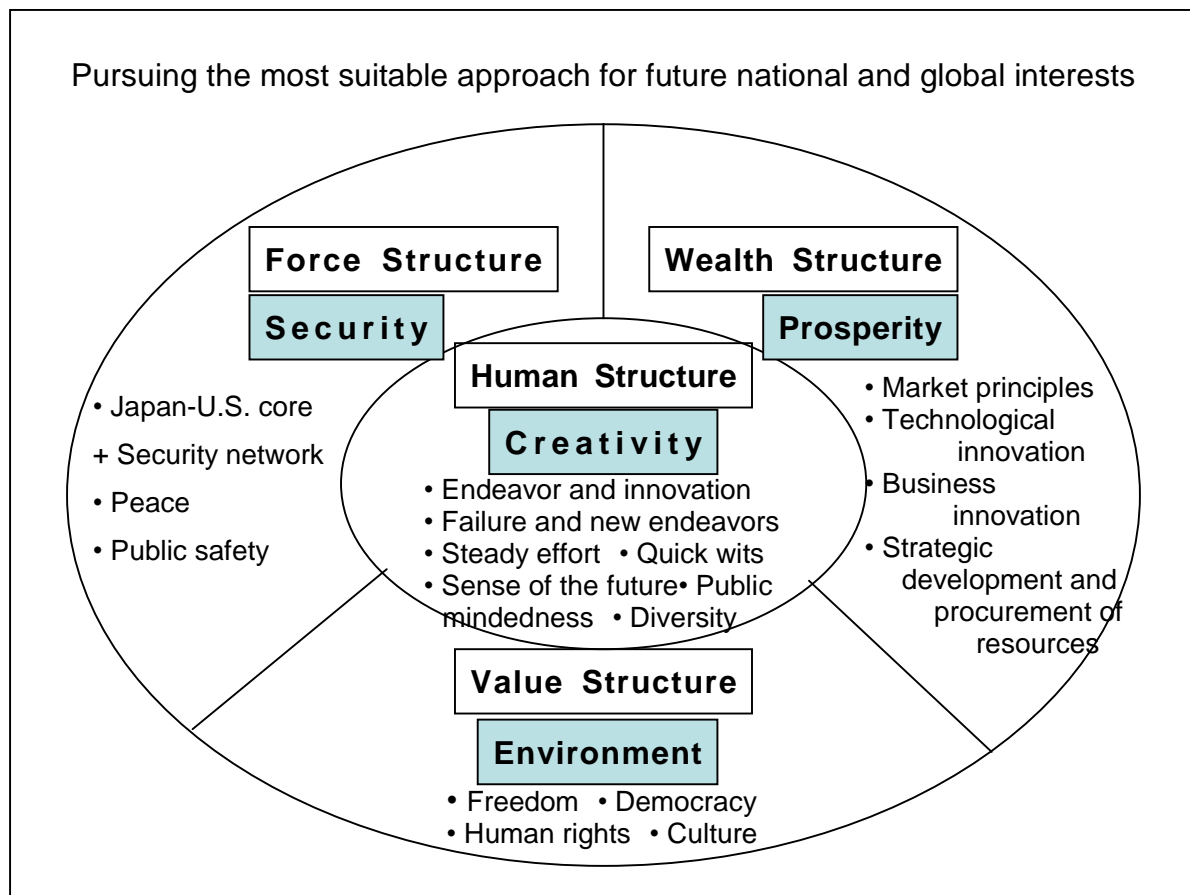


## Basic Guidelines for Japanese New Foreign and Security Policies

### Pursuing the most suitable approach for future national and global interests



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## Introduction

Sixty years have passed since the end of the Second World War, and with the breakdown of the Cold War system international society faces a situation that is increasingly unstable, opaque, and complex. In a state of disorder in which it is not possible to sort things out on the basis of simple ideological orientations, Japan must examine the issues of its own national interest as well as the value of Japan as a contributor to international society and define a new foreign policy orientation based on the result.

Nevertheless, with the advance of globalization and the maturing of the economy, postwar Japanese society is experiencing an increasing diversification in personal values. Among the populace, consciousness of what is best for the nation and the nature of the relationship between the nation and the individual is not entirely consistent. Furthermore, there is little awareness of foreign policy and security issues. People have very few opportunities to think of themselves as citizens of the nation.

The Committee on Foreign and Security Policies, as part of its activities over the course of approximately one year, has reviewed the changes in Japan's situation six decades after the end of the Second World War, both domestically and internationally, and discussed the issues that the nation now faces. These investigations have covered a wide scope, including the questions of defense, diplomacy, the economy, and culture, as considered from the standpoint of "comprehensive security,"<sup>1</sup> which was advocated by the Ohira cabinet in 1980.

The results of our work are summarized in two proposals regarding basic guidelines for Japan's future foreign and security policies: "Pursuing the most suitable approach for future national and global interests" and "Contributing to the safety, prosperity, and environment of Japan and the world."

Today, as globalization advances, the role of diplomacy has assumed greater importance than ever before. In particular, for issues such as the environment, energy, natural disasters, and poverty, the presence of Japan in the international community is assuming a higher profile through efforts at making "an international contribution appropriate for Japan" in a timely and effective manner and while considering both the national interest and the global interest.

