

The Association for Diplomatic Studies and Training
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AMBASSADOR JAMES D. HODGSON

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INTERVIEW

Q: Mr. Ambassador, you were appointed and confirmed as Ambassador to Japan in June of 1974. Why were you selected and why Japan?

HODGSON: This was a subject that puzzled me because I had very little experience with respect to Japan. I knew nothing of the Japanese language. I admired the Japanese people and as a West Coaster took more interest in the Asiatic side of the world than perhaps most people would. But other than that I really felt I had no credentials.

I learned, however, that I became ambassador because of an unusual combination of circumstances I will outline for you. When Mr. Kissinger was appointed Secretary of State after Bill Rogers, he wanted an experienced executive to run the Department while he handled the geo-political policy aspects. He sought Bob Ingersoll, who was then Ambassador to Japan to come back to become Assistant Deputy Secretary of State. Bob

resisted at first. The Japanese didn't want Bob to leave because they liked him. However, Henry insisted he needed Bob, so Bob eventually accepted.

Henry, being sensitive to Japanese displeasure with what he had done, asked the Japanese to outline for him the kind of a person that they would to see appointed ambassador. They had four requirements. Number one, they wanted somebody who knew all the top people in government so they wouldn't be prisoners of the bureaucratic chain of command, someone who could go directly to and get responses from higher sources. Second, they felt that their nation was essentially economic in character, so they wanted somebody who was strong in the economic aspect of life, particularly somebody who had been in business, if possible. Third, they wanted someone other than a Foreign Service officer. They had had bad luck with one or two Foreign Service officers and finally, they said, "We're an unusual culture, select somebody who is people-sensitive."

Later, Kissinger was having a conversation with the President and Secretary Shultz one day and said, "Where shall I find somebody like that?"

Shultz says, "That sounds like a tailor-made job for Hodgson."

Of course, I had worked with Shultz while he was Secretary of Labor and Secretary of the Treasury, so he knew my background. He knew I knew everybody in Japan because of the Cabinet-level meeting I attended between the U.S. and Japan. He knew that I had come out of the "personnel business" so I would be people sensitive. I just seemed to fit the requirement.

Henry said, "But, of course."

And that's how I became ambassador.

Q: Interesting. Could you tell us a little bit about your background?

HODGSON: Well, I spent, after college, the first 25 years of my life, as an executive for the Lockheed Aircraft Corporation. Largely in personnel, labor relations, and administrative activities.

It was because of that background, when Secretary Shultz was made Secretary of Labor, he asked me to come back and be Under Secretary. When they promoted Shultz to become head of the Office of Management and Budget, they tapped me to become Secretary of Labor. So I was Secretary of Labor during the first Nixon Administration. Following that, the events I've just described occurred.

Q: Thank you. In October of 1974, a former U.S. Admiral Jean LaRoque, contended that nuclear weapons were stored aboard U.S. naval vessels porting in Japanese harbors, in possible contravention of the U.S.-Japan mutual-security treaty. What was the American

Embassy strategy to counter the public furor that arose in Japan after the LaRoque statement?

HODGSON: Actually, there had been a claim of that same nature made, either by a Japanese source, an American source, approximately once every six months since the middle of the 1960's. The claim was nothing new. So it was simple to restate the American policy on the subject, that is, to never confirm or deny, the existence of nuclear weapons at any place, at any time.

Q: It was charged that there existed a secret agreement. Did the embassy respond to that at all?

HODGSON: Well, that same charge had been made several times. There was nothing new about LaRoque's charge. So the subject did not become a major issue in Japan. It was a one or two day story and then dropped. So, there was no need to devise any special strategy for that occasion.

Q: Shortly afterward, there was an announcement that President Ford would be visiting Japan. Using the nuclear issue as an excuse, more than two million Japanese were said to have demonstrated throughout Japan, against the Ford visit. Did you find that there was similar hostility or second thoughts on the part of some people in government in Japan at that time?

