 1992. In 1995, Japan allocated to Nicaragua US\$51 million of foreign aid and was the country's second biggest aid donor (MOFA, 1997: 226-227).

b) El Salvador

In El Salvador, positive political changes took place in 1992 after President Cristiani Alfredo succeeded in his efforts to put an end to civil war. In January 1992, under the supervision of the United Nations Observer Mission in El Salvador (ONUSAL), the El Salvadorian government and the rebel force, the Farabundo Marti National Liberation Front (FMLN), signed a peace agreement that put an end to 12 years of civil war. Soon after, other positive changes took place in El Salvador, among them the demobilisation of the FMLN and their return to civilian life, reforms in the Armed Forces, politics, judiciary and the economy, and the establishment of the National Civil Police.

Japan together with other countries assisted the national reconstruction of El Salvador. As *Japan's ODA 1992* stated, "To assist in the country's national reconstruction, Japan announced the extension of an emergency assistance package to El Salvador comprised of, for example, ¥500 million (US\$4.23 million) in non-project grant aid, in cooperation and coordination with international community" (MOFA, 1992a: 28). Japan's ODA to El Salvador increased two-fold from US\$7 million in 1991 to US\$14 million in 1992. It amounted to US\$21 million in 1993, and reached US\$48 million in 1994 (MOFA, 1997: 376).

c) Peru

In Peru, President Alberto Fujimori was inaugurated in July 1990. The new president inherited a bankrupt economy and became vigorously engaged in reforming the country's economic structure. In December 1991, in support of Fujimori's administration reform efforts, Japan gave to Peru bilateral loans totalling US\$400 million. In addition, Tokyo decided to extend grant aid of ¥3.5 billion (US\$26.2 million), and provided a bilateral loan totalling US\$100 million in co-financing with the Inter-American Development Bank (IDB) (MOFA, 1992b: 298-299).

In April 1992, Fujimori temporarily suspended the constitution and dissolved Parliament. Late in 1992, he announced an intention to hold a national election for a constitutional assembly and proposed to hold a national referendum on the draft of the new constitution. The election for the constitutional assembly was held on November 22, 1992 under the supervision of an Organisation of American States' (OAS) observation team (MOFA, 1993a: 37).

To facilitate the electoral process, the Japanese government provided grants to Peru. According to *Japan's ODA 1993*, “With a view to cooperating in the election of constitutional assembly of Peru, Japan has extended technical cooperation by receiving trainees for instructing on election data management and by supplying computers worth about ¥73.5 million (US\$565 thousand) for processing election data” (MOFA, 1993a: 37).

3.2. Negative Reinforcement in Latin America

a) Haiti

In Haiti, democratically elected President Jean-Bertrand Aristide was ousted and exiled after a military *coup d'état* led by Lieutenant General Raoul Cedras in September 1991. Despite international diplomatic efforts to restore democracy, the political situation in Haiti had not shown any signs of improvement. However, in September 1994, after the UN adopted a resolution on military intervention in Haiti the Cedras regime softened its stance and promised to allow Aristide to return to the country. In October 1994, President Aristide returned to Haiti under the supervision of the US government (MOFA, 1995: 12-15).

Tokyo suspended foreign aid to Haiti after the *coup d'état*. *Japan's ODA 1997* gives the following explanation for the aid cut, “In September 1991, a military *coup d'état* occurred in Haiti... Japan immediately froze assistance to Haiti, based on the four ODA guidelines” (MOFA, 1997: 72). This was one of the earliest episodes when Japan applied the new ODA principles to the issues of political conditions in recipient countries.

This fact did not go unnoticed. A major Japanese newspaper, *Asahi Shinbun*, commented in 1992, “Although Prime Minister Kaifu announced the “Four Principles of ODA” in 1991, there had been no examples of its application, except in the case of Haiti where a military *coup d’etat* took place in September 1991” (*Asahi Shinbun*, May 15, 1992). In a similar vein, Murai notes that though since 1991, there have been many instances when Japan should have had imposed aid sanctions, the Japanese government took measures only toward Haiti (*Japan-Asia Quarterly Review*, January, 1993: 44).