We have reached the conclusion that as business leaders helping to support the economic power that is the nation's greatest strength, and as individual citizens, we

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<sup>1</sup> This is a way of thinking in which consideration is given to both military and nonmilitary aspects when conceptualizing the goals and means of security policy. It also takes into account, in addition to external threats, internal threats and threats posed by the natural world. (*Anzen hoshōgaku nyūmon* [Introduction to the Security Studies], Security Studies Research Group, National Defense Academy of Japan, ed., 1998, Aki Shobō)

must be actively involved, rather than heedlessly and irresponsibly leaving foreign affairs and security to politicians and bureaucrats. Politicians, bureaucrats, businesspeople, academics, and ordinary individuals must work together as an “all Japan” team to develop the nation’s foreign policy. In other words, “all individuals” of the nation will play a key role in supporting the foreign relations and security of Japan in future.

As the international situation experiences increasing tensions, issues related to foreign relations and security become more important and assume the highest priority. While firmly conveying to succeeding generations Japan’s tragic experience of the nuclear bomb and postwar reconstruction, it is our duty to help build a Japanese society, and an international society, that inspires the dreams and pride of the younger generation, making use of the country’s strengths.

With the release of these proposals, we hope for a deepening of national consciousness and dialog on foreign relations and security issues in the years ahead, including the proper stance for Japan in the 21st century and what is best for the nation and its individual citizens.

## **Our Awareness of the Issues: Principal Views of Business Leaders**

### **Basic Consciousness of Foreign Relations and Security**

- In the 20th century nation to nation relations were the main form of international politics. In the 21st century non-national actors such as multinational corporations and NGOs have come to exercise a big influence on international society, and international issues have become more complex.
- The structure of the dangers and threats we face has become multifaceted, including factors such as the environment, natural disasters, and disease epidemics, in addition to war.
- There is a need to clarify Japan's national interest and national image as well as the guidelines for its foreign and security policies.
- We should examine Japan's foreign and security policies from the standpoint of "comprehensive security" and implement them as an "all Japan" team composed of politicians, bureaucrats, businesspeople, academics, and ordinary individuals.
- While deepening the U.S.-Japan alliance and policy of Japan-U.S. cooperation, Japan should engage in multidimensional network diplomacy involving the countries of East Asia, Oceania, the Indian subcontinent, and the Middle East in order to strengthen relations based on mutual trust with many nations.
- It is necessary for Japan to face historical issues squarely in its Asian diplomacy rather than treating them as a taboo subject.
- In its dealings with other nations as part of the international community, Japan needs to be aware of its own strengths and weaknesses and consider strategically what sort of position and role it should take.
- As the only country in the world to have experienced a nuclear attack, Japan should make use of this fact in its diplomacy and adopt a strategy of differentiation.
- In its efforts to contribute internationally, Japan should make use of its strengths and develop a high-quality diplomacy.
- As a country very prone to earthquakes, Japan can provide its expertise in emergency rescue and recovery operations at times of natural disasters, such as earthquakes or tsunamis, around the world.
- Japan can use its past experience of postwar recovery and the knowledge gained through it in providing ODA to developing nations and the poorest countries or helping with postwar recovery, thereby contributing to economic development.
- Japan can apply its world-class environmental technology to helping alleviate environmental problems worldwide.

### **Military Aspects**

- Japan should not go to war again, but Japan's military needs to be reevaluated from the standpoint of deterrence and an optimal balance maintained.

### **Economic Aspects**

- Japan's economy must remain strong for the security of the country. To achieve greater competitiveness, regulatory reform, competitive policies, tax reform, technological innovation, business innovation, and educational reform are needed.
- Japan is dependent on overseas suppliers for most of its resources. Having a good procurement strategy is particularly important in the case of petroleum resources. In addition, Japan's policies should emphasize the development of alternative energy resources to reduce the nation's dependence on oil.
- Looked at from a global perspective, water is closely linked to food shortages. Japan is blessed with abundant water resources, and more effective use should be made of them.

### **Cultural Aspects**

- Japan should make good use in its foreign relations of the country's attractions and advantages, in a manner similar to Cool Britannia in the United Kingdom and the cultural identity strategy in South Korea.
- It is necessary to make an active effort to convey Japanese culture—Japanese food, the Japanese language, Japanese popular culture, Japanese music, Japanese literature, etc.—to the world at large and thereby deepen international understanding of Japan.

### **Organizational and Personnel Aspects**

- Think tanks and intelligence functions focusing on foreign affairs and security are necessary in order to improve Japan's ability to analyze the international situation and to develop and formulate government policies.
- Personnel are a very important resource for Japan's future foreign relations and security. Therefore, it is essential to foster personnel who are able to function effectively in and contribute to international society. A style of management that values people is also important to maintaining the competitiveness of Japanese enterprises.

## **1. The National Image to Which Japan Should Aspire**

In order to consider foreign relations and security, it is first necessary to define clearly Japan's national interest and national image.

Japan's national interest is to protect the safety, property, culture, and environment of Japan and its people, and to continue to prosper while respecting human rights. The peace, independence, and territory of Japan must be protected, the social system grounded on freedom and democracy maintained, and the lives and property of the people assured.