HODGSON: No, none whatsoever. Let's go back a bit. Demonstrations against the United States had been long-standing, a standard behavior pattern of activists and leftists in Japan. From the time Mrs. Hodgson and I arrived in July of that year, they continued right up until the visit of President Ford. President Ford's visit was so uniformly successful and so widely acclaimed, that immediately after that visit, all these demonstrations stopped and there were no further problem with the leftist Japanese press.

Q: So the embassy's position, if I understand you correctly, was to generally ignore?

HODGSON: No, it was just to continue policy positions that had been laid down earlier, and to resist further pressure to elaborate on them.

Q: I see. From what I read, they made a lot of a demonstration in Kyoto at the time of the Ford visit. Was this overstated or was there any real concern at the time?

HODGSON: During the Ford visit, there were practically no demonstrations. I spent a day and a half with him in Kyoto. No demonstrations were then discernible to the President or to his entourage. If there was a demonstration, it was held privately in some part of Kyoto, where the presidential party did not visit.

Q: Very soon after President Ford's visit Tanaka resigned. What was the American Embassy reaction to this resignation, and the charges that accompanied it?

HODGSON: My first reaction was to be puzzled. So I sought out the then Vice Minister of Foreign Affairs, Mr. Togo, and told him I needed to get an explanation.

He said, "Okay, let's have lunch."

At lunch, I put the question to him, "Why did the Prime Minister resign?"

He said, "We have an old Japanese proverb."

"And what is the proverb?"

He replied, "The proverb is 'a nail that sticks out, gets hammered down.'"

What he meant was that the Prime Minister had become too assertive and too dictatorial by Japanese standards. So they forced him out of office.

Q: Togo was obviously not a member of Tanaka's faction?

HODGSON: He was a member of the bureaucracy, the superb Japanese bureaucracy that runs all their ministries.

Q: But Tanaka had a very effective faction?

HODGSON: That's right. He continued to have one even after he was no longer Prime Minister.

Q: Yes. Just shifting a little bit. We'll come back to Tanaka. In September of 1975, a group of Japanese democratic socialists visited Washington. How was this trip arranged? Was it on their initiative or the embassy's initiative?

HODGSON: Previous to that time, the Democratic Socialist Party had not particularly cooperated with the LDP running the government. They had been members of the opposition. When President Ford visited Japan, he made a point of seeing not only the party that was in power, but the head of the Democratic Socialist Party. Later the head of the party asked whether it would be considered appropriate for him to visit Washington and the embassy arranged that visit.

Q: Did you accompany this group?

HODGSON: No. I only accompanied officials of the government when they came to Washington.

Q: I see. Now, how much contact, in this period, did the American Embassy have with political parties other than the ruling LDP?

HODGSON: Very considerable, with all parties with the exception of the Communist Party. I became close to Daisaku Ikeda, who was the head of the Kometo Party, the so-called "clean government" party. I admired the idealism with which he pursued international peace and the intellectualism he displayed in that pursuit.

Second, I became on speaking terms with the top people in the Socialist Party, and with the top people in the Democratic Socialist Party.

You see, I had been Secretary of Labor, so the labor movement in Japan was something in which I had a great interest. Thus I spent a good deal of time with top labor people, most of whom were in the Socialist Party.

Q: In your view, this is going off and projecting perhaps. Did you see the possibility of the socialists ever achieving power or any party breaking the hold of the LDP in Japan?

HODGSON: Not until they adopt positions that are realistic with respect to running the government would this be a possibility. At the present time, and in the last 25 years, all they have been able to do is to muster a series of negative positions rather than developing a program for governing. They do not feel they are in a position to develop such a program or have enough support to do so. I don't think there is any possibility of them taking over until they change.

Q: During your tenure in Japan, were there any special Soviet overtures toward the Japanese? Was the issue of Soviet influence in the area a major one during your tenure?

HODGSON: It was a significant one, but not a major one. You will remember this was a time of détente in our relationship with the Soviet Union. In Tokyo I had developed a good relationship with Soviet ambassador, who at that time was the dean of the Tokyo diplomatic corps, Oleg Troyanovsky. He later became Ambassador to the U.N. We exchanged visits. I was able to arrange appointments for American journalists to meet with him.

