

WORLD AFFAIRS COUNCILS OF AMERICA

STUDY TOUR OF JAPAN

HOSTED BY

JAPAN CENTER FOR INTERNATIONAL EXCHANGE (JCIE)

**WITH COOPERATION OF & SUPPORT FROM
MINISTRY OF FOREIGN AFFAIRS, JAPAN**

FEBRUARY 3 – FEBRUARY 14, 2001

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WORLD AFFAIRS COUNCILS OF AMERICA DELEGATION LIST

Sir Eldon Griffiths

Head of Delegation
National Chairman, World Affairs Councils of America
Ambassador at Large
Orange County World Affairs Council

Schuyler Foerster

Deputy Head of Delegation
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Catherine Born

Director of Programs
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Joan H. Bristol

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Vice Chairman and Program Chairman
Cleveland World Affairs Council

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Colorado Springs World Affairs Council

Claudia McBride

Vice President and Program Director
World Affairs Council of Philadelphia

Barbara Propes

Executive Director
Alaska World Affairs Council

Jane Wales

National Board Member, World Affairs Councils of America
President and CEO
World Affairs Council of San Francisco

SCHEDULE OF EVENTS

Saturday, February 3

1:00 p.m. Depart San Francisco International Airport

Sunday, February 4

7:00 p.m. Arrive Tokyo Narita Airport. Bus to Akasaka Prince Hotel

9:00 p.m. Dinner With JCIE Staff at Hotel

Monday, February 5

8:00-9:30 a.m. *Japan's Diplomatic Agenda*
Ambassador Koji Watanabe, Senior Fellow, JCIE, Former Ambassador to Russia

10:30-12:00 *Briefing at U.S. Embassy*
Dr. Kent Calder, Special Advisor to the Ambassador
Mr. Sung Y. Kim, First Secretary, Political Affairs
Mr. Stephen R. Fox, First Secretary, Economic Affairs

12:30-2:00 p.m. *Changing Relationship Between National & Local Governments*
Professor Sun'ichi Furukawa, Professor, University Of Tsukuba

4:30-8:00 p.m. *Visit To Palette (Non-Profit Enterprises Employing the Disabled)*
Ms. Nahoko Taniguchi, President, Palette

Tuesday, February 6

10:00-11:30 a.m. *Non-Profit Organizations in Japan: Trends And Prospects*
Ms. Hideko Katsumata, Executive Secretary, JCIE

12:00-1:30 p.m. *Outlook and Agenda of Japanese Economy*
Mr. Takashi Kiuchi, Research Director, *Shinsei* Bank

3:00-5:00 p.m. *Briefing at Japan Ministry of Foreign Affairs, North America Bureau*
Mr. Masato Takaoka, Director, Overseas Public Relations Division
Mr. Shinichi Hosono, Deputy Director, First North America Division
Ms. Naoko Saiki, Director, Second North America Division
Mr. Toyohisa Kozuki, Director, Japan-U.S. Security Treaty Division
Mr. Hitoshi Tanaka, Director-General, Economic Affairs Bureau

7:00-9:00 p.m. *Dinner at Hanagasumi Japanese Restaurant*
Mr. Keiju Ide, Director of Policy Bureau, Asia Division
Mr. Masata Takaoka, Director, Overseas Public Relations Division

Wednesday, February 7

8:00-9:30 a.m. *Inside Look at Japanese Politics*
Mr. Kenji Kosaka, Senior Vice Minister, Ministry of Public Management, Home Affairs,
Posts and Telecommunications

10:00-11:30 a.m. *International Policy of Local Governments and the Role of CLAIR (Council of Local Authorities for International Relations)*
Mr. Masaaki Nakada, Senior Managing Director
Mr. Tetsuya Shirasaki, Secretary General

12:00-1:30 p.m. *Increasing Foreign Residents and Their Impact on Japanese Society*
Dr. Chikako Kashiwazaki, Lecturer, Sophia University

- 2:00-3:00 p.m. *Global Business of Japanese Corporations and Trade Policy Issues*
Mr. Kazuyuki Kinbara, Group Manager European Group, International Economic Affairs Bureau, *Keidanren* (Japan Federation Of Economic Organizations)
- 4:30-6:00 p.m. *Japanese Economy from the American Business Perspective*
Mr. Glen S. Fukushima, President and CEO, Cadence Design Systems, Japan
- 7:00-9:00 p.m. *Dinner at the Home of Mr. & Mrs. Tadashi Yamamoto*
Guests:
Mr. Akikazu Kida, Project Manager, Planning Department, Government & Industrial Affairs Division, Toyota Motor Corporation
Ms. Akiko Kuno, Executive Director, The American-Japan Society, Inc.

Thursday, February 8

- 8:00-9:30 a.m. *Powershifts: Changing Dynamics of Japanese Society*
Mr. Tadashi Yamamoto, President, JCIE
- 10:30-12:00 p.m. *Visit To Sony MediaWorld*
Mr. Nobuyoshi Fukuda, General Manager, Department Of Public Relations
Ms. Mitsu Shippee, Education Programming
- 12:30-1:30 p.m. Informal Luncheon
- 2:00-4:30 p.m. *Panel Discussion: The New Role of Local International Exchange Organizations in the Age of Globalization*
WACA Panel, moderated by Mr. Tadashi Yamamoto, President, JCIE

Friday, February 9

- 9:52 a.m. Depart Tokyo for Okayama (Bullet Train)
- 2:00-2:30 p.m. *Courtesy Call on Mr. Katsumi Yamaguchi, Vice-Governor Of Okayama*
- 3:30-4:30 p.m. *Tour Of Kurashiki Historical District*
- 5:00-6:00 p.m. *International Activities of Okayama Prefecture*
Mr. Atsuo Mori, Director, International Affairs Division, Department of Planning and Regional Development, Okayama Prefecture Government
Mr. Michio Sugii, Director General, Okayama International Center
- 6:00-7:30 p.m. *Reception and Dinner with Host Families*
Overnight With Host Families

Saturday, February 10

- 1:30 p.m. *End of Homestay Program – Meet at Hotel Granvia Okayama*
- 2:30-3:00 p.m. *Visit Setouchi Kojima Hotel to See Seto-Oohashi Bridge*
Ms. Hisako Kunitomi, Board Member, Okayama Prefecture Friendship Association
- 4:30-6:00 p.m. *Visit To Sougen-Ji, Zen Buddhist Temple*
Do-Ken, Buddhist Monk from the United States

- 7:00-9:00 p.m. *Dinner with Leaders Involved in International Activities in Okayama*
 Ms. Shigeko Fukai, Professor, Okayama University Faculty of Law
 Mr. Michiyoshi Imanishi, Member, Executive Board, Okayama Prefecture International Exchange Foundation
 Ms. Mieko Kitajima, Member, Executive Board, Okayama Prefecture International Exchange Foundation
 Ms. Hisako Kunitomi, Board Member, Okayama International Friendship Association
 Dr. Tohru Okigaki, Director Emeritus, Shigei Medical Research Institute, Dean of Students, Kinki Welfare University, Hyogo
 Dr. Shigeru Suganami, President, Association of Medical Doctors in Asia (AMDA Japan and AMDA International)

Sunday, February 11

- 8:21 a.m. Depart Okayama for Hiroshima (Bullet Train)
- 9:00-9:30 a.m. Meet with Mr. Shoichi Fujii, Former Director of Cultural Affairs, Hiroshima City Culture Foundation
- 9:30-12:40 *Visit Hiroshima Peace & Culture Foundation & Hiroshima Memorial Museum*
 Ms. Setsuka Iwamoto, Atomic Bomb Survivor
- 1:00-2:00 p.m. Informal Lunch
- 3:00-5:00 p.m. *Sightseeing at Itsukushima Shinto Shrine and Miyajima Island*
- 6:00 p.m. Return to Okayama
- 7:30-9:30 p.m. Dinner with Ms. Hisako Kunitomi at *Umenohana* Japanese Restaurant

Monday, February 12

- 10:00 a.m. Depart Okayama for Kyoto (Bullet Train)
- 12:00-1:00 p.m. Lunch at New Miyako Hotel, Kyoto
- 1:00-5:30 p.m. Tour *Nijo* Castle and *Kinkakuji* (Golden Temple) and *Ryoanji* Temple
- 7:00 p.m. Informal dinner

Tuesday, February 13

- 9:30-11:30 a.m. *Heian Bussho*, Atelier of Artists Mr. & Mrs. Eri
- 12:00-1:00 p.m. Informal Lunch
- 1:00-2:30 p.m. Tour *Sanjuusangen-Dou* Temple
- 7:00-9:30 p.m. Dinner With Mr. & Mrs. Eri at *Tokanso* Japanese Restaurant

Wednesday, February 14

- 2:48 p.m. Depart Kyoto for Okaka-Kansai Airport (Bullet Train)
- 4:03 p.m. Arrive Osaka-Kansai Airport
- 6:00 p.m. Depart for San Francisco

IMPRESSIONS: AN ESSAY

[Over ten days of a full and substantive agenda in Japan, the WACA delegation was offered much to consider, and hopefully contributed something in return to our hosts. The individual reports that follow summarize the substance of each event, presentation, and discussion, but they do not do justice to the whole of what we gained. This essay is an attempt to tease out some more fundamental conclusions. It is an essay, because it reflects more what we inferred than what others told us. – Schuyler Foerster]

Japan is at a crossroads ... and the stakes are not trivial.

