

Spence ma[y] be Shiina's downfall

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apanese nuclear-physicist-turned-politician **Motoo Shiina** has been described here as "a good friend of the United States" - and as a shrewd businessman who may have passed U.S. aerospace secrets to the Soviet Union.

Mr. Shiina, 54, a member of Japan's lower House of Representatives, has been keeping an extremely low profile lately amid a swirling scandal involving his relationship with Craig J. Spence, a onetime U.S. lobbyist for Japan and business associate of Mr. Shiina's.

Mr. Shiina has declined to answer telephone inquiries on his dealings with Mr. Spence, but has responded cautiously to direct questions through a lawyer, Chikahiko Soda. **The questions have dealt mainly with a loan by Mr. Shiina to Mr. Spence to purchase the Wyoming Avenue NW house where homosexual parties took place.**

"If his [Mr. Shiina's] involvement in any of this is true, then it would create a serious political problem for Shiina and his political life will probably be damaged considerably," said Hisao Imai, a well-known Japanese political commentator.

Mr. Imai, head of the Japan Commentators Association and a former political editor of Sankei Shimbun newspaper, said yesterday that there is hope among younger ruling Liberal Democratic Party members that Mr. Shiina will be a future party leader or even prime minister.

"If we lose him, this is a great loss not only for the LDP [the ruling Liberal Democratic Party] but for the nation," Mr. Imai said.

"The reason that Mr. Shiina is touted as a rising star is that he has been previously untainted by any scandal and he is an internationalist," said another political commentator, Kan Ito.

With his own independent style of diplomacy he has established himself as a leading expert on U.S.-Japan relations, analysts said.

Although several Diet members speaking anonymously yesterday described Mr. Shiina as a "true internationalist" and "good friend of the United States," one Japanese magazine came close to calling him a spy for the Soviet Union.

The magazine "Shukan Shincho," a popular weekly, raised past allegations that Mr. Shiina leaked sensitive U.S. information to the Soviet Union - allegations the magazine said have never been explained.

The magazine quoted a newsman covering the Japan Defense Agency as saying that General Dynamics Corp. in 1979 allowed Mr. Shiina to photograph on microfilm specifications of the new F-16 fighter.

In exchange, the newsman was quoted as saying, Mr. Shiina agreed to lobby for the company's involvement in the joint U.S.-Japan production of the FSX jet fighter.

The magazine noted that stories surfaced in Japan that the technical data of the F-16 was leaked to the Soviet Union by "the son of an influential Japanese politician." No name was given, but the magazine followed with a description of Mr. Shiina's father, the late Etsusaburo Shiina, who was a former LDP kingmaker and holder of several key Cabinet posts.

But Mr. Ito said yesterday, "Any charges that he is soft on the Soviet Union doesn't add up in my opinion. He's always speaking out about the Soviet buildup in Northeast Asia."

Mr. Ito also said, "Mr. Shiina is regarded as well-informed on foreign affairs and defense matters and has been known to criticize both ruling and opposition members for talking nonsense on those subjects in the Diet."

Mr. Imai said political circles around Nagatacho - the Tokyo area akin to Washington's Capitol Hill - are talking more and more these days about stories in The Washington Times about Mr. Spence and Mr. Shiina.

He said some rumors hold that the Central Intelligence Agency cooked up the whole thing to discredit Mr. Shiina.

"I hope Mr. Shiina is not such a bad guy as was described in recent Japanese periodicals' reports," said Mr. Imai. "It has been believed that he will sooner or later become foreign minister. But because of this scandalous news, he may have some difficulties in reaching a Cabinet post or beyond.

"The news that Mr. Shiina was closely associated with Mr. Spence was quite a shock to LDP members and those in the Diet. But a possible examination into the matter will not come before the July 23 Upper House elections for which they are waging an unprecedentedly defensive campaign," he said.

An article profiling Mr. Shiina published 10 years ago in The Daily Yomiuri English-language newspaper began:

" 'What should I say about myself?' he asks smilingly, taking a slow, deep drag at his cigarette between sips of hot, steaming coffee which Hideko, his charming wife, had served. Meanwhile, outside, the gently falling snow had blanketed Shiina's quite ample garden, giving up an impression of serene quiet.

"In his well-modulated voice, Motoo talked of what he calls his 'humble' existence.

"Not so, for this diminutive (5 feet, 5 inches) man has been his father's active and devoted campaigner for a number of years. His father is Etsusaburo Shiina, former vice-president of the ruling Liberal-Democratic Party, Diet member, ex-Minister of Foreign Affairs, ex-Minister of International Trade and Industry (MITI) and ex-Minister of Finance."

The article said Mr. Shiina spent his campus days at Nagoya University, graduating in 1954 with a major in nuclear physics, a field in which he was awarded a scholarship by the U.S. State Department for one-year's study of nuclear reactors at the Argonne National Laboratory in Chicago.

Leaving his infant daughter behind with his mother, a friend was found to sponsor Hideko's stay in the United States. "It was quite tough for both of us, but somehow we managed," he told The Daily Yomiuri, crediting his success to his wife's devotion and care.

On his return to Japan in 1954, the younger Shiina set up his own company which manufactures precision instruments. He founded two other companies, one a joint venture with an American firm, according to newspaper reports that provided no additional details.

Mr. Shiina's lawyer said yesterday of his client's business affairs, only that he resigned as an officer of the Tokyo-registered company Samutaku Co. Ltd. on becoming a Diet member in 1979 but still holds a large number of shares in the company and remains an adviser.

In addition, Mr. Shiina in 1979 was a board member of two non-profit organizations - the World Economic Information Service and the Asian Club, the latter funded by MITI.

Mr. Shiina told a reporter at the time that World Economic Information Service collates and studies economic information from all over the world for the guidance of the Japanese government and business world."

The Asian Club, established in 1975, aimed at "promoting economic goals." Mr. Shiina told an interviewer prior to his first election that he devoted much time to a private organization called Participation which sent out Japanese artists and musicians to various Southeast Asian countries.

On July 5, The Washington Times published a story describing **a business deal between Mr. Shiina and Mr. Spence in which the latter made more than \$700,000 in four years working for Mr. Shiina's Policy Study Group.**

Mr. Spence also bought a Kalorama house using cash loaned to him by Mr. Shiina. When he refused to pay back the loan, Mr. Shiina sued.

* Special correspondent Hiroyasu Tomaru contributed to this report.