But with respect to the relationship between the Soviet Union and Japan, Ambassador Troyanovsky's principal objective was to build the economic relationship. And he was successful. He doubled the level of trade between the two countries during the time he was there.

There was at that time, as there is today, deep resentment on the part of the Japanese for the Soviet occupation of the four islands north of Hokkaido. As long as the Soviets continue to occupy those islands, it will be difficult to have anything approaching a really amicable relationship between the two countries.

Q: Would you say that American interest in Japan was, at that time that you served there, more in the economic sphere than in the political sphere?

HODGSON: I thought it was mostly geo-political. The economic sphere was very smooth during my time. This was, if you will remember, the mid-70's. It was a period when in no single year was a trade deficit as high as \$2 billion dollars. Today the deficit is in the \$50 to \$60 billion dollar range and has become a real problem. So there were then really no major economic arguments between us.

There was a major effort on the part of the Japanese during this period to cut back on protection they had provided their infant industries. The American trade relationship with Japan, because they were taking such positive measures, was an unusually good one.

Q: Was it so good that there was little indication of what lay ahead? Was there any indication that you can recall?

HODGSON: Yes, during my last year, there was such an indication. Mr. Nakasone, who at that time was cabinet secretary, took me aside one day and said that the projections that had been made for the trade deficit for 1976 probably were going to be wildly wrong. Instead of the deficit being at about the billion and a half level, it would be up around the \$5 billion dollar level. I knew from previous experience that such a deficit could become a very serious problem, so I made a great effort during my last few months there to convince officials like Prime Minister Miki and Prime Minister Fukuda, that they were flirting with danger by letting the trade deficit get out of hand.

Q: Did your reports to Washington evidence this concern?

HODGSON: Yes, not only my reports to Washington, but if you'll remember, this was a period when Arthur Burns was the head of the Federal Reserve. He came through Japan. Arthur is a long-time friend and I spent a good deal of time discussing it with him because he would be in a great position to spread the gospel back in Washington.

Q: Well, obviously, that wasn't done or at least it wasn't heeded. Can you say that?

HODGSON: Well, as to what happened after I left there and why it happened, I'm not certain, but the United States, in pursuing its basic policy of free trade, evidently was willing to allow the deficit to reach levels I had not expected it to allow.

Q: The argument today is made that what we want is a level playing field. Did you feel at that time even, that we were operating on a level playing field vis à vis the Japanese trade restrictions?

HODGSON: Well, both sides want a level playing field. The problem is each side wants the playing field to be their's. What we have is a situation where the Japanese would like to see everybody play by their rules. We would like to see everybody play by our rules. The level playing field argument really doesn't mean a damn thing as far as solving the problem is concerned.

We've got to find out in the years ahead what the new international economic world we now live in needs in the way of rules that everybody can live by. They probably won't be the rules of any one country. Some adaptation will be made of all countries. I think that this is one of the most unresolved, long-term issues.

Q: Thank you. Now we come to something that has intrigued me--the Lockheed scandal. You had been an executive at Lockheed, and now the American Ambassador in Japan at the time the scandal broke. How did this affect your performance?

HODGSON: Well it obviously had a potential for being very embarrassing. But two things were very fortunate in these circumstances.

Number one, I had been in Japan more than a year. I had established what kind of person I was, the kind of trust that could be placed in me, and my objectivity in dealing with issues affecting our two nation relationship.

Second, at the time of the hearings in Washington where the Lockheed scandal broke into public view, a question was asked of the man from Arthur Young, who was the principal testifier, the man who had audited the Lockheed circumstances and disclosed the payment to the Japanese that was the essence of the scandal. He was asked, "Do you have any knowledge of, or in your investigation did you find any evidence, that our Ambassador to Japan, who at one time was a member of the executive corps at Lockheed, knew of, or had anything to do with this matter?"