To maintain and pursue the national interest it is essential that Japan's relationship of mutual trust and interdependence with the rest of the world be deepened. Japan is a maritime nation supported by commerce. It conducts its economic and social affairs while depending on outside suppliers for many resources. For this reason, building relationships with many countries for maintaining our common interests by making an international contribution is an important policy goal.

The national image to which Japan should aspire is, in the military aspect, that of a nation that sincerely desires peace as the only country in the world to have experienced a nuclear attack and a nation that is working to prevent the proliferation of weapons of mass destruction and pledges never to possess nuclear weapons. In the non-military aspect, Japan should aspire to the image of an autonomous nation that, based on its own will and decisions, is actively engaged in efforts to solve problems affecting the nations of the world, using appropriate timing and methods, a nation that positively contributes to the formation of an international order, particularly one based on a market economy.

### **(1) A fair, safe, and reassuring nation**

Japan should work to build a fair society where independent and autonomous persons can realize their individuality and abilities, a well-governed society that is safe and reassuring.

### **(2) A nation that can bring affluence to Japan and the world through economic development and prosperity**

Japan should work to continue economic growth and prosperity while making the most of its strengths as a leader in science and engineering, a leader in commerce, a leading tourist destination with a fine natural setting and culture, and a leader in environmental matters.<sup>2</sup> Economic power is the foundation of the nation. Building on

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<sup>2</sup> Japan rates 11th on the United Nations Development Program's human development index, which considers average life expectancy, adult literacy rate, overall rate of school attendance, and per capital

this foundation, Japan can become more actively involved in making a contribution to the world.

**(3) A nation that is trusted and considered essential by the international community**

Japan should work to deepen mutual understanding with other countries as a nation that clearly conveys its own intentions and is open to the world. To help build a society in which all the people of the world can live safe and prosperous lives, Japan should take the initiative to formulate and carry out initiatives in areas where it can make a contribution, such as the environmental field. As a result, Japan will earn the trust of the international community and come to be seen as an essential nation.

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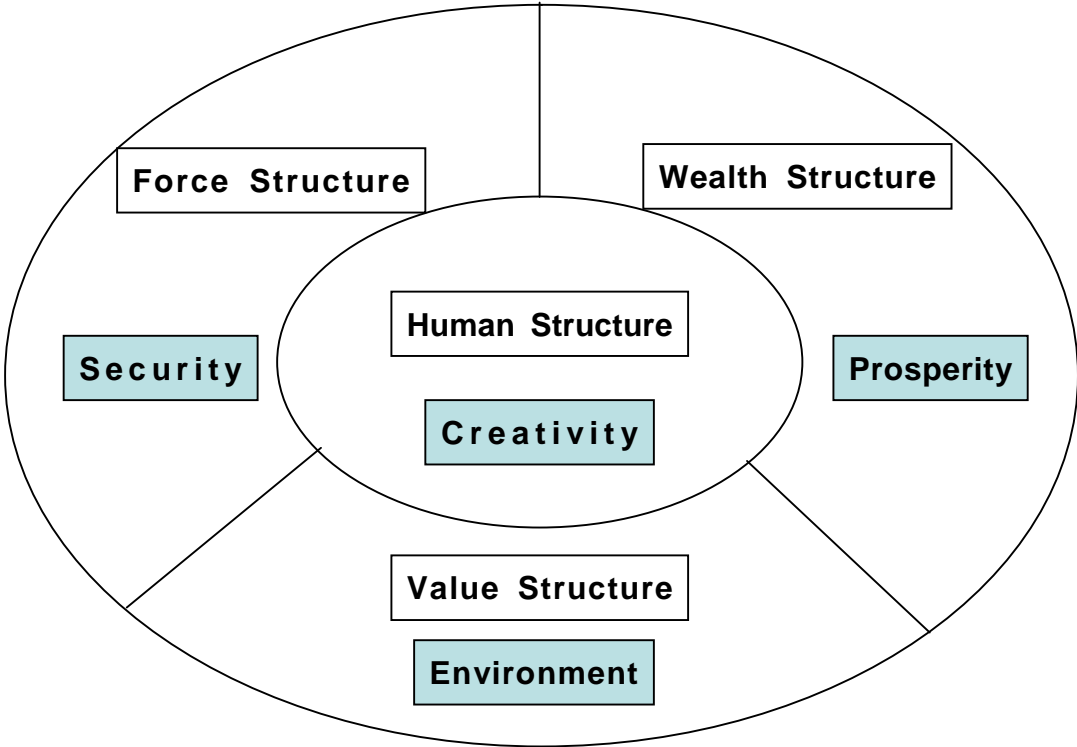
GDP. Partially due to the effects of the economic slowdown, Japan has dropped significantly from the 1st place position it held in 1990. (UN, *Human Development Report*, 2005)



## 2. Structures to be Provided by the Nation<sup>3</sup>

In our consideration of future foreign and security policies, we focused on four structures to be provided by the nation: the force structure, wealth structure, human structure, and value structure. Historically, the nation of Japan was managed from the Meiji era (1868–1912) onward with the central emphasis on the force structure (strong military) or the wealth structure (rich country). In the 21st century, however, it is important to achieve a balance between four structures—the value structure and human structure in addition to the force structure and wealth structure—in order to maintain the national interest, which is the goal of the nation’s foreign and security policies, and also reach a future optimum in terms of the global interest.