In February 1993, Tokyo extended to Haiti small-scale bilateral grants worth about ¥5.2 million (US\$44 thousand) from humanitarian considerations.⁴ The Japanese government stressed that the aid was given as humanitarian assistance and did not mean that Japan was prepared to lift negative reinforcement. *Japan’s ODA 1993* explained that due to economic isolation, the Haitian people suffered from impoverishment and this prompted some international organisations to appeal for humanitarian aid to Haiti. “Japan’s aid is given from humanitarian standpoint in response to these appeals but it does not signal a change in our policy of freezing economic aid to the junta-led government of that country” (MOFA, 1993a: 40-41).

In 1991, before the military *coup d’etat*, Japan provided to Haiti bilateral grants amounting to ¥1,093 million (US\$8.09 million). After the *coup* the aid was halted in 1992 and remained at a marginal level of ¥18 million (US\$152 thousand). In 1994, Tokyo lifted negative reinforcement, and Haiti received ¥1,141 million (US\$10.6 million) in grants from Japan. In 1995, the amount of grants increased by 40 percent and totalled ¥1,586 million (US\$17 million) (MOFA, 1995: 72).

⁴ Aristide’s return to Haiti was considered by Japan a positive development and significant step toward the normalisation of the political situation. The Japanese government announced it would support Aristide’s efforts to restore democracy and lifted the freeze on official development assistance.

b) Guatemala

In Guatemala, President Jorge Serrano Elias made serious efforts to improve the country's economic situation. However, the economic stimulation measures introduced by the government failed to improve people's lives. As a result, disorder spread throughout the country, the political situation became chaotic, the ruling coalition party collapsed and Serrano's political power was considerably weakened.⁵ To overcome political chaos, in May 1993 Serrano partially suspended the country's constitution, dissolved parliament and the Supreme Court (MOFA, 1993b: 53-54).

The Japanese government considered that these measures went against democratic principles and expressed its concern to the Guatemalan government. Despite pressure from Japan and other donor countries, there were no signs of improvement. In June 1993, Japan suspended aid to Guatemala as a result of continuous demands for restoring democracy from inside and outside the country.⁶

Japan acted in accord with other aid donors when she suspended foreign aid to Guatemala. According to *Japan's ODA 1996*, the decision of President Serrano to partially suspend the nation's constitution "was not well received by the international community and led Japan to re-examine its aid policy to Guatemala. Japan decided that, with the exception of aid of an emergency or humanitarian nature, new project applications would not be received and that project requests already under consideration would be frozen" (MOFA, 1996: 103-104).

⁵ Political chaos continued until 1996, when a peace accord between the government and guerrilla forces was finally signed.

⁶ Serrano lost power and fled the country on July 2, 1993. A new president was elected through democratic elections. The Japanese government welcomed the positive developments and resumed aid to Guatemala on June 11, 1993.

c) Peru

In Peru, Japan chose an independent course of action. When President Fujimori abolished Parliament and the country's constitution, many donor countries immediately suspended their foreign aid to Peru. *The Economist* described Fujimori's regime as a dictatorship, "He (Fujimori) seems to have been remarkably naive about how this dictatorship would be seen abroad". According to the journal, Fujimori realised that the government was going to run out of money due to the US and Germany's aid suspension. As the journal reported, "The Americans have been putting pressure on Japan to do so" (*The Economist*, May 23, 1992: 44). The Japanese government, however, decided not to impose negative reinforcement on Peru despite very strong foreign pressures.