As a nation, Japan offers enormous strength and virtue, and we were uniformly impressed both by its accomplishments and by its inner grace. It is also a nation confronting enormous pressures for change. A traditional political, economic, and social system is finding it increasingly difficult to respond to the challenges of globalization. Its aging population, low birth rate, and declining work force mean that any recovery from the “lost decade” of economic stagnation must rely on new forces to increase productivity. Yet many of the possible answers—deregulation, privatization, foreign investment, immigration, or major improvements in technology—seem out of reach unless those wielding power and influence are prepared to depart significantly from patterns of governance established over the past half century and more.

How (to paraphrase Yogi Berra) Japan greets the fork in the road it now faces, matters to the rest of us. No ally is more important to the United States than Japan. Japan bases—and substantially pays for—most of the U.S. overseas military presence in the Pacific. The Japanese economy is the second largest in the world. Together, Japan and the U.S. account for almost half of the Gross Domestic Product on the planet, and Japan alone accounts for some 70% of the Asian economy. Together, the U.S. and Japan provide over half of the humanitarian assistance in the world.

As the Cold War stumbles to a possible end in East Asia—particularly if there is a positive outcome on the Korean peninsula—a confident, prosperous, and democratic Japan is all the more important to whatever order emerges. If the Japanese economy cannot recover, and its political system regain confidence in itself, Japan’s weakness may itself become a major threat to global economic growth and political stability.

Confidence in traditional systems is declining—can institutions respond?

That Prime Minister Mori has an approval rating below 15% and a disapproval rating above 70% is symptomatic of a deeper problem. The political system seems unable to respond with new ideas and new leadership. Japanese politicians and officials recognize that there is a problem—indeed, many we met were more pessimistic than were some foreign observers. Yet, although many consider Japan’s dependency on a paternal government part of the problem, most still tend to look to government for answers.

In a society with a much greater collectivist tradition than the United States, it is not surprising that large government deficits are driven by substantial spending on public works. The Liberal Democratic Party’s self-serving efforts to favor rural areas add to its inherent conservatism. There are no real voices in the political establishment for fundamental change, little willingness to experiment with new approaches, too many vested interests at play, and an ingrained aversion to risk-taking.

The danger is a general loss of confidence in government. Fewer than 20% of young people vote (reminiscent of young voters in the U.S.). This loss of confidence has also fueled the political futures of some rather eccentric political figures whose answers may have more drama than sense. Such leaders might be a useful catalyst for change, but they can also be dangerous.

Observations on a Japan ten years after the last visit ...

- Fewer Japanese now smoke.
- More signs with English alongside Japanese.
- More English words appearing in Japanese conversations.
- An undercurrent of frustration with Japanese institutions instead of a feeling of pride and national strength.
- Still a visible lack of poverty and homelessness—especially relative to the U.S.
- Still a pervasive sense of trust in public safety on the streets.

No crisis yet—obstacles are structural, recovery will be fragile.

It is tempting to label Japan's continuing malaise as a "crisis," but we found no crisis atmosphere there. Perhaps it is because the government's sizeable investment in public works has created an enviable transportation and public sector infrastructure. Perhaps it is because ten years of depression has eliminated the peril of "rising expectations." Perhaps it is because Japanese still boast the highest savings rate in the world—estimated savings are approximately twice the size of Japan's sizeable public debt (and, with interest rates barely above 1%, one can imagine substantial additional sums literally stuffed in mattresses). Perhaps it is because Japan's social systems remain the envy of other countries, with low crime rates and outstanding educational and medical systems. Perhaps it is because the family still remains a central and revered institution—with two-parent families tending to older and younger generations still the norm.

Don't count us out ...

The gleaming new-age airport at Osaka-Kansai is impressive. Built over several years, on an artificial island dredged out of the bay that fronts Japan's second city, it is an awesome example of big strategic thinking and modern engineering design and construction, on a par with anything in the world.

The economy may be depressed. Japanese national governance is rightly criticized for indecision and a lack of clear direction. Yet, the men and women of both public and private sectors who planned, built, and now operate this airport surely deserve our admiration.

"Don't sell Japan short," was the message this facility sent us as we boarded our airplane for home.

Most observers talk of a slow and steady economic recovery. It also seems fragile. A protracted slowdown in the U.S. economy could prove devastating to Japan, which relies on U.S. imports to sustain Japan's economy. Japan's banking system remains perilously close to bankruptcy and still in need of major structural reform. Unemployment is around 5%—high by Japanese standards. With an uncertain future, savings rates—not consumption rates—are on the rise. There is little incentive to increase consumption, precisely what the economy needs.

One detects immense human as well as economic capital that could be brought to bear if the system could find ways to mobilize it. Some 20% of the economy has indeed gone through significant restructuring to compete in the global marketplace—these include the household names from the automotive and electronic industries, and other export manufacturing. No doubt, these are the businesses U.S. Treasury Secretary Paul O'Neill had in mind when he recently warned against "lecturing ... government-to-government" and wanted to talk to "industrial people ... who know the real economy." But the other 80%—mostly utilities, public works, communication and smaller manufacturing, and agriculture—has not been pushed to that point. There lie the entangled vested interests among politicians, bureaucrats, and business leaders.

Can IT be the answer to everything?

The Mori government seems to have placed its bet on the ubiquitous "IT"—the revolution in information technology. Here Japan demonstrates both that it excels and that it lags because of structural reasons. Much of the 20% of the economy that is global—including Sony, whose *MediaWorld* we visited—is on the leading edge of the information revolution, pioneers rather than strangers to innovation. The government's new "super-ministry" for Public Management, Home Affairs, Posts and Telecommunications has launched a new public works project to lay optical fibre throughout the country. With 50% of the population using mobile telephones, it will take incentives to encourage people to connect to that network. Some private competition is entering the telecommunications market, and the Mori government wants to create "e-Japan." We found both optimistic and pessimistic voices—time will tell if the system will respond well.

Responding—in its own way—to the challenge of globalization will be key to Japan's future.

Japan has traditionally been an insular society, but it has also demonstrated a remarkable ability to respond to outside pressures. Throughout its history, it borrowed from others—religion from China, India, and Europe, democracy from the West, even bits of language from Portuguese explorers. In the process, it has typically adapted and improved those influences for its own purposes.