Structures to be provided by the nation



<sup>3</sup> According to *Kokusai seiji* [International Politics], a book by Professor Masataka Kosaka, a specialist in international political science, “Each nation is a force structure, a benefit structure, and a value structure. Therefore, relations between nations are complex matters in which these three levels are intertwined. What makes issues of peace between nations difficult is complications on these three levels. Nevertheless, since ancient times discussions of peace have focused on only one of the three levels.” The Committee on Foreign and Security Policies has replaced “benefit structure” with “wealth structure” and added a new element, “human structure,” for the purposes of our study. We considered new foreign and security policies based on this.

### **3. Basic Guidelines for New Foreign and Security Policies**

Based on the results of our study of the national interest, the image Japan should aspire to, and the four structures that compose the nation, we presented the following two basic guidelines for new foreign and security policies.

#### **(1) Pursuing the most suitable approach for future national and global interests**

As Japan becomes more interdependent with the rest of the world, it is essential that we work to advance both the national interest and the global interest. Therefore, it is important that Japan develop foreign and security policies that coincide with those of other countries and earn the trust of the world at large.

An orientation aimed exclusively at increasing national wealth gives rise to the danger of damaging the global environment and unilateral plundering of resources. It is therefore essential to work toward the future optimum for both national and global interests.

#### **(2) Contributing to the safety, prosperity, and environment of Japan and the world**

Rebuilding the four structures to be provided by the nation—force structure, wealth structure, value structure, and human structure—we can contribute to the safety, prosperity, and environment of Japan and the world, working together as an “all Japan” team composed of politicians, bureaucrats, businesspeople, academics, and ordinary individuals.

##### **1. Basic guidelines for ensuring the safety of Japan and the world (force structure)**

In the postwar period the U.S.-Japan Security Treaty and Self-Defense Forces have placed Japan under the nuclear umbrella of the United States and enabled Japan to maintain its safety with a minimum of defense capability. The end of the Cold War did not bring an end to internal unrest and conflicts between nations, however, and international terrorism has emerged as a new threat. Against the background of this changing risk environment, and with a reorganization of the U.S. military beginning, Japan has reached a situation where it needs to newly reexamine its own defense.

While continuing with U.S.-Japan alliance as the core, Japan must work to build multidimensional and multilayered relationships within the United Nations and the international community. Building interdependent relationships based on trust is the foundation for security in the 21st century.

## **2. Basic guidelines for ensuring the prosperity of Japan and the world (wealth structure)**

Economic might is one of Japan's major strengths and an essential element in its ability to contribute actively in future to the peace and prosperity of the world. Therefore, we must realize the danger posed by the problems, such as globalization and a shrinking population, that we face today. At the same time, we should see these challenges as opportunities to achieve technological innovation and business innovation through a free economy and market principles, and thereby to achieve further economic growth in future.

In addition, it is important that Japan strategically develop and procure the resources that support economic growth. This should be a policy priority for the nation.

## **3. Basic guidelines for preserving the environment of Japan and the world (value structure)**

When considering future foreign and security policies as well as what the nation should aspire to and how it should be run, it is necessary to establish value structure as a new coordinate axis. We define Japan's value structure as including the basic principles of peace, freedom, democracy, human rights, and international cooperation, and also add a new element, the environment.