His answer was, "None whatsoever."

Further hearings were held in executive session. I appeared before the Church Committee and they properly concluded I knew nothing about this matter, that it occurred at a time when I was not at Lockheed but was serving the government.

Q: Did the media press this with you?

HODGSON: No, that was a wonderful thing from my standpoint. The media treated this in a very straightforward way and did not editorialize on it. In fact, I got great support from the media.

Q: I wasn't aware of this until I did the research. It undoubtedly made you uncomfortable.

HODGSON: It made me uncomfortable for about the first month after the story broke because I didn't know, first, how the Japanese media and people would react. Second, how it might change my relationship with the Japanese Government. It didn't change that relationship in the slightest and after one month, my role in the story became a non-story in Japan.

Q: Did it affect the relationship between American businesses in Japan and Japanese business and Japanese government? Was there a spill-over?

HODGSON: I believe not. In fact, during the year in question, 1976, there was a significant increase in the business relationship and level of trade between the two countries.

Q: During your entire tenure as American Ambassador to Japan, which issue was considered the most important from the American perspective? Was it the Japanese defense posture, for example? I know that we've always been after the Japanese to increase their expenditures for the military. We talked slightly about the growing trade competition. In your view, what was the major focus of your tenure?

HODGSON: I arrived in Japan in 1974, when the Japanese were very upset with the Americans. They had experienced what they called "three Nixon shokku", three shocks, that Mr. Nixon as President had inflicted on them. They felt Japan was a friend of the United States and hadn't been treated like a friend.

The three shocks were these: first, they had been told that if we were going to open a relationship with China they would be involved in consultations before that occurred. They were not involved in consultations before it occurred, however. The first they knew about it was when Nixon was already in China, so they were upset by what they considered a breach of an agreement.

Second: the August 1941 economic measures adopted by the Nixon administration included a 10% surtax on all imports from all countries, including friendly countries like Japan. Japan could not understand that.

And third, shortly thereafter, we clumsily installed a soybean embargo. Japan depended on the United States for about 80% of its soybeans.

As a result, they were upset by all these things. In effect, they felt the United States no longer loved them.

So my first job over there was to re-establish trust and assure Japan that these shocks had nothing to do with a desire to change the relationship between the United States and Japan. In other words, my objective was to restore the relationship to an amicable, business-like, friendly bond.

I faced a unique situation. For years, the Asahi Shimbun newspaper had run a biannual survey of Japanese attitudes. One of the questions asked was, "To which country should we, Japan, be the most friendly?" Every year, until two years previous to my arrival, the United States had been the country so designated. After these Nixon shocks, however, the

United States fell into second-place ranking after the PRC. After President Ford's visit, a new survey was made. This time the United States was again back as number one.

President Ford was the first President in history to visit Japan while in office. Japan was the first country outside of the continental United States he visited. The visit showed Japan that he and America valued their good will. The U.S.-Japan relationship thus got back on track.

So my biggest challenge was to get our relationship re-established on an amicable basis. That was accomplished with two events--President Ford's visit to Japan, and the Emperor and Empress' visit to the United States the following year.

Q: You accompanied the Emperor to the United States and you would say that that was a major factor?

HODGSON: I have never been so proud of my countrymen. You can't control American behavior. No one can predict how they are going to react. This era was, if you will recall, during the tag end of a period of activist unrest in our country. I had no way of predicting whether the Emperor would be met with placards and demonstrations or how he would be treated.

Actually, the Americans, in every city we went to (there were eight of them) and at every stop we made, greeted him in a dignified, gracious way. The trip was a conspicuous success. It probably did more to cement our long-term relationship between the two countries than anything that's happened before or since.

Q: It's rather sad today to be seeing the newspaper accounts of how they are keeping the man alive. I feel distressed myself. I have a feeling that maybe they should let him pass away.

HODGSON: Well, it certainly is a testimony to the efficacy of the state of Japanese medicine at this point in history.