In Japan, there is a growing recognition that Japan needs the rest of the world, and that the rest of the world needs Japan. Such intersections take on several dimensions:

- On the economic level, reputable voices argue that Japan explore use of Free Trade Agreements (there are some 120 such agreements in the world; Japan is presently party to none of them). This should mean less government control over international commerce and growing pressures for foreign investment (Japan has the lowest rate of foreign investment than any major industrialized democracy).
- In foreign policy, there are increasing voices—both young and old—that Japan pull its weight in dealing with the world’s problems. This means more than substantial levels of foreign aid or funding others’ peacekeeping operations. For many, it also means amending constitutional prohibitions so Japan can deploy military forces in harm’s way in defense of its vital interests. This debate can only occur within the context of a continuing U.S.-Japanese alliance, which is essential to Japan. Ultimately, Japan fears isolation in a region that has never accommodated both a strong Japan and a strong China.
- In U.S. relations with Japan, style—and manners—matter. During our trip, the U.S. Marine commander on Okinawa insulted local authorities; days later, a U.S. submarine sank a Japanese merchant ship, killing nine. While the latter incident raised several questions, it was largely accepted as the unfortunate costs of alliance. Incidents like the former ultimately wear on the alliance more. Japan seeks a “strategic dialogue” with the U.S. It deserves a relationship based on mutual respect.
- In human terms, Japan is also working to open its borders to the rest of the world. The barriers to foreign immigration remain substantial—including restrictive citizenship and voting laws—and ingrained in cultural traditions. Still, there is a much more welcoming attitude than before. Some local governments have taken remarkable steps to make their areas more “foreign friendly,” and international exchange programs are increasing substantially.
- In parallel with these trends, the role of non-governmental and non-profit organizations in Japan is slowly but measurably on the rise. There is still a long way to go to foster the kind of civic entrepreneurship that we encountered on several occasions in this trip—including changing laws to facilitate the registration and private financing of such organizations.

It’s humiliating to be ignored ...

We heard about it almost daily—how President Clinton had not stopped in Japan when he visited China in 1998.

One official called said it typified the era of “Japan passing,” following the decade of “Japan bashing.”

Amazing how such an omission can generate such universal insecurity.

Our host, the Japan Center for International Exchange, began its existence promoting international networks. Today, its focus is more on “the frontier within,” as its founder, Tadashi Yamamoto, puts it. It reflects, again, Japan’s capacity to differentiate between what is good in others—and worth emulating—and what is not. Building civic society as a complement to government is a long-term process.

A tale of two cultures ...

At a delegation dinner in a restaurant, a Japanese man began shouting loud comments to our table, an uncommon sight in Japan. Instead of forcibly “bouncing” the unruly intruder, the Japanese restaurant managers calmly sought to coax the guest to leave. They took significant verbal abuse, but showed respect, bowing to him. The process required several sorties and took much longer—almost 30 minutes—but the man left the restaurant peacefully (no doubt with a free meal as well) and without violent incident.

This is in some respects a metaphor of Japan’s situation and how others might view it. Americans might be inclined to “solve” the problem—be it economic, political, or social—through more direct and forceful action. Japan might not see the problem in the same way, choose the same solution, or believe that any solution requires the same sense of urgency and forcefulness. Differences do not preclude success.

JAPAN'S DIPLOMATIC AGENDA

Speaker: Ambassador Koji Watanabe, Senior Fellow, Japan Center for International Exchange and Member, National Public Safety Commission
Date/Time: Monday, February 5, 8:00 a.m. (breakfast meeting)
Location: Akasaka Prince Hotel
Rapporteur: Jane Wales, World Affairs Council of Northern California

Ambassador Watanabe provided a sweeping overview of Japan's policy agenda, including (1) the changing political environment in East Asia; (2) the conceptual considerations driving policy choice; (3) the key actors and points of contention; (4) Japan's policy options, including playing a more active role in matters of international security and global governance; and (5) the U.S. role in the region.

East Asia's changing political environment

Great Power Relations. Since the collapse of the unitary Soviet state, Russia has ceased to be a threat to stability, or a major political player in the region. China has made progress in building a growing "socialist market economy". Accession to the World Trade Organization (WTO) is a major domestic policy issue, which offers China both a challenge and an opportunity for internal reform. The Persian Gulf War demonstrated the United States' dominant military position, prompting both China and Japan to rethink their military stance. China may respond with a military build-up. Japan may amend its constitution to allow it to play a combat role in multi-lateral missions. It has participated in United Nations peacekeeping missions in Cambodia, the Golan Heights and Mozambique. Watanabe expressed misgivings about the Australia-led coalition effort in East Timor; Japan's contributions to the maintenance of peace there have been financial.

Asia Financial Crisis. Ambassador Watanabe focused primarily on the political repercussions of the financial crisis, both domestically—in the cases of Indonesia, Thailand and the Philippines—and internationally. He noted that the crisis has prompted Japanese efforts to improve bilateral relations with both South Korea and China, arguing that the prevailing view is that East Asia should cooperate economically so as to avoid future crises. Furthermore:

Japan-Korea relations have improved. Kim Dae Jung would not have been elected absent the crisis, nor would it have been politically possible for a Korean leader to seek improved relations with Japan. In the wake of the crisis, such cooperation was deemed vital. The reconciliation between the two countries is genuine and lasting, because South Korea is now a democracy. The ambassador referred to Kim Dae Jung as "the greatest political leader" in East Asia.

Japan-China relations are on a more positive footing, with the reciprocal visits by the Chinese President and Japanese Prime Minister in 1998. However, China's President Jiang Zemin had "overplayed the history issue," mishandling the question of whether Japan should apologize to the Chinese for its invasion during World War II. Japan had adequately expressed its remorse in the Japan-China peace treaty.

Regional economic cooperation has begun. In the past, Japan, Korea, China and Thailand have not entered into bilateral agreements, preferring to operate within multi-lateral frameworks. Members of ASEAN-Plus-3 have now entered into a network of bilateral arrangements to protect their respective currencies.

Humanitarian intervention. NATO's military intervention in Kosovo was "shocking" to many in Asia. Japan's official position was only that it could "express understanding for the U.S. and NATO position," but it could not approve. He noted that the prevailing view in the West is that humanitarian intervention is justified if the measure is proportional to the damage being averted. However, in the East, it is not viewed as justifiable under international law or prevailing norms. This is a particularly serious issue in the eyes of China, because of its own internal conflicts in Tibet and Taiwan, which run the risk of becoming flashpoints for violence and potential interventions. Because of the superiority of U.S. technological prowess, Chinese intellectuals do not believe that the bombing of China's embassy in Belgrade could have been an error. For Chinese officials, this skepticism provides a political "trump card" to play.

Conceptual basis for policy choice

Economic interdependence versus traditional balance of power politics. There is a new recognition of the reality of interdependence. Market economics have been increasingly embraced as the most effective path for sustained economic growth. China's accession to the WTO is the most dramatic recent example. Traditional balance-of-power politics have not been abandoned altogether, however, in either its political or military dimensions, as has been witnessed in the Straits and the Korean Peninsula.

Democratic divide. Democracy is important to stability. Improved relations between Japan and South Korea were made possible by Kim's election. By the same token, development assistance to China is complicated by the fact that China is not a democracy; there is a need for a visible movement toward pluralism to persuade the Japanese public that the investment is wise. Watanabe noted that democracy is now fundamental to Japanese political life: "for me, democracy was taught in middle school. For my son, democracy is in his blood."

Globalization. The 1990s were a "lost decade" for Japan because of its failure to lay the groundwork for economic globalization. The information technology divide and the growing gap between the rich and the poor require domestic social policy and international development assistance to help those who have been left behind. Japan is the largest donor in the region.

Nationalism. Nationalism has been a force for domestic unity, identity, and stability in China, Korea, and Japan. In the case of China, the Communist Party's legitimacy was based on its capacity to provide and the promise of hope for a better future. If the economy fails, and as corruption is revealed, appeals to nationalism will be the sole basis for the party's legitimacy. It is the force driving the Taiwan issue on both sides of the Straits. Expressions of Chinese nationalism provoke a nationalistic response from Japan; there is resentment over China's failure to acknowledge that it is the largest recipient of Japanese foreign assistance, at \$2 billion annually.

Key actors and points of contention

Key actors. The United States, China, and Japan remain the key actors in the region; South Korea and Russia are important. Flashpoints remain the Korean Peninsula, Taiwan, and the South China Sea islands.

Key issues. A key issue facing the region is the build-up of weapons of mass destruction and the missiles for their delivery.

Japan's policy options and tasks ahead

Japan's security role. The key international issue facing Japan is a proposed constitutional amendment to allow the deployment of Japanese forces for collective self-defense, and to provide logistical support for U.S. forces in the surrounding area. Watanabe described this amendment—which would require a two-thirds vote in each house and a subsequent national referendum—as an effort to guarantee continued U.S. military presence in East Asia. He further noted that Article 9 demonstrates that Japan has indeed come to terms with its history. The fact that it colonized Korea and invaded China are "results of human history. The *manner* of colonization and invasion is what we did wrong." The desire to change Article 9 is also driven by a desire—after 50 years—to take possession of their own constitution, rather than stay with one that had been "dictated" by General MacArthur. When asked if China and Korea would be concerned about Japan playing a combat role in peacekeeping, he replied that "time has erased" their concerns.