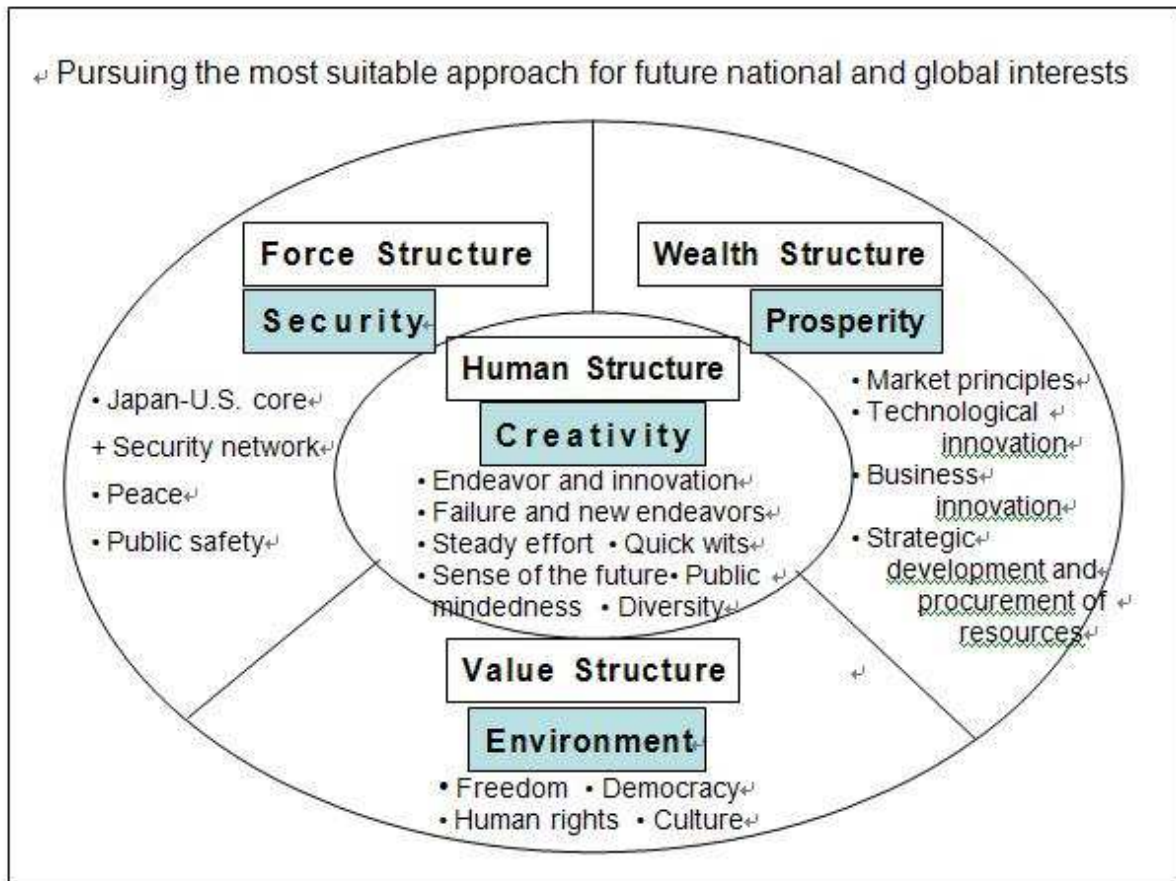
The environment is a source of Japan's attraction and something to be proud of. It is an area where Japan can contribute to the international community while maintaining a balance with the force structure and wealth structure. Japan can enhance international trust and heighten its presence by acting as an environmental leader and using the country's excellent technology and expertise to advance the peace and prosperity of the world.

## **4. Basic guidelines for ensuring the creativity of Japan and the world (human structure)**

The power of individuals gives rise to creativity, the wellspring of national power. The human structure presides over the force structure, wealth structure, and value structure. It is the most important force for realizing contributions to safety, prosperity, and the environment.

The changes in international society in the 21st century raise the need for a reform of individual consciousness and a strengthening of individuality to be able to function effectively in that society. The standards for action should be endeavor and innovation as well as an attitude of learning from the experience of failure and trying again. Steady effort is essential, along with the ability to gather information,

make decisions, and act more adroitly than one's rivals. It is important to cultivate consciousness of public mindedness and diversity, and to possess knowledge with a forward looking perspective that includes historical awareness.



#### **4. Eight Proposals for Promoting New Foreign and Security Policies**

##### **Proposal 1: Establish a “Committee on Foreign and Security Policies” (provisional name).**

New foreign and security policies must be examined, comprehensively, strategically, and rapidly, following the basic guideline of “pursuing the most suitable approach for future national and global interests.”

To accomplish this a “Committee on Foreign and Security Policies” (provisional name) should be formed, forming a lateral linkage between the related government ministries and agencies under the direct supervision of the Prime Minister. This committee should hold discussions in order to formulate a grand design for Japan’s foreign and security policies in the medium- and long-term that is also comprehensive. The committee would be composed of cabinet ministers and persons from the private sector, including academics and business leaders. Under the strong leadership of the Prime Minister, it would strengthen the system for formulating and promoting government policies that are comprehensive and consistent. Subcommittees could be formed to deal with issues such as ODA and international economic affairs, and the organization should ensure that decisions adequately reflect the views of the private sector.

Among the important topics that should be taken up by the Committee on Foreign and Security Policies are the following.

##### **1. Study of comprehensive security policies**

The committee should formulate a comprehensive security policy that covers aspects such as defense, foreign affairs, the economy, energy, the environment, and culture. A system should then be put in place to promote all aspects of the policy as an “all Japan” team composed of politicians, bureaucrats, businesspeople, academics, and ordinary individuals.

##### **2. Strengthening of rapid implementation functions**

The pace of change in the international environment of the 21st century is rapid, and the number of unexpected events, such as large-scale natural disasters, is growing. Situations requiring emergency response and urgent contingencies are increasing, and the ability of the government to respond quickly must be strengthened.

### **3. Strengthening of intelligence functionality**

The nation's information gathering and analysis functions should be strengthened to allow Japan to carry out strategic diplomacy, implement proactive measures to deal with dangers and threats, minimize damage, and achieve a speedy recovery.

### **4. Strengthening of coordination between domestic administration and foreign affairs**

A stable domestic administration is necessary for successful foreign relations and an important tool of diplomacy. For example, a pending WTO decision or FTA is both a diplomatic matter and a domestic political issue. The committee should collaborate with the Council on Economic and Fiscal Policy on matters such as bolstering the free trade system and enhancing Japan's industrial structure, strengthening the coordination between the domestic administration and foreign affairs.