Q: Whenever people talk about the Japanese economy, anybody who has any knowledge of how it operates, brings up MITI, the Ministry for International Trade and Industry. In your view, how much influence has MITI had on the course of the Japanese economy?

HODGSON: Tremendous influence, for reasons Americans consistently refuse to understand. The whole Japanese institutional scene (by that I mean business, government, labor, science, educational institutions, etc.) does not operate on an adversary basis, as in this country. They operate on a more congenial basis. They have established collegial relationships through which they influence each other.

Under these circumstances, as a planning and resource allocating unit, MITI has gained tremendous influence. Japan owes a great deal to MITI in achieving the Japanese

economic miracle. But MITI is only one piece of a total. It is not in sole control. It is merely one part of a cooperating whole.

Q: Some people say that the Diet, the legislature, the Japanese government, are less important in the course of Japanese events than say, the bureaucracy, MITI, particularly, or the Keidanren. Some people say that the government is a creature of the Keidanren. First, for the benefit of the tape, could you, in your view, describe what is the Keidanren?

HODGSON: The Keidanren is the top business organization in Japan. It consists of a kind of organization that would occur in this country if we were to put together the Business Roundtable, the Business Council, the American Chamber of Commerce, the National Manufacturers Association, the Iron and Steel Institute and other major institutions that represent American business. We have never, in this country, put those organizations together to serve as a single spokesman for the American industrial scene. In Japan, that's what the Keidanren does.

Q: How would you evaluate the influence or the importance of the Keidanren vis à vis the operation of the Japanese government?

HODGSON: It is the spokesman for the Japanese business community, the way MITI is the spokesman for the Japanese economic bureaucracy. It plays the role of partner. I thought it might be interesting to review my concept of the role of an American ambassador in contemporary times.

The interesting thing to me is the way that role has changed, dramatically changed. This change upsets so many people who went into Foreign Service work at a time when an American Foreign Service officer serving abroad was required to make at least minor policy decisions for his country. Because of the limited nature of communications and the lengthy time it then took to get answers from Washington, he did this.

Two things came along in the 1950's to radically alter the diplomatic world. One was the communications satellite and the other was the jet engine. With these two devices, travelers now could go to, or talk to, any part of the world in practically no time at all. No part of the world was now more than 20 hours travel time away from Washington. No part of the world was more than 20 seconds away by telephone communication.

As a result, in an inter-related world, Washington held together its policy apparatus keeping decisions all there. This meant that officers out on the forefront of diplomatic life in various countries no longer had to make, nor were, in fact, allowed to make, decisions on their own. They had to plug in headquarters to make sure decisions were consistent with policy and would avoid negative fallout elsewhere.

As a result, there is among many of our older Foreign Service people, a sense of having a job near the end of their career not nearly as satisfying as they anticipated at the start of their career. This sentiment has frequently surfaced in news stories citing bad morale in

the American Foreign Service. Actually, we have a tremendous amount of talent in the American Foreign Service. Those who have adjusted from their original concept of ambassadorial life to the contemporary realities have performed admirably.

This leads to what I consider to be the main job of an ambassador. His job is a relations job. It is not a policy job. It is not a decision-making job. He can influence policies and he can effect decisions through the information he supplies and advice he gives, but he cannot control them. As a result, his job is to make sure that the relationship with the country where he is posted reflects the kind of relationship that overall American foreign policy dictates. It is not a job that requires a great deal of individual decision-making, nor the setting of policy. This has been a hard thing for some ambassadors in the Service to understand, but I believe increasingly it is being accepted as the norm. The process can't really work any other way.

Q: Thank you. That's quite interesting and in my experience, quite true, both in terms of the new definition of the job and also in terms of the frustration that that sometimes entails. We tend to think that because we are out on the firing line, that we have a greater impact on the policy than we really do. It's reflected very often when a major issue arises in a country, there is always a delegation coming from Washington to handle it. And the political officer, in particular, is put out because he knows the players and he knows the issues and who are these guys? But that's the reality of the new situation. Could you, as we discussed before, tell us a little bit about your experiences that might not have a weighty impact on events, but would be of interest and would give us some background on Japan at the time?