Contributing to global governance. Japan's participation in the U.S.-Japan Common Agenda is among the ways it helps to address transnational issues like environmental degradation, international crime, infectious diseases, and the flow of refugees. Furthermore, it is the largest single donor of economic development assistance, addressing issues of "human security". At the last G-8 meeting, Japan took the initiative to combat AIDS internationally.

Managing the trilateral Japan-China-U.S. relationship. Establishing a *modus vivendi* for a powerful China and a strong Japan will be “a momentous task” complicated by the fact that China is not democratic. The U.S. military presence in Asia is essential to that *modus vivendi*. U.S. policies toward China have fluctuated under the Clinton administration, and may continue to have “ups and downs, as both are big and great powers subject to domestic politics.”

Managing the Japan-U.S. relationship. President Clinton’s failure to visit Japan when he traveled to China sent a signal that he saw the U.S.-China relationship as more important than U.S.-Japan relations.

The unification of Korea. Japan does not oppose Korean unification, as many believe. In 1964, Japan normalized relations with the South, and faced the issue of compensation for claims stemming from the colonial period. In exchange for the renunciation of South Korea’s claims, Japan agreed to provide economic development assistance. There has been no settlement of North Korean claims, which were estimated to amount to \$500-million in 1964.

The U.S. regional role

Continued U.S. military presence remains essential to stability.

Care in dealing with Taiwan is a priority. When asked about the U.S. government’s provision of military assistance to Taiwan, Watanabe cautioned the U.S. to “be careful.” The deployment of three *Aegis* destroyers could lead China to believe that a missile defense system is in place. He asked whether there is an “objective necessity” to provide these advanced systems, and noted the importance of the framework of restraints on arms deployments, including the Anti-Ballistic Missile Treaty. Japan adopted a “One China” policy in 1971.

Attention to long-term implications of ballistic missile defense. With respect to National Missile Defense, Watanabe said that he was “uneasy” but had no definitive view. He noted that there has been virtually no public debate in Japan of the issues of either theater or national missile defense.

The Bush administration is off to a good start. The Japanese view of new Bush administration is positive. With respect to trade relations, the administration is seen as less subject to protectionist pressures from labor unions. Ambassador Zoellick, the newly-appointed U.S. Trade Representative, was Watanabe’s counterpart in the G-7. Watanabe noted that, for the most part, President Bush’s top team has a security, rather than an economic background, which may mean that more importance is placed on China. Any deterioration of U.S.-China relations would adversely affect Japan. There was an absence of strategic consultation by the Clinton administration on China policy.

Competitiveness issues in an era of globalization. In response to questions, Watanabe noted that the U.S. steel industry is seen as having failed to make the necessary investments in research and development, lowering productivity. Watanabe added that the five major Japanese automobile companies are now partly foreign-owned. He also pointed to Japanese worries about the low level of personal household consumption, and high level of savings in Japan, which is an aging society with small families.

BRIEFING AT THE U.S. EMBASSY

Speakers: Kent E. Calder, Special Advisor to the U.S. Ambassador
Sung Y. Kim, First Secretary, Political Affairs
Stephen R. Fox, First Secretary, Economic Affairs

Date/Time: Monday, February 5, 10:30 a.m.

Location: U.S. Embassy, Tokyo

Rapporteur: Claudia McBride, Philadelphia World Affairs Council

Kent Calder, Special Advisor to the Ambassador, cited significant challenges regarding U.S.-Japan relations, and Japan’s regional and international relationships.

The first such challenge, and that which affects Japan's international role, is rooted in its **history of isolationism**. With but an episodic history of interaction with other countries (*e.g.*, the Nara period) Japan had been detached from international engagement until the mid-nineteenth century. This detachment was at its most apparent at the time much of the world was industrializing and militarizing. Japan's quick modernization, which resulted in the defeat of both China and Russia, showed a clear lack of balance in relationships and set the stage for future conflict.

A current challenge is **Japan's reluctance toward innovation**. Japan's strong "stability bias" hinders large-scale change. Instead, innovation is used to reinforce stability. Although there are some positive aspects to this bias, such as providing a good environment for long term economic development and large scale industrial progress, it is not triggered when necessary to affect necessary changes to systems or bureaucracies no longer working effectively. This stability bias is a domestic challenge, but has regional and international implications.

The primary regional challenges facing Japan are:

- **Burgeoning populism**, as is taking place South Korea and Taiwan
- **Technological advances**, especially with regard to proliferation and improvement in missile technology
- **Geopolitical challenges**, *i.e.*, rapidly changing and increasingly complex relationships that affect Japan, while Japan moves and reacts very slowly

Standing in sharp contrast to the delegation's substantive meeting with Ambassador Watanabe, the political component of the U.S. Embassy briefing was comprised of a cursory, elementary *Powerpoint* presentation on U.S.-Japan shared interests. We were told that this newly-created presentation was being tested for the first time on our group.

Regarding the economic dimension of the relationship, Mr. Fox noted that **trade** has remained a central feature. Currently, U.S. priority is seeing that Japan's economy (which is 70% of Asia's economy) grows substantially in order to drive regional economic growth and contribute to a robust global economy.

Recently, the Japanese government has strengthened **barriers to economic growth**, such as stymieing competition because of preferential treatment to established companies and institutions. Also, the regulatory process is thick and opaque. As a result, anything new is difficult to move through regulation and bureaucracy (*e.g.*, getting new drugs approved and moved to market).

Three major economic challenges loom large:

- **Demographic shift.** Japan is one of the most rapidly aging nations in the world. With a diminishing labor force, productivity must be increased by other means, *e.g.*, loosening regulatory constraints. What to do about the shrinking labor force is sparking debate. Options range from sheer acceptance of a bad situation... to adopting new technology in order to make a smaller labor force more productive...to encouraging women to enter work force (which would require a redefinition of social roles).
- **Technology.** U.S. growth has made Japan uncomfortable. Because Japan is guided by its bureaucracy, the U.S. brand of a fluid, free market capitalism is very difficult to emulate.
- **Fiscal and Political Change.** Debt is 146% of Japan's GDP. There is a 10-12% deficit in spending. Cutting spending cuts into established patters of public works and social services.

Other issues, including the bilateral trade deficit, will become a larger issue if the U.S. economy falters significantly.

In response to questions, there was a sense among the Japanese that the Bush Administration would pay more attention to Japan. Yet the focus of that attention might be on burden sharing, which would put pressure on Japan. Equally, if the U.S. provides support to Taiwan, that could complicate relations with China, which would require a great deal of the Administration's attention.

As to prospects of Japan's economic recovery, high levels of government regulation, an entrenched political establishment, and a largely homogenous and compliant society combined to dampen pressures for change.

CHANGING RELATIONSHIPS BETWEEN NATIONAL AND LOCAL GOVERNMENTS

Speaker: Professor Sun'ichi Furukawa
Date/Time: Monday, February 5, 12:30 p.m. (luncheon meeting)
Location: Akasaka Prince Hotel
Rapporteur: Roger Hiatt, International Relations Council of Greater Kansas City

Professor Furukawa gave an overview of the trend toward public sector centralization of Japan and discussed various systemic impediments that this trend has encountered in Japan.

Japan's public sector historically has been characterized as legalistic in approach: every action of the state must be based on law. Fragmentation and compartmentalization of functions, while declining, still exists. *De facto* fusion of functions between central and local governments, brought about by control by the central government of substantial funds provided to local governments, continues. However, this environment is changing because of the following four factors:

- current failure of public policy in the banking and macro-economic area
- public deficit spending, an increasing business management orientation leading to privatization
- increased governmental accountability
- newly emerging concepts of governance.

The central-local governmental relationship has undergone significant changes in recent years. Three characteristics of this relationship in Japan are important:

- a wide range of functions are administered by local authorities within a unitary government
- fusion of tasks with financing
- frequent transfers of executive-level personnel between central and local governments

Political realignment with resulting legal changes during the 1990s are responsible for bringing about significant change in the central-local government relationship. Recommendations of the Commission for Promoting Decentralization led to the Decentralization Omnibus Law in July, 1999, effective in April, 2000, overhauling the basic framework of existing functions of local authorities and reducing central control. However, critically lacking in the Omnibus Law is the reallocation of tax resources from the central to the local government. Continuing large funds transfers from the central to the local government may create an illusion of fiscal accountability; still unresolved is an excessive investment in arguably unproductive public works projects. The reality now is that Japan has a more decentralized central government but a more centralized local government; locally elected governors may actually hold more economic power than the prime minister.