#### **Proposal 2: Promote foreign and security policies as an "all Japan" team composed of politicians, bureaucrats, businesspeople, academics, and ordinary individuals.**

New foreign and security policies should be promoted by an "all Japan" team composed of politicians, bureaucrats, businesspeople, academics, and ordinary individuals.

To strengthen the environmental analysis and response capabilities of Japan's diplomatic establishment, effective use should be made of the information sources of multinational corporations, and business leaders expert in a variety of fields should have the opportunity to participate in economic diplomacy and increase the effectiveness of the nation's policies. In particular, standardization bodies and consortia are based on a system of government-private sector cooperation. It is important to make an international contribution through active participation.

It is also necessary to increase the flow of personnel between the government and private sectors to foster individuals capable of playing an active role in international diplomacy.

Many Japanese enterprises have international operations. They are working to understand the culture and customs of the regions where they do business and to establish themselves in the local community while making contributions such as expanded employment opportunities. Through this multilayered system of private sector foreign relations, the segment of the populace who support Japanese brands is

expanding. Consideration should be given to making use of such enterprises as unofficial embassies.

It is also important to encourage cultural exchange in the broad sense in order to promote understanding of Japan and enhance the country's image, advance mutual understanding between cultures and civilizations, and foster mutual trust. In particular, in today's increasingly tense international situation it is meaningful to convey to a wide audience the love of nature and the environment of the Japanese people, and their spirit of tolerance and harmony.

To accomplish this, a clear medium- to long-term cultural exchange policy needs to be adopted and mechanisms put into place to train specialists to put it into practice. This should involve "all Japan" cooperation among representatives of all sectors of the government and private sectors. In addition, these people should act as spokesmen and play a prominent role in spreading Japanese culture. Internationally famous Japanese such as athletes and artists could function as unofficial ambassadors helping to further Japan's international relationships. Such active efforts to convey Japan's good points would be sure to increase the attractiveness of Japan in the world at large.

Cultural exchange in the 21st century will also involve efforts to popularize the Japanese language and to spread Japanese pop culture, contemporary art, food, and fashion around the world. In particular, popularizing the Japanese language would involve providing attractive teaching materials and opportunities for language study. To accomplish this, consideration should be given to a mechanism for training one in ten of the foreign students studying in Japan as teachers of the Japanese language. This could involve utilization of a scholarship system or formation of a program for training Japanese language teachers through bachelor's, master's, and PhD programs at universities.

As globalization progresses the flow of people is increasing on a worldwide scale. This means that an age has come in which each Japanese citizen can play an incremental role in private diplomacy. It is therefore more important than ever to foster people who are able to function effectively in international society.

To be someone who can function effectively in international society involves more than foreign language skills. A view toward the future and public mindedness, based on an appropriate awareness of history, are also necessary. With this in mind, revisions to the curriculum should be considered. For example, history education at the secondary school level and beyond could be reorganized to start from the present and move backward, or contemporary society and modern history could be taught as separate subjects.

### **Proposal 3: Build a network-type security system with the U.S.-Japan alliance as the core.**

Under the U.S.-Japan Security Treaty, Japan has been able to contribute to the maintenance of world peace and to reconstruction and rescue operations while maintaining the minimum necessary defense capability. In the six decades since the end of the war, mindful of the bitter experiences of that great conflict, Japan has established the Three Non-Nuclear Principles for itself while working to prevent the spread of nuclear weapons and has limited its own use of military force. This tradition should be continued as the basic principle of Japan as a pacifist nation.

To make the U.S.-Japan alliance, which is necessary to our security, truly effective, Japan must undertake self-reform and put into place a system that will enable us to exercise the role and responsibility of an independent partner to the United States. In addition, with the U.S.-Japan alliance as the core, Japan must work to build a network-type security system based on multidimensional and multilayered relationships within the United Nations and the international community. Such a system is essential in view of the complex and unstable international situation we face in the years ahead.

In future Japan should strengthen its defense capabilities with deterrence as the foundation. In response to changes in the international environment, the status of the Self Defense Forces should be reexamined in terms of their ability to ensure the security of the Japanese people as the defensive function of an independent nation.

The Self Defense Forces have come to participate in international operations on the basis of the International Peace Cooperation Law, the Special Measures Bill to Fight Terrorism, and the Law Concerning the Special Measures on Humanitarian and Reconstruction Assistance in Iraq. There is an urgent need to establish a legal foundation that will enable the Self Defense Forces to engage in such operations more rapidly and effectively.

To achieve this, a Basic Law on Security (provisional name), specifying the basic principles relating to the defense and security of Japan, and a Basic Law on International Cooperation (provisional name), incorporating Japan's thinking on human security, should be enacted. It is necessary to gain understanding and trust, both domestically and in surrounding countries, by showing the world in this way that Japan's foreign and security policies are grounded in pacifism.

With regard to Article 9 of the Constitution, a debate on how far Japan ought to go to assure the peace, stability, and prosperity of the world and of Japan in the 21st century, and what sort of system is appropriate for that purpose, should take place first, and the study of [possible changes to the Constitution] should then build on the outcome of that debate.



#### **Proposal 4: Work to strengthen science and engineering.**

The advancement of science and engineering is a wellspring of Japan's international competitiveness. It is also essential to Japan's international contribution to solving problems facing all humankind, such as issues related to energy and the environment.

