

## **CHAPTER V CONCLUSION**

Since the Feudal era Japan started to have a relation with another country. Although it was mostly done by using force, Japan was later able to join the world affair post-Meiji restoration. The form of Japan's foreign policy started to change. At first, Japan used military and offensive way to gain a relation with another country. However, Japan's loses from World War II made Japan start to use a more peace approach in doing its Foreign Policy. The use of ODA as Japan's Foreign Policy Tools experiences several phases. There was a change of status of Japan's ODA where at first Japan was the recipient until they used the ODA to another country.

Japan uses the Foreign Aid as an indirect diplomacy tool. Japan believes that giving the aid to the developing country will give them a benefit. They believe the country which receives the aid from Japan will depend on Japan. This is believed to happen continuously. Then, the Foreign Aid will be used by Japan as the Japan Foreign Economic Cooperation towards the recipient. After that, Japan believes the method will succeed and Japan acts as a donor by starting to give aid.

At the first time, Japan's ODA was used as the replacement of their method in acquiring another region or country. The approach was changed from the offensive way into a more peace way. The Foreign Aid or ODA that given by Japan was originally mostly used for the Southeast Asia country where India was

also included as Southeast Asia country by the Prime Minister Kishi. Japan started to spread their influence to South Asia which is believed to be a far neighbor.

Prime Minister Kishi's visit to India in May 1957 was part of his six-nation trip to 'Southeast Asia' and in his meeting with India. He had promised to help India achieve the economic objectives of its Second Five-year plan. The Aid-to-India consortium was made to coordinate aid and make priorities in India's major of foreign assistance and for request for aid based on their plans for development. The form of the aid is a bilateral government to government aid from the thirteen countries.

The testing of nuclear devices in Pokhran in 1998 by India makes the bilateral relationship between the two countries getting low. Japan suspended economic assistance for three years and suspended all political exchanges between the two nations. The suspension could be seen in 1999 where Japan's aid to India was zero. During the Prime Minister Mori's path-breaking visit to India, the Japan-India Global Partnership in the 21<sup>st</sup> century was launched providing the needed impetus for the trajectory of relations to soar to new heights.

However, the moment when India tried to do a nuclear test, Japan was the one which was fear the Nuclear starting to give a better relationship with India by giving a lot of Foreign Aid in the form of ODA which lead to a special relationship between India and Japan. The good development in India made India want to increase their infrastructure one of the convincing projects in this development was the railway projects.

As a country that has a good development in this sector Japan is surely welcomed by India to help and giving their Aid to India to build India's First Bullet Train. The amount of money used in this project is surely expensive which the amount of fund around US\$ 15 billion. Japan is ready to invest 81% of the total fund to India or around US\$ 12 billion. Therefore, in this case, Japan gives a lot of loan in this High-Technology Project to India showing that Japan has another reason in giving this aid.

Japan which has an interest in South Asia tries to maintain their position in South Asia. In this case the promising thing for Japan is the Bay of Bengal Industrial Growth. To fulfill that interest, Japan strengthens the relationship with India which has a good development and also India has an important role in South Asia. However, Japan's relation with India tends to be dependence, where India is dominated by Japan. Although Japan doesn't occupy the whole India, Japan is able to occupy two islands in India. The islands are Andaman and Nicobar Island. After the World War II over, the relationship between India and Japan is getting stronger.

Since the relationship established, the financial of India is seemed to be exploited by Japan. This was mainly because India is doing more import from Japan rather than export to Japan. Recently, Japan agrees to invest to India for realizing a bullet train from Japan. India agrees to use the *Shinkansen* system from Japan for their Indian Campaign for tourism. By agreeing this agreement, it means that India needs to use Japan's technology which will create dependence toward Japan's technology.

Furthermore, in general, this undergraduate thesis is highly inspired by several studies and subjects whom the writer had taken during the study in this undergraduate degree such as International Political Economy class, the Japan's Government and Foreign Policy class also provide much contribution in the thesis for explaining the Japan's history and foreign policy toward the others which is helping conducting this research.

Also, it is expected that this study can give contribution towards the study of both International relations in general as well as within the foreign aid and Japan-India related issues. There are still not many theses which explain about the High-Speed Railway project cases. In fact, in Universitas Muhammadiyah Yogyakarta's thesis repository, the writer found there were not many students discussing this issues in their theses even though this topic can now be considered as one of the new issues in which much literature can be used as a new research topic basis.

Thus, the writer also suggests any scholars and readers of this undergraduate thesis that are interested in this study to conduct another research in related issues of with whole new different scope and research object for example research of benefit of the foreign aid for the High-Speed Railway for Japan or India or in terms of the political phenomena in South Asia regions in order to examine different cases which can probably reveal new interesting facts and information to be analyzed.