The public demand for greater accountability in government has grown. Public distrust in government has risen, exacerbated by recent political scandals. New civil service ethics legislation has recently been approved. Recent legislation in the non-profit sector may also allow greater participation by non-profit organizations in local affairs.

The increase in power of local government vis-à-vis the central government raises the issue of the supremacy of the central bureaucracy. Ministries tend to operate independently, and ministers and vice-

ministers are changed yearly. Nevertheless, the devolution of power to local government has not led to a supremacy of bureaucracy, but instead has produced a sharing of expertise and cooperation of politicians and bureaucrats in the realm of policy-making.

VISIT TO THE “PALETTE” ORGANIZATION

Speaker: Ms. Naoko Taniguchi
Date/Time: Monday, February 5, 4:30 p.m.
Location: Palette Gathering Place, Cookie Factory, & Restaurant
Rapporteur: Patricia Jansen Doyle, Cleveland Council on World Affairs

An intoxicating aroma of buttery almond filled the air as our group entered a small, immaculate bakery in the heart of Tokyo where cookies fresh from the ovens were stacked in neat cellophane packages. It was late in the afternoon and three of the cookie factory’s bakers—all in their 20’s and mentally disabled—smiled and bowed as visitors from America admired the spotless facility and tempting cookies and cakes.

Our guide was Naoko Taniguchi, founder and head of the Palette Support Organization, a non-profit that aims to give mentally and physically handicapped persons a measure of dignity, financial independence and, when possible, integration into normal Japanese society. The organization’s four enterprises in Tokyo include:

- **A gathering place.** This is a center where people with mental and physical handicaps as well as surrounding neighbors come together for friendship, recreation, and mutual support.
- **A group home.** This a residence for eight handicapped persons: six usually as long-term residents and two for short stays of up to two weeks that enable their care giving families temporary relief.
- **The cookie factory.** The place where up to eight handicapped persons and three supervisors produced 130 pounds of cookies and pound cakes a day.
- A charming 24-seat **restaurant** that serves superb curry and other dishes prepared by cooks recruited from Sri Lanka and assisted by kitchen helpers and wait staff drawn from among the disabled.

The restaurant and Palette’s other Tokyo projects are located within a few blocks of each other in Shibuya, a popular residential area for younger people in the center of Tokyo. They are becoming increasingly popular among a younger, affluent Japanese set, as well as foreigners in Tokyo.

Mrs. Taniguchi founded Palette 20 years ago after years of volunteering with terminally ill children, first suffering the loss of her 4-year daughter to cancer and then watching more than a hundred children she cared for die as well. When she saw the plight of mentally retarded children, she decided to devote her energies to the living. After completing a degree in social service at age 48, she launched the organization. She chose its name from the board artists use for mixing oil paints into different colors as a metaphor for the organization’s willingness to blend together different peoples: young and old, handicapped and not handicapped, foreign and Japanese.

Over the years the organization’s mission has expanded from the mentally retarded to include persons with learning disabilities and such illnesses, such as epilepsy, and even foreign workers—all persons outside the Japanese mainstream. Increasingly, the organization has become concerned with the plight of the handicapped whose parents are aging, have become ill or died. And it is striving to integrate its participants in broader society.

The bakery, for example, is a unique sheltered workshop for Japan. Traditional workshops, if they exist at all, provide token stipends of only \$50 a month for routine piecework. The workers at the Palette Bakery not only enjoy the satisfaction of producing cookies and cakes for the marketplace, but they earn

approximately \$800 a month. When coupled with the local government allotment for the handicapped this is sufficient to sustain independent living.

Furthermore, the organization works through the local government employment office to find employment for its participants in regular Japanese businesses. But building opportunities for people who are different is a slow process in Japan. Mrs. Taniguchi said that many larger corporations prefer to pay government fines rather than meet government requirements to allocate 1.48% of their jobs to the handicapped.

It has taken the tenacity to overcome prejudices inherent in Japanese society. Now, Palette has support from a number of foundations and is building global alliances. In 1999, Palette went international with the opening of a restaurant in Sri Lanka, sending handicapped participants from Japan to teach residents of that island country to provide work experiences for the handicapped persons residing there.

Mrs. Taniguchi has visited job coach programs in New Hampshire, communicates worldwide with similar organizations through the Internet and is working “to change the mindset” about non-profits throughout Japan. She is a true entrepreneur in the social service world, whose work has been described in the Chronicle of Philanthropy. She will spend the 2001-2002 academic year studying non-profit management in the United States, so Councils may have an opportunity to see or hear from her.

NON-PROFIT ORGANIZATIONS (NPOs) IN JAPAN: TRENDS AND PROSPECTS

Speaker: Ms. Hideko Katsumata, Executive Secretary, JCIE
Date/Time: Tuesday, February 6, 10:00 a.m.
Location: Akasaka Prince Hotel
Rapporteur: Barbara Propes, Alaska World Affairs Council

Ms. Katsumata is one of the pathfinders for non-governmental organizations in Japan, having donated over 30 years of her life to JCIE specifically and the development of non-governmental organizations (NGOs) and non-profit organizations (NPOs) in Japan on a larger scale.

Although the acceptance of NGOs or NPOs is difficult in Japan, the idea of charitable giving and service has ancient roots. During the 6th century with the advent of Buddhism in Japan, serving others was considered something that would benefit one later. The idea was added to in the 16th century with the arrival of Christianity and became necessary during the feudal 17th and 18th centuries. The first civil code was enacted in 1896 during the Meiji Restoration.

Following World War II, however, the new thought was to “catch up with the west.” This took a strong central government and disciplined public. For the next 20-30 years, income doubled but the people of Japan lost their individual initiative.

During the 1970s and 80s social problems, including labor and environmental, prompted new citizen concern. A communist movement arose speaking against the government. This slowed the creation of NPOs as businesses and the government identified public interest with the leftist movement.

During the 1980s there was an influx of foreigners including boat people from Vietnam. These people were given jobs described as “dirty dangerous and difficult” and were forced to live underground due to their illegal status. Citizen groups, predominantly made up of housewives, were formed to support the new population. Japanese people began to realize that even small NGOs could have value.

The Kobe earthquake in 1995 opened the door for non-profits when government agencies were ill-prepared to cope with the disaster, and citizen groups were an important part of the relief agenda.

There had been a civil law for over 100 years, but NPOs were under such strict government control that few existed. A foundation needed \$3 million inequity as a prerequisite to becoming incorporated.

Associations have less stringent guidelines but still require membership pledges to cover the first year's budget. If an organization was not incorporated it was not considered credible.

After the Kobe disaster many NGOs worked for government change. In 1998, a new NPO law was enacted enabling citizens groups to incorporate in two months through prefecture governments. The law does not include tax incentives like U.S. 501(3)(c) corporations because the Minister of Finance would not consider legislation that would reduce taxes. With the new *Diet* there may be a push for a tax law but most organizations would not be eligible.

Some government grants pay up to 50% of the expenses for certain NPOs, but proposals generally do not include staff and overhead. Seventy percent of all NPOs operate without full time staff.

In the U.S. there are approximately 300,000 incorporated non-profit organizations. Since the 1998 law was enacted in Japan, there are still only 3,352 incorporated organizations. In addition, there are over 18,000 organizations such as foundations, as well as school and social welfare corporations, but they are under strict government control. One third of these organizations are actually government led. There are also over 8,000 unincorporated organizations, but half of these are in smaller geographical areas, have annual budgets of \$10,000 or less, and are not well-developed.

As dissatisfaction with the government grows, the public and businesses have a growing interest in establishing private, non-political service organizations and see them as being beneficial. However, the NPOs are still struggling to develop mechanisms endorsed by, but not controlled by, the government.