The training and utilization of human resources are indispensable to achieving innovation in science and engineering.<sup>4</sup> Japan should put in place an infrastructure that will allow us to strengthen the education of personnel pursuing careers in science and engineering in Japan, attract talented personnel from overseas, and make it possible for them to pursue their work here.

In addition, mechanisms for collaboration between industry and academe and programs for fostering new entrepreneurs should be introduced to help create viable business opportunities in science and engineering. There should also be policies aimed at enhancing the scholarship system for persons studying science and engineering.

#### **Proposal 5: Attain and strengthen energy and food security.**

The country's dearth of energy and food resources means that Japan is dependent on overseas suppliers for the bulk of these items. It is important to construct a resource procurement strategy that includes an appropriate portfolio of measures to ensure the soundness of commodity distribution flows, includes procurement from multiple sources in different regions, and is capable of dealing with risk factors.

#### **Energy Security**

Japan is dependent on overseas suppliers for more than 80% of its energy resources. Ensuring their stable supply is an important priority for the nation's foreign policy. In particular, Japan is dependent on overseas suppliers for petroleum, and to deal with the risk of a cutoff of supply Japan must work to strengthen its relations with the Middle Eastern countries that are its main oil

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<sup>4</sup> In the United States a number of proposals and policies have been tried as ways to strengthen international competitiveness, with the Young Report (1985) and the Palmisano Report (2004) as typical examples. All consider innovation to be the single most important motive force and emphasize the importance of factors such as creating new technologies, human resources, investment, and infrastructure enhancements.

In particular, *Innovate America*, popularly known as the Palmisano Report, cites "personnel" as the most important element in innovation. Its proposals include the formation of a national strategy for innovation education and measures to build an innovative workforce. These include attracting outstanding personnel through scholarships for college students majoring in science and engineering and reevaluation of immigration and employment policies affecting foreign nationals, and the creation of curricula designed to foster innovators at the elementary, middle school, and high school levels.

suppliers, endeavor to decentralize<sup>5</sup> the sources of supply, and work together with other nations by participating actively in the International Energy Agency (IEA).

It is also important to promote nuclear power,<sup>6</sup> including the recycling of nuclear fuel, with assuring safety as the prerequisite, to redouble existing efforts to conserve energy, and to develop and utilize stockpiles and alternate energy sources. Combined with Japan's world-class energy conservation technology, national resources should be focused on technology development related to the emergence of new energy sources such as wind power, solar power, and biomass energy. The government should also put into place tax incentives to encourage private sector research and technology development.

Maintaining and further developing its world-class advanced technology in the energy field is becoming an ever more important factor in Japan's security. In addition, it will enable us to make an active contribution to helping to solve problems that are common to humankind.

Furthermore, cooperation is essential with the Asian region, which has experienced a conspicuous increase in demand for energy in recent years. In addition to strengthening traditional bilateral relationships, Japan should participate actively and exhibit initiative in multilateral arrangements and international institutions.

## **Food Security**

As with energy, Japan imports the bulk of the food it consumes.<sup>7</sup> Nevertheless, the country has abundant water resources. In addition to strengthening its strategic capability to supply itself with food by utilizing these resources, Japan could bolster its relations with countries lacking abundant water through exports of water. The nation needs to ensure a stable supply of food in normal times through an appropriate combination of imports, stockpiles, and international cooperation.

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<sup>5</sup> The "New National Energy Strategy" medium-term report from the Ministry of Economy, Trade and Industry focuses on three main pillars: restructuring domestic energy demand, enhancing risk avoidance capabilities by strengthening foreign relations and international contributions, and enhancing measures to deal with emergencies. It sets five targets to be met by 2030, including reducing energy consumption by 30%, reducing the oil dependency ratio to 40% (from the present 50%), and increasing autonomous overseas resource development to 40% (from the present 15%).

<sup>6</sup> See "Japanese Energy Strategy in the Years Leading to 2030: Steady Promotion of Nuclear Power Generation, Including Recycling of Nuclear Fuel, and Strengthened Environmental and Energy Collaboration in East Asia" (February 2006, Keizai Doyukai).

<sup>7</sup> Calorie-based figures for food self-sufficiency: Japan (40%), Britain (74%), Germany (91%), France (130%), U.S.A. (119%), Australia (230%), Canada (120%) (Trial calculation by the Ministry of Agriculture, Forestry and Fisheries based on data for 2002)

Japan should nurture a strong agricultural sector through measures such as accelerating the agricultural restructuring promoted by the Basic Law on Food, Agriculture and Rural Areas, which was enacted in 1999, utilizing market mechanisms and promoting large-scale agriculture, and encouraging management by corporations, while giving due consideration to the need for the nation to supply its own food.<sup>8</sup>

Finally, the switch to healthy competition in domestic agriculture should be accelerated, and efforts at strengthening FTAs and EPAs, are necessary in order to promote the free trade system.