The Japanese government insisted, "The situation in Peru did not deteriorate to an extent that would have required the suspension of aid" (*The Economist*, May 23, 1992: 44). Instead of negative reinforcement, Japan used a demarche to influence the Peruvian president to improve the political situation in the country. Japan also called for an early restoration of the democratic system. *Japan's ODA 1992* asserts that the Japanese government's policies in Peru were effective. "The Peruvian government, partially due to persuasion from Japan, outlined a process for restoration of democratic institutions" (MOFA, 1992a: 30).

4. Evaluation of Japanese Aid Sanctions Policy toward Latin American Countries

Japan's use of positive reinforcement in Nicaragua and El Salvador caused no controversy. The Japanese government's policy in Peru, however, raised many objections. Tokyo began paying attention to Peru after Fujimori's inauguration as the Peruvian president in 1990. The ethnic Japanese origin of the new Peruvian president

was one reason for the Japanese government’s support of his policies.⁷ Japan began to treat Peru as a “special country” in Latin America and considered it a “pro-Japan nation”. As *The Economist* noted in 1992, “Mr. Fujimori seems to have tried to win friends abroad -- notably in Japan” (*The Economist*, April 11, 1992: 41).

Tokyo disbursed large amounts of foreign aid to Peru. In 1991 and 1992, Japan was Peru’s top aid donor with US\$352 million and US\$154 million of foreign aid, respectively. In 1993, when other donors resumed assistance to Peru, Japan provided that country with US\$130 million of ODA and remained its second biggest aid donor (MOFA, 1993a: 439-441).