OUTLOOK AND AGENDA FOR THE JAPANESE ECONOMY

Speaker: Mr. Takashi Kiuchi, Research Director, *Shinsei* Bank
Date/Time: Tuesday, February 6, 12:00 noon (luncheon meeting)
Location: Akasaka Prince Hotel
Rapporteur: Joan Bristol, Denver World Affairs Council

Mr. Kiuchi was introduced as "one of the best economists in Japan." He has recently experienced the rise and fall of his own organization, Long Term Credit Bank of Japan, due to the poor economy, and he is now experiencing a "rebirth" at Shinsei Bank.

Mr. Kiuchi believes that Japan's economic recovery is continuing, but the momentum is weak. Recently, the markets have become increasingly suspicious about economy's ability to sustain itself. There has been a significant drop in stock prices. The market yield for long term bonds is down to a low of 1.5%. Moreover, there is a weak cabinet whose approval rating has sunk below 15%. People are seriously questioning the government's ability to manage the economy.

There are three groups of factors that are determining the immediate outlook for the economy: cyclical factors; banking and corporate restructuring; and structural reform.

In 2000, corporations focused on profits by saving on wage payments. It was hoped that, once a target level of profit margins and production had been reached, then workers' income would be followed by higher consumption. There are two concerns about this theory, however. First, the U.S. economy is decelerating, and other Asia's economies remain weak. This will decrease manufacturers' ability to export. Second, there has been an increase in Japan's saving rates. Workers tend to save, rather than consume, when they lose faith in the government's ability to manage the economy.

Lack of consumer confidence also comes into play with the second factor, banking and corporate restructuring. A depressed stock market, rumors of management difficulties at banks, and persistently high numbers of non-performing loans all add to a deterioration in the market. The problem is that no one can be sure when this self-feeding mechanism of pessimism will end.

The third group of factors, structural reform, is often thought to be the only means for exiting the downward spiral. Opinion ranges from thinking Prime Minister Mori has adopted a forbearance policy to shelve structural reform, to the belief that structural reform has finally begun and the economy is poised to recover, albeit slowly.

Mr. Kiuchi's view is somewhat in the middle. He believes that some structural reform or deregulation was made some time ago in the retail sector, which has put those industries in a highly competitive position, but reform has slowed down considerably since 1997. There is strong market belief that the vested interests of the Postal Service, financial sector, and public utilities against deregulation and privatization will stall any economic recovery. Thus, he believes the recovery has reached a "very delicate point."

Continuation of the recovery is totally dependent on the ability and, more importantly, the willingness of the government to manage the economy skillfully and forcefully. The government must make it clear that it will not continue a forbearance policy toward banks and troubled industrial borrowers. Secondly, it must realize that it cannot continue to waste taxpayers' money on large under-utilized public works projects. Instead, they should enhance fiscal efficiency and efficacy so that a necessary tax increase to reduce the deficit will be acceptable to the public in the belief that the money will be spent wisely. Finally, the LDP must show the public that they have made a sharp break from the policy of being a paternalistic guardian for their vested interest groups of industries.

Will this work? Mr. Kiuchi is concerned about the immediate future of the political environment, the impact of the U.S. economic downturn, the continuing slide of the Japanese stock market, and the possible breakup of financial institutions. "The key is for the LDP to send the right signals to business so that consumer confidence returns." Japan needs time and the will to move steadily ahead with its plan for recovery "one month at a time."

JAPAN-U.S. RELATIONS: PERSPECTIVE FROM THE JAPANESE FOREIGN MINISTRY

Speakers: Mr. Masato Takaoka, Director, Overseas Public Relations Division
Mr. Shinichi Hosono, Deputy Director, First North America Division
Ms. Naoko Saiki, Director, Second North America Division
Mr. Toyohisa Kozuki, Director, Japan-U.S. Security Treaty Division
Mr. Hitoshi Tanaka, Director-General, Economic Affairs Bureau

Date/Time: Tuesday, February 6, 3:00 p.m.

Location: Ministry of Foreign Affairs of Japan

Rapporteur: Schuyler Foerster, World Affairs Council of Pittsburgh

Mr. Takaoka opened the session with an explanation of the structure of the Foreign Ministry for dealing with issues related to the U.S. The North America Affairs Bureau focuses on the U.S. and Canada; the First Division encompasses the broader political relationship, the Second Division deals with economic and trade relations; the Japan-U.S. Security Treaty Division focuses on the mutual security relationship; and a separate division deals with the more intricate details of the Status of Forces Agreement that covers U.S. forces stationed in Japan.

Political Relations

Mr. Hosono discussed the current status of the Japan-U.S. bilateral relationship and where Japan would like to see it go. He stressed that this is Japan's most important bilateral relationship and repeated Secretary of State Colin Powell's assurances that this relationship was one of the most important bilateral relationships in the world. He noted that 2001 was the 50th anniversary of the San Francisco Peace Treaty and the signature of the original Japan-U.S. Security Treaty.

The current relationship—it's still important, but for different reasons. Mr. Hosono argued that—although the importance of the relationship had not changed—the *reason* it is important has changed considerably. During the Cold War, the relationship was largely strategic, based on a shared interest in

containing the Soviet Union. Since then, there have been questions as to whether the alliance was “adrift.” Certainly, he said, it should no longer be considered automatic that Japan would endure the burdens of alliance when the strategic rationale had changed significantly. Now the bilateral relationship was important not only to contain threats to peace and security in East Asia, but also to address the “global” agenda of the 21st century, including issues of development and poverty, the environment, and health issues. Japanese opinion polls still show a consistent 60-70% support for the importance of the alliance.

The 1990’s had been a difficult time for Japan. The first half of that decade had been a period of “Japan-bashing,” reflecting the serious trade frictions between the two. As the U.S. economy strengthened and the Japanese economy weakened, those frictions largely dissipated on their own. The second half of the decade was more a period of “Japan-passing,” in which Japan seemed to become less relevant to U.S. policy, symbolized by President Clinton’s June 1998 visit to China without even a stopover in Japan.

Such negative characterizations, Mr. Hosono suggested, were not entirely justified. For its part, Japan needed to understand that the post-Cold War Japan-U.S.-China triangle is not a “zero-sum game.” In fact, a stable U.S.-China relationship is important to Japan as well, as indeed is a stable Japan-China relationship important to the U.S. There is also one important difference involving the Japan-U.S. leg of this triangle—Japan and the U.S. are allies. If bilateral relations are good, no news may be good news.

The future: Good start—need “strategic dialogue.” Mr. Hosono was optimistic about the future of the relationship. President Bush and Prime Minister Mori had already spoken by telephone, and Foreign Minister Kono was the second (after Canada) Foreign Minister to visit Secretary Powell. Plans for a summit meeting between the two heads of government are already underway. There was satisfaction that the new Administration seemed grounded in a “realist” approach to foreign affairs.

Japan would like to see Washington engage in a “strategic dialogue” with Tokyo, something that had not characterized the Clinton Administration’s approach to Japan, with the exception of result policy toward North Korea. In that case, the trilateral consultations involving Japan, South Korea, and the U.S. had borne considerable fruit, based in large measure by the sharing of information and perspectives regarding the new North Korean government led by Kim Jong-il.

On three issues, Mr. Hosono noted that Japan and U.S. values were shared, but there was clearly a difference in approach: Myanmar, Iran, and Iraq. On the first, Japan preferred to engage the Myanmar military government and offer humanitarian aid, on the premise that this “softer” approach would weaken the regime, whereas the U.S. preferred a tough approach of isolating Myanmar. Similarly, Japan would prefer to engage Iran to encourage Tehran to be a constructive member of the international community and to encourage those in Iran who were seeking reform, including with citizen-to-citizen contact. Finally, Japan respected the U.S. position on sanctions against Iraq, but wondered to what extent that policy was working. In response to questions regarding China and Taiwan, Mr. Hosono stressed that, like the U.S., Japan wanted to see a continuing peaceful dialogue, regardless of the outcome of the dialogue.

Trade and Economic Relations

Ms. Saiki turned to economics and Japan-U.S. trade relations. She had been with Foreign Minister Kono in his meeting with Secretary Powell and thought the atmosphere a good one. Both had stressed that, in an alliance, one cannot separate economic and trade issues from the political and security issues—they are integral parts of a whole. Fundamentally, the two largest economies in the world ought to be cooperative rather than confrontative.