**Proposal 6: Actively utilize technologies and methodologies for preserving the environment, conserving energy, and alleviating pollution.**

Looked at in international terms, Japan possesses excellent technologies and methodologies for solving problems such as environmental preservation, energy conservation, and alleviating pollution. In this field, Japan should play an active role in efforts to protect the global environment. It is necessary to promote private-sector cooperation and government-private cooperation as ways to provide in a comprehensive manner to developing countries ESCO (energy conservation support services) and schemes involving clean development mechanisms (CDM)<sup>9</sup> based on the Kyoto Protocol, as well as Japanese environmental technology. For some recipient countries studies should be made of effective measures such as combining the above with ODA.

**Proposal 7: Display leadership in environmental assessment and create an international network.**

Many environmental problems cannot be solved by one country alone but must be engaged by multiple nations working together. The high level of Japan's environmental technology is recognized internationally. Japan should show leadership in the creation of an international network for environmental assessment and should play a key role in international cooperation on R&D work leading to the collection of data on, analysis of, and solution of various environmental problems.

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<sup>8</sup> For details, see “Accelerating Restructuring to Open Up the Future of Agriculture: The Road to Industrialization through Innovation” (2004, Keizai Doyukai).

<sup>9</sup> “Clean development mechanisms” are one of the flexible mechanisms provided for in the Kyoto Protocol. They allow advanced countries to earn emissions credits by utilizing energy conservation technology to enable developing countries to reduce their emissions volumes.

**Proposal 8: Organize a cooperative E-Japan system composed of government and the private sector and use it to provide help in case of natural disasters, development support, and reconstruction assistance.**

Japan is a country where earthquakes are frequent. It made use of the experience and lessons learned from large earthquakes, such as the Hanshin-Awaji quake or the Niigata-Chuetsu quake, in the rescue operations following the Sumatra earthquake and tsunami. Japan should work to further strengthen its position as a bulwark in international efforts at disaster rescue and aid.

To achieve this, Japan should enter into multinational agreements related to disaster security, taking into account advance knowledge of the scale and scope of possible disasters, and form an E-Japan (Emergency-Japan) disaster rescue team including unarmed Self Defense Forces (combined Ground, Air, and Sea SDF) personnel, firefighters, and medical personnel as a system capable of rapid response immediately following the outbreak of natural disasters such as earthquakes and tsunamis.

To assist in establishing economic infrastructure, reducing poverty, and enhancing medical and educational services to match the needs of recipient countries, Japan should form an E-Japan (Economic Development-Japan) development assistance team making use of the knowledge and expertise of senior personnel who supported the nation's postwar recovery and economic growth and persons from the baby boom generation. An important issue for NGOs wishing to make an international contribution is said to be project management. This includes the management of personnel, goods, funds, processes, and scheduling involved in providing assistance, and it is the field where Japan's private enterprises are most adept. Making use of these aspects, Japan should endeavor to engage in assistance work in a manner that is easily understandable to both aid donor and recipient countries.

In Europe and the United States the focus is on Civil-Military Cooperation (CIMIC) as a framework for postwar reconstruction assistance. In light of the broad scope and complexity of assistance as part of international cooperation for peace, collaboration between the Self Defense Forces and the private sector can be expected to be important. Japan should move forward urgently with studies aimed at the building of a highly effective "Japanese style CIMIC."<sup>10</sup>

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<sup>10</sup> "Japanese style CIMIC" would be a framework that would make use of the strengths of security-related government bodies, such as the Self Defense Forces, police, and Coast Guard, as well as domestic NGOs and NPOs, experts from the private sector, and enterprises, in a mutually complementary manner. "Report of the Research Group for Iraq Issues: Toward the Establishment of a New System—Enactment of a Permanent Law Covering Operations Contributing to Peace and Reconstruction Following the Cessation of Hostilities and Establishment of Japanese Style CIMIC" (November 2004, Keizai Doyukai)

## Conclusion

“Providing is preventing.”

“Know the world and know oneself.”

To achieve a systematic logical understanding of individual elements as part of a whole, we invited specialists in a variety of fields, studied questions related to Japan’s past, present, and future from many different viewpoints, and discussed them based on business executives.

When we divide the nation’s national strength into categories of military and non-military power, it is clear that Japan cannot make a contribution to the world through the former. Therefore, it is through foreign relations in the form of non-military power that Japan should make its presence felt, strategically and in a focused manner.

To ensure that Japan will continue to shine and make a contribution to the world 30, 50, or 100 years hence the domestic administration will have to be enhanced, and without a doubt economic power will be an important element in the nation’s foreign affairs. Strategic development and procurement of resources, as well as conservation solutions, are important to achieving continued prosperity.

We must not focus only on past successes and succumb to rosy optimism. Japan should always maintain an appropriate level of defense capability as is demanded by the times.

It is our hope that the Japanese citizens of the future will succeed in valuing quality over quantity, learn the lessons of history, have an international sensibility, and possess a sense of pride supported by a clear and fair vision for the future.

We hope our nation will take a positive approach toward its own mission, including the environment and culture, and its latent capabilities, that it will contribute to the world in ways that no other country is capable or areas where Japan is particularly adept, and that as a result Japan will come to be seen as indispensable by the rest of the world. This is the cornerstone of foreign relations and security.

Issues of foreign affairs and security should not be left exclusively to the government and a small number of specialists. Each citizen should subjectively consider, act, and make unstinting efforts in this area.