HODGSON: Well, I divided my approach to the ambassadorial job into three parts.

Statecraft was number one, meaning enhancing the relationship between the two countries both from a bilateral standpoint and from the standpoint of long-range geopolitical strategy.

Second came economics, promoting a healthy economic relationship between the two countries, especially an understanding of how our respective economies work. They work so differently, that grasping the differences continues to elude peoples of both countries.

The third part, of course, is cultural. Here was a sphere that many ambassadors probably don't have to concern themselves with heavily. They may be posted to countries with a Judeo-Christian tradition, with a background in Greco-Roman philosophy, and conditioned by the great minds of the Europeans over the years.

You have an entirely different flavor to life, living and thinking, in Japan. I found that in order to understand the differences between these two countries I had to go back almost to the cradle of civilization and examine how these differences got started. It seemed to me that somewhere back in the mists of history, the Judeo-Christian tradition went off in one direction into the Greco-Roman era and eventually into the European reformation and

enlightenment eras. That was one stream of human thought. The other stream went off in the direction of the Orient, developing Confucian and Buddhist and Hindu thinking and eventually flowering into Taoist and other kinds of philosophy that has conditioned current thought there.

What I find is that one society, the American society I came from, believes strongly in the individual. It believes in supporting the individual by guaranteeing him rights.

In Japan, the individual is not the focus; the group is the focus. And rights are not something by which they reinforce group identity. Relations are. So we contrast the individual on one side of the Pacific with the group on the other. Rights on one side with relations on the other. A consensus way of achieving decisions and making policy on the Oriental side, contrasts with an adversary, up and down, majority vote in our particular society. For these two societies to understand each other is very, very difficult.

To simplify the differences between the two and track down these differences right down to the bottom line, you find that in Japan, the individual attempts "to fit in." In Western society, the individual attempts "to stand out." The difference between these two will explain a great deal about the approach each society brings to the table when they sit down together in the diplomatic world. Unless one understands these differences, reaching an agreement can be exacerbated enormously.

Q: I understand that this creates problems for the businessman, for the diplomat, for anyone who has to have relationships. Would you say that we have been more successful diplomatically or in the business field when we accede to the fitting in, to the relating, rather than to the standing out, to confronting?

HODGSON: Well, I don't think either side necessarily needs to fit in or to stand out, in other words, to adopt the other's approach. I spent my life in what might be called conflict resolution. Labor management relations, minority group relations, relations between business and government and relations between countries. One doesn't merely adopt another's point of view or values in order to reach agreement.

A good bridging device is to integrate what each side has in common, and find a way to achieve commonality that satisfies both interests. That is not as elusive as it might sound. Sometimes it must end up in compromise. But compromise is necessary when you cannot find a satisfactory resolution by integrating what each party has in common.

First you try to integrate what both sides have in common and then compromise the differences that remain.

Q: You felt that this approach was successful for you in Japan?

HODGSON: Yes, it's been successful for me in every phase of my life's endeavor. Labor management relations particularly is where I generated this approach.

Q: And are there any specific examples while you were ambassador, that could illustrate this? I can say I have had occasions where I have had to convince my Japanese counterpart of something, and it's been, for me, a very frustrating experience, when I got no answer, which some people accept as an affirmative response. But I was wise enough to know that I wasn't getting any response, because they didn't want to agree. Where does that leave you? Do you do anything specific?

HODGSON: Well, let's start with a generality. I developed what I called Hodgson's law for dealing with the Japanese. It's quite simple. If you will bend toward the Japanese in matters of form and in matters of pace, they will try to come your way in matters of substance. In other words, to get what you want, you better accept their approach as to the form of the deal and the speed for reaching an agreement on it. But if you accommodate the Japanese on those two things, they will try to give you the substance of what you want.