Japan’s economic recovery is key ... and “IT” is the key to recovery. The period 1993-1994, with its infamous trade negotiations about “numerical targets,” had been especially difficult. Since then, reduced pressures on Japan probably reflected the growth in the U.S. economy and the corresponding weakness in Japan’s. Japan had also been slower to recognize the forces of globalization and interdependence in what is now commonly called “Japan’s lost decade” of the 90s. During that period, Japan’s earlier economic bubble had collapsed, with an overall deflation of assets of some \$10 trillion, about twice Japan’s GDP.

Since the Asian economic flu of 1997-1998, public funds had gone into the banking sector, and this fiscal year (2001) projected a 1.7-2.0% real growth. Perhaps more indicative of Japan's potential for recovery is that per capita GDP remains some 13% above the peak during the "bubble" of the 80s, so Japan had sustained high living standards despite almost ten years of a flat economy.

Prime Minister Mori's recent speech at Davos (which Ms. Saiki had helped draft) had outlined a strategy for sustained recovery, keying off his earlier call in September for the "rebirth of Japan." This strategy included structural and administrative reform, but is centered on information technologies (IT) that are "now powering the Japanese economy." Mori has called for an "e-government" by 2003 and a world-leading Internet infrastructure in five years. Much attention was being placed on wireless connections to the Internet, because over 50% of the population has mobile phones.

In response to questions on this point, Ms. Saiki noted that Japanese optimism was predicated on the experience of the U.S. in adapting IT as a basis for growth. As to whether a slowdown in the U.S. economy could hurt Japan's recovery, Ms. Saiki expressed confidence that the U.S. economy would rebound soon.

Regional dialogue in ASEAN-plus-3. Japan constitutes some 70% of East Asia's GDP. The experience of the Asian economic flu demonstrated the need for a strengthened regional economic dialogue. Again, IT seemed to be a key. At the recent ASEAN-plus-3 (ASEAN plus Japan, China, and South Korea) summit, Japan proposed a \$15 billion, five-year cooperative package to promote IT throughout Asia. Singapore would play a pivotal role in that effort, with which Japan has created a "new age partnership" focusing on trade, investment, and a variety of other bilateral initiatives.

Need a new round of trade negotiations in the WTO. Japan has also stressed the need for a new round of trade negotiations in the WTO, especially with China's entry, and hoped for a high degree of Japan-U.S. cooperation in that effort.

Ms. Saiki distributed the report of a Study Group on Japan-U.S. Economic Relations in a New Era, entitled *A Roadmap for Greater Opportunities Through Further Competition, Cooperation and Integration*, which outlined elements of prospective Japan-U.S. cooperation in shaping future trade relations within the WTO and bilaterally. Sir Eldon Griffiths noted that this appeared to be a unilateral Japanese effort, rather than a joint report with the U.S. He stressed that the World Affairs Councils of America might be able to play a role as a forum for that dialogue.

Bilateral Security Relations

Mr. Kozuki offered an excellent overview of Japan-U.S. security arrangements and the challenges they face. He noted that these arrangements are only one of "three pillars" of Japan's security policy; the others include maintenance of an "appropriate scale" of defense capabilities and active diplomatic efforts to maintain peace and security in the Asia-Pacific region.

The Japan-U.S. Security Treaty. Mr. Kozuki overviewed the provisions of the current security treaty. He acknowledged that Article V offered a one-sided security guarantee, in that it only applies to an "armed attack against either Party in the territories under the administration of Japan." Article VI, however, offered the U.S. use of Japanese facilities not just for the security of Japan but also for the "maintenance of international peace and security in the Far East." Thus, since the U.S. has broader interests in the region, this provision constituted a contribution of Japan to U.S. security as well. In that respect, the Treaty provided a broader political foundation for Japan-U.S. cooperation.

Challenges posed by the end of the Cold War. Mr. Kozuki emphasized that the end of the Cold War had removed much of the clarity in justifying the continued defense arrangements. It was easy to justify the status quo when one is faced with a nation, like the Soviet Union, that spent over 20% of its GDP on defense and kept its political system closed. The Soviet Union was a dangerous neighbor. Now, that case can no longer be made. As a result, the security relationship needs to be clear on its new role.

The Gulf War legacy. When the U.S. built a coalition to fight in the Gulf War, Japan declined to participate, citing its constitutional prohibitions (Article 9) against waging war. This extended even to assisting with transportation of logistics into the theater, notwithstanding the fact that Japan was entirely dependent on the free movement of oil from the Middle East. Instead, Japan paid approximately \$100 for every Japanese citizen—man, woman, and child—to underwrite the war effort. This was not enough, Mr. Kozuki offered with some passion, since others were risking their blood.

The experience of the Gulf War left many Japanese embarrassed, and led to a reinterpretation of Article 9. The year following the war, Japanese minesweepers were deployed to the Gulf for clean-up operations. Subsequently, the *Diet* passed a law that enabled Japanese forces to be deployed in certain peacekeeping operations, provided that the circumstances did not involve combat threats to Japanese forces. This explains why Japan was also not able to participate in operations in East Timor. As with the Gulf War, Japan was relegated to a financial support role, including some 98% of the United Nations peacekeeping costs for operations after the initial Australian-led intervention. For some, this experience has again prompted the need to reexamine this taboo.

Changing roles and missions for Japanese Self-Defense Forces. Continued concerns about North Korea, pressures for greater burden-sharing and heightened political sensitivity about U.S. forces in Okinawa prompted agreement in 1996 to update the Defense Guidelines governing Japan's contribution to the security relationship. Mr. Kozuki outlined the substance of those new guidelines and reaffirmed the importance of a growing Japanese contribution. In particular, he cited his own personal experience on board the aircraft carrier *USS KITTYHAWK*, during which he came to appreciate the investment of some \$1 million per day simply to operate that carrier.

Okinawa. In response to questions, Mr. Kozuki stressed the importance of recent agreements to return U.S. bases on Okinawa to Japan. During the Cold War, when there was a "clear and present danger," it was easy to swallow the burdens of the alliance. Since then, it is not so self-evident. For Okinawa, which had remained occupied by the U.S. until 1973, and which has 75% of the U.S. military presence in Japan, there remains a strong feeling that they are victims rather than beneficiaries of the alliance.

NATO bombing in Kosovo. Mr. Kozuki did not join those who had criticized the U.S. and NATO for bombing operations in Kosovo in the absence of a clear UN Security Council mandate. Although disclaiming expertise on the issue, he suggested that Milosevic had been a principal cause of the problem because of the way he had manipulated public opinion and political outcomes during the crisis. Mr. Kozuki also saw in the Kosovo operation, as in the 1995 Dayton Accords regarding Bosnia, the demonstrated need for continued U.S. leadership in the NATO alliance.

DINNER MEETING WITH FOREIGN MINISTRY PUBLIC AFFAIRS OFFICIALS

Speakers: Mr. Keiju Ide, Director of Policy Bureau, Asia Division
Mr. Masata Takaoka, Director, Overseas Public Relations Division

Date/Time: Tuesday, February 6, 7:00 p.m.

Location: *Hanagasumi* Restaurant

Rapporteur: Catherine Born, Minnesota International Center

The *Hanagasumi* Restaurant is located on the grounds of a Shinto shrine. The restaurant is owned and operated by the Shinto order to generate revenue to support the shrine. We removed our shoes, donned slippers, and shuffled into a room simply furnished with *shogi* screens, *tatami* mats and a single large low black lacquer table set over a floor well to accommodate the limited flexibility of Western guests.

We were soon treated to *Kaiseki*, an authentic Japanese full course dinner. The meal consisted of many, many courses, each exquisitely prepared and presented in a specific sequence and precisely placed in the black and red lacquered boxes before us. Bits of fish, rice, beef, tofu, egg, mushroom, lily bulbs, ginger and *daikon* were transformed into tiny flower-like arrangements and miniature pyramids, pleasing to both eye and palette. The meal began with a toast of sake served in tiny white saucers.

Serious discussion resumed at the conclusion of the meal when we turned to issues of Japanese leadership in the non-governmental, governmental and political sectors. Mr. Ide observed that different countries and cultures approach problems very differently. For example some countries, such as the United States, move very quickly to assess a situation and move on to quickly solve the problem, whereas other countries such as Japan, are focused on the process of finding a solution. This process often becomes red tape, slowing the progress towards actual resolution of the problem. The difference in approach to problem solving between our two cultures is a theme that began to emerge in our other discussions and briefings as well.