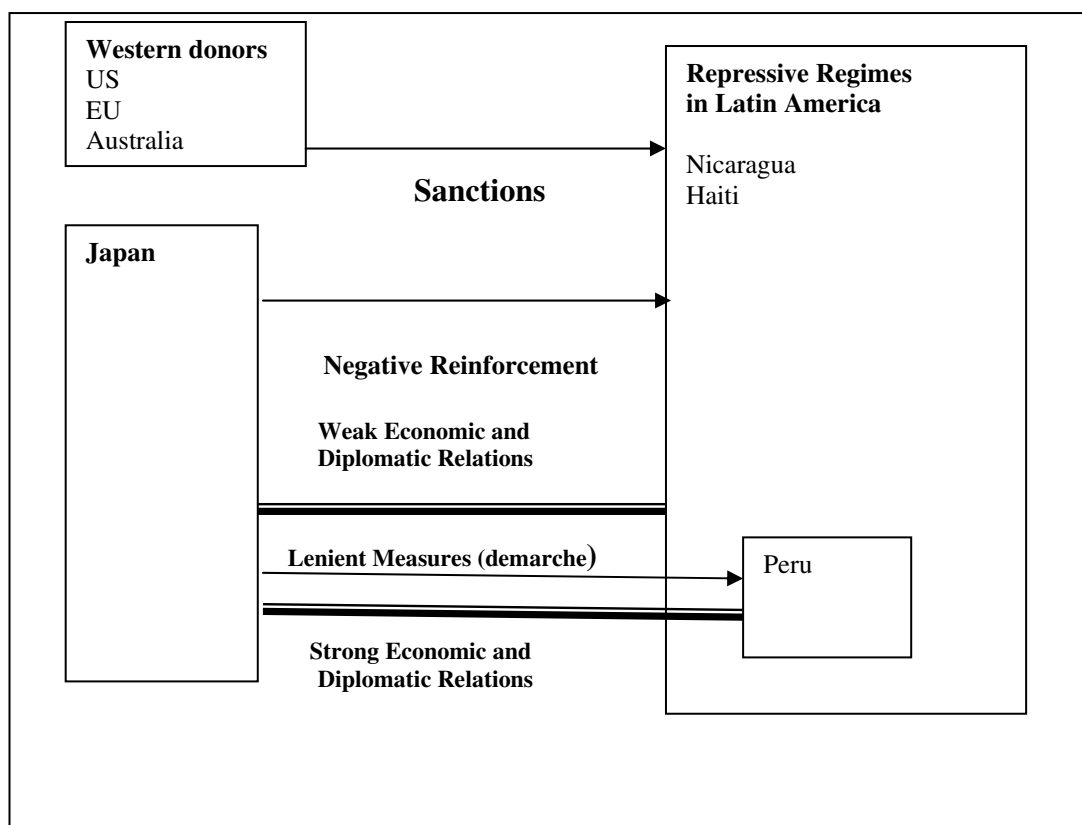


Figure 1 Negative Reinforcement in Latin America

⁷ Fujimori claimed that he was not sure whether he was a Japanese national. However, after he sought political asylum in Japan in 2000, the Japanese government confirmed that he still held Japanese citizenship. Fujimori announced that he would exercise his Japanese nationality to escape persecution by political opponents at home (*The Star*, December 13, 2000).

Peru has been the biggest recipient of Japan's ODA in Latin America. For comparison, in 1991, Tokyo provided US\$17.8 million of foreign aid to Chile, US\$27.1 million to Argentina, US\$39.4 million to Brazil, and US\$45.1 million to Mexico. In 1992, Japan's aid to Chile, Argentina, Brazil and Mexico accounted for US\$18.3 million, US\$23.7 million, US\$63.4 million, and US\$60.3 million, respectively (MOFA, 1991: 339-371).

The Japanese government's explanation that after Fujimori suspended Parliament, the political situation in Peru was not grave and did not demand extraordinary measures, failed to provide a good reason for Japan's lenient attitude. Kaoru Okuizumi points out that Japan acted differently in a similar situation in Guatemala where, after President Serrano suspended Parliament in 1993, the Japanese government imposed negative reinforcement. Okuizumi asserts that such inconsistency in policy was due to the fact that Japan had much bigger economic interests in Peru than in Guatemala. As he commented, "Peru, although traditionally not a big recipient of Japanese aid, recently has attracted the interest of the Japanese business community because of Fujimori's Japanese ancestry" (Okuizumi, 1995: 393-394).

Soderberg (1996: 143) agrees that Tokyo was not worried about hurting its interests in Guatemala, because diplomatic relations between the two countries were very weak and trade relations were negligible. Haiti is another Latin American country that has weak diplomatic and economic ties with Japan. Franklin Lavin (1996: 144) noted this fact when he wrote, "Countries will agree to subscribe to the proposed economic sanctions only when the costs are so low as to make their participation (in sanctions) essentially symbolic, such as Japan's support for the US policy to Haiti".

To sum up the above, the Japanese government does not hesitate to impose negative reinforcement on Latin American countries if it has no vested interests in those countries. By contrast, if negative reinforcement were likely to hurt Japan's economic interests or spoil diplomatic relations with a country, as could happen in Peru, Japan would adopt lenient measures (see Figure 1).

5. Conclusion

The Japanese government prefers to use the method of positive reinforcement rather than negative reinforcement, claiming the former to be more effective in reaching policy goals. Policymakers in Tokyo maintain that negative reinforcement can backfire and retard democratic movements in aid recipients.

Putting aside official explanations, the facts show that Japan took strict measures when human rights abuses occur in Haiti or Guatemala. By contrast, Japan avoided taking stern actions against Peru. In other word, the Japanese government did not take punitive measures against Peru when grave human rights violations happened, because suspending aid could seriously hurt Japan's economic interests.

When the new aid guidelines were adopted in 1991, the Japanese government promised to rigorously apply those to promote human rights or democratization in the developing countries. In practice, the principles were often sacrificed for the sake of economic interests. The findings indicate that Japan apparently pledges to promote human rights and democracy with the aim of showing solidarity with other aid donor countries while the pursuit of economic interests seem to remain a driving force behind Japanese aid policy.

As a conclusion, the Japanese government refrained from taking strict measures against country that maintain strong economic and diplomatic relations with Japan. This seems to indicate that policymakers in Tokyo still give priority to Japan's economic interests.

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