I have found this a very useful concept. I'll give you one example. In late '76, September of '76, a Soviet pilot flew out of Siberia and surprised the world by setting his MiG down on Hokkaido and defecting, thereby placing in Allied hands a late model MiG, a real intelligence coup for the free world. The American Defense Department immediately asked me to get them access to this aircraft.

I made such a request to the Japanese and they said they would be glad to consider it. I then got a lot of pressure from Washington raising a great hue and cry that the Japanese were not going to cooperate, that they were being difficult to deal with. None of those things were the case.

The Japanese had to go through a certain procedure for matters of this kind. Standard procedures control the Japanese way of doing things. I knew once they had completed the procedure, doing it at their own pace, and following their own form for releasing the information, we would get what we wanted. That is exactly what happened. But if I had listened to the impatient Americans, we could have stumbled into a difficult argument over what became a very amicable resolution.

Q: Did you find that your staff in general at the embassy was as sensitive to their Japanese counterparts as you suggested is important, and as knowledgeable of Japanese history and culture and so forth, and as competent in their particular specializations as you would like?

HODGSON: First of all, the staff in the embassy taught me a lot about what I have just described, especially men like Mr. Tom Shoemith, who was my DCM. He is an old Japanese hand, speaks Japanese beautifully; his whole career had a strong Japanese focus and he understood the country. I tended to put a little different stamp on things and maybe put it on a different philosophical level than he and others did, but they were very, very helpful.

There were some embassy people who, because the Japanese system seemed to frustrate their particular personal objectives, were unwilling to accept Japan's cultural parameters. I accepted them as the best way to get something done in service of my country. To do my job most effectively required accepting them. I am a fairly impatient man, I speak definitely, and try to give straightforward answers. That these approaches were not part of the scene in Japan did not strike me favorably. It seemed to me, however, that my role was not to convert the Japanese, but to deal with them.

Q: When you were in Japan, were we in the old embassy? Had the new building been constructed? What was the housing situation?

HODGSON: Well, I had been in Japan in 1969 with the American Cabinet committee, had visited the old chancery then and had lunch at the old embassy residence. I thought it was a beautiful arrangement. When I was asked to be ambassador, I was looking forward to participating in the kind of life that involved a lovely residence and a classical chancery.

After I had accepted the job, Secretary Kissinger told me, "The chancery is no longer there. It has been torn down. We've got a little private office that you're stuck in for the next two years while we're building a new chancery."

The residence, however, was fine. It was one of the finest residences American ambassadors have anywhere, in my opinion. A marvelous place. The ambassador and his wife occupy a couple of rooms off in one corner of the second floor, but the rest is a public house and it's a very nice public house.

The new chancery, however, was a great disappointment to me. I had to dedicate it while I was there. I thought it was one of the most ugly buildings I'd ever seen. It resembled a New England loft building of the last century, built at minimum dollars per square foot, with very little in the way of aesthetic taste. It really didn't fit the site in Tokyo at all. I had a terrible time trying to think of words that wouldn't express my true view about it, so I came up describing it as an imposing, commodious, building. Both terms could be characterized either negative or positive.

Q: But you never really occupied the new chancery?

HODGSON: Yes, I was in it from September '76 until March '77. It's a fine working building but it adds nothing to the Tokyo scene. That's the least kind thing I can say about it.

Q: Well, Tokyo architecture is eclectic, isn't it? Whatever they see, they put up, regardless of where they've seen it. I would agree with you, it was a shock to me. I served in West African Ghana, where they have a fantastic-looking embassy but it's a terrible place to work in.

HODGSON: Well, it's like the one they have in India, that Pat Moynihan says is the worst place to work in that he'd ever been in.

Q: Well, I've seen it but I did not have to work there. You touched upon a question of morale, staff morale, before, in another context. I know it's difficult for an ambassador to gauge staff morale because, to a great extent, much of that is taken out of your hands by the DCM.

HODGSON: Not if you've spent your life dealing with morale as I have done in my career.

Q: But how would you gauge it? It's a big embassy, lots of people, rather impersonal as embassies go. How would you gauge the morale of the people while you were there?