We moved to a discussion of the evolution of Japan's role in maintaining the security for the region, which has come under increasing scrutiny by members of the Japanese government, the politicians and the general public. Just what that role can be is widely debated, given the Japanese constitution, which strictly confines military involvement to self-defense. Our hosts indicated that although the general public seems content with the *status quo*, more informed individuals understand the need to lift some of the constitutional restrictions. Lifting some, if not all, restrictions would increase flexibility and options enabling Japan to respond more appropriately to situations which threaten the security of the region. The nature of Japan's participation in the Gulf War was given as an example of the frustration and embarrassment Japan felt in its inability to provide more appropriate assistance due this constitutional mandate. On the other hand, Japan provides more Overseas Development Assistance than any other country and it was noted as one way Japan maintained its pride and positive image around the world. Yet this level of contribution often goes unrecognized especially in the United States and China.

When asked why the government—with its authority to interpret and make new laws—does not move to change or reinterpret this mandate, the response was that such a move would “kill” the ruling party.

Our hosts stressed that the economic rebirth of Japan was of more immediate concern. Here again the cultural differences between Americans and Japanese were apparent. We asked why there was not more sense of urgency about an economic recovery—if the solutions were known why was it taking so long to implement? The response—corresponding with what we heard in other sessions—was that much is being done, but that Japan must move at its own pace. Unlike the United States, Japan is concerned as much with balancing the social risks of such steps with improving Japan's bottom line.

INSIDE LOOK AT JAPANESE POLITICS

Speaker: Senior Vice Minister Kenji Kosaka, Member of House of Representatives, Ministry of Public Management, Home Affairs, Posts, & Telecommunications
Date/Time: Wednesday, February 7, 8:30 a.m. (breakfast meeting)
Location: Akasaka Prince Hotel
Rapporteur: Sir Eldon Griffiths, Orange County World Affairs Council

Hurrying to meet us over breakfast, after a previous morning engagement, Senior Vice Minister Kosaka gave us copies of three very helpful, though at first sight, very complicated papers. One of these summarized the recent (January 6) consolidation of Japan's 23 government ministries and national agencies into thirteen departments, each headed by a cabinet minister, plus a new “Council on Economic and Fiscal Policy” chaired by the Prime Minister. This massive reorganization of the structure of Japan's central government is the latest installment in a process of reforms set in motion by the Hashimoto government in the mid-1990s. Its purpose is to streamline the nation's huge administrative system at the national level; speed up decision-making; and enable the Prime Minister's office to “get a handle” on the entrenched government agencies that are widely blamed for in-fighting, turf wars, sluggishness in reaching and carrying out decisions, and recent corruption scandals.

Mr. Kosaka is the number two official in the largest of four super-ministries created by the government reorganization. His department is responsible for all “public management” (*i.e.*, government buildings and the national civil service), home affairs (broadly analogous to the U.S. Department of the Interior), posts,

and telecommunications (effectively controlling the public sector activity in the critical areas of information technology and communications).

Mr. Kosaka also presented two papers on the current political composition of both houses of the Japanese Parliament (*Diet*), and on the evolution of its political parties over the past 50 years. The second of these illustrated the extraordinary complexity of the successive party line-ups, a shifting kaleidoscope of breakaways, realignments, and frequently unstable coalitions that contrasts sharply with the two party system in the U.S. and in the UK, whose parliamentary system Japan's most closely resembles.

The current composition of the 480 member lower house includes 239 seats for the Liberal Democratic Party, 31 seats for *Komei* Party, and 7 seats for the Conservative Party, giving the Mori government a fairly comfortable majority over its divided opponents—Democrats 129, Liberal Party 22, Social Democrats 19, Independents and others 13, and the Communists 20, the last being ironically the most enduring Japanese political party since 1945.

Mr. Kosaka acknowledged that the ruling coalition is unpopular and losing ground in the face of public disenchantment over the long protracted flatness of the economy and a rash of corruption scandals affecting top-level bureaucrats as well as senior politicians (mainly, but not exclusively, being from the LDP). The Prime Minister's approval rating (14%) is probably the lowest ever, and the government's disapproval rating is as high as 75%. Only the lack of an agreed-upon challenger within the LDP is keeping its power brokers from replacing Yoshiro Mori. Likewise, it is the weakness and disorganization of the opposition that keeps this weak coalition in power.

Popular disaffection manifests itself in the emergence of such eccentric local figures as Shintaro Ishihari, Mayor of Metropolitan Tokyo—arguably the second or third most powerful politician in Japan—and Yasuo Tanaka, Governor of Nagano (the prefecture where Mr. Kosaka has his seat). Governor Ishihari, known best in the U.S. as the author of *The Japan that Can Say 'No,'* is regarded by the LDP establishment as arrogant, unpredictable, but disturbingly popular on the basis of his posturing to the point where he embarrasses the government in its relations with the U.S. Before staging a dramatic upset victory over one of the LDP's most respected leaders in Nagano, Governor Tanaka was a politically unknown near dropout, whose only claim to fame was a risqué novel (described by someone other than Mr. Kosaka as “semi-porno”). To many, he has become Japan's answer to Jesse Ventura!

With an election for the Upper House scheduled for June, the LDP could replace Prime Minister Mori in the hope that a fresh face will help avert the coalition's likely loss of its present narrow edge there (136 out of a total 252 seats). The best bet, however, still seems to be that further setbacks for the LDP are inevitable, and that loss of control of the Upper House will further complicate—and slow down—the government's half-hearted efforts to reform Japanese politics and streamline the economy.

The only encouraging signs on the horizon we perceived on the basis of our meeting with Mr. Kosaka—other than his own refreshingly open and candid good humor—were, first, a possibility, faint but probably real, that the worst of Japan's prolonged recession may be over, and that growth may pick up along side the spring's cherry blossoms; and, second, that the coalition's enthusiastic embrace of IT and competition in telecommunications and the Internet will speed up modernization and restructuring, plus appeal to Japan's younger voters.

Mr. Kosaka spoke with expertise and enthusiasm about the arrival of new young startup companies offering huge improvements in speed as well as lowering prices for households signing up for new fibre optic communications services. Already, one of these—Fusion Communications—is marketing 100 megabyte-capacity lines at a nominal flat-rate entry charge of 5,000 yen per year, compared with the National Telephone and Telegraph (NTT) charge of 12,000 yen per year for a 1.5 megabyte line. He was optimistic that tougher competition would break the stranglehold that the no-longer monopolistic national telecommunications industry imposes on Japan's “new economy.” That, he said, will speed up the momentum of Japan's economic recovery.

COUNCIL ON LOCAL AUTHORITIES FOR INTERNATIONAL RELATIONS (CLAIR)

Speakers: Mr. Masaka Nakada, Senior Managing Director, CLAIR
Mr. Tetsuya Shirasaki, Secretary General, CLAIR
Date/Time: Wednesday, February 7, 10:00 a.m.
Location: CLAIR conference room
Rapporteur: Joan Bristol, Denver World Affairs Council

Mr. Nakada opened the meeting with a brief overview of CLAIR (Council on Local Authorities for International Relations). Established in 1988, it is a joint organization of local authorities to promote and provide support for local level international organizations in Japan. Today, there exist 1,400 Sister City programs and 6,000 students enrolled in the Japan Exchange and Teaching (JET) program. On the local level, CLAIR promotes human resource development, NGOs engaged in international programs, and international exchange and cooperation activities. CLAIR has also established seven offices in major cities around the world that support the overseas activities of local authorities.

At Mr. Nakada's invitation, Sir Eldon Griffiths provided an overview of WACA's activities in the United States.

Mr. Shirasaki led a more detailed discussion of CLAIR's activities.

The **JET program** is conducted principally by local Japanese authorities. The program invites young university graduates from around the world—but principally English-speaking countries—to teach English in local international divisions and junior and senior high schools. The language program has grown from 848 participants from four countries in the early 1990s to 3,678 participants from 39 countries in 2000. It is now considered to be world's largest exchange program.

Additionally, CLAIR provides personnel development to support local internationalization, promotes several international exchange and international cooperation projects, and provides grants for local internationalization projects by recognized local exchange associations and private municipal international exchange groups. Examples include the