HODGSON: Well, there are really two different groups there. Three-fourths of the embassy personnel are Japanese and one-fourth are Americans.

The Japanese, when I arrived there, had been very well treated, especially from the standpoint of wages, salaries and perks. They worked for an employer who viewed things in a different context than a Japanese employer would have. Japanese industrial employees, during the period from the end of World War II till about 1970, were held under very tight rein. Though Japan was then a low labor-cost part of the world, the embassy employees were well taken care of. So their morale was very good.

However, during the time I was there, private-sector wages started escalating faster than the public sector. I could see that perhaps later on, there might be morale problems among the Japanese employees. I understand there has been some of that.

With respect to the U.S. employees, morale, I think, depended upon the extent to which they felt a fascination with Japan as an assignment. You can either be fascinated with or repelled by Japan. I happened to be extraordinarily fascinated by it. Men like Mr. Shoemith, who were Japanese specialists, were also. There were some that could never understand the Japanese feeling that the Japanese were beyond understanding. Their morale was not the best. So, I would say that those who liked Japan liked the assignment. Their morale was good. Those that did not, found the assignment negative. The proportions were probably two-thirds who liked it and one-third who didn't.

Q: Are there any highlights that you haven't touched on yet? Something that sticks to your mind?

HODGSON: Well, I always find it awkward to answer such questions as, "What was the biggest event you had in Japan?" or "What was the major crisis you faced while you were in Japan?" I characterized my tenure there as the "no-problem era" in our relationship. The embassy managed to keep under control anything that appeared as though it might

become an incipient problem. My relationship with officials like Mr. Miyazawa, who was Foreign Secretary, and Prime Minister Miki, who was Prime Minister, during two-plus years of my three-year stay, was just outstanding.

I believe it's axiomatic that the greatest thing in life is timing. I timed my stay in Japan impeccably. It worked out to be an outstanding period in my life; a very satisfying one; as well as a period in America's relationship with Japan that hasn't been bettered before or since.

Q: Is there anything you would like to add to wind this interview up?

HODGSON: No, I think that you have touched on a range of things here that has enabled me to talk about the administrative side, the economic side, the geo-political side, the cultural side and, to some extent, the ceremonial side of the job.

As to the ceremonial side, perhaps I should just add on a word. For those who dedicate their lives to Foreign Service, the ceremonial side of things becomes a standard part of their lives. They are a part of the diplomatic institution. A Foreign Service officer accepts this as part of life. For a person who comes into Foreign Service from other walks of life, the ceremonial side has great attractions if you happen to like, as someone has said, the social ramble. I don't really care much for that side of it, and as a result, while the social side or ceremonial side of the ambassadorial role was pleasant, it wasn't something that I particularly found attractive. About the third time a "national day" in the diplomatic community came around, I found that I had a distinct dejà vu reaction. My feeling is that three years was probably just about as long as I would want to go through the ceremonial rites of embassy life.

The ability that Ambassador Mansfield showed to endure that for 11 years I regard as awesome and I congratulate him for it. He and I see eye to eye on U.S.-Japanese policy and I admire him very much, but I particularly admire him for being able to endure that side of diplomatic life.

Q: That's a nice note to end on. I have another quick question. Have you been back?

HODGSON: I go back about three times a year.

Q: Do you?

HODGSON: Yes. I'm a member of a number of international conferences. I've served on the U.S.-Japan relations committee that President Reagan put together in '84-'85. I go back to make speeches. I go back occasionally on a business relationship and occasions of friendship. One of my very best friends in this world had become Ichiro Hattori of the Seiko Company, who at the prime age of 55, died on a golf course in Japan. I went back for his funeral. I have strong personal relationships and some interesting policy and business relationships continuing with Japan.

Q: So you do go back and you have continued. We do too, as I indicated, with my wife's program, but I'm getting a little tired.

HODGSON: Well, travel doesn't bother me. I travel about a quarter of a million miles a year, anyway, so it doesn't bother me at all.

Q: Thank you very much, Ambassador Hodgson.

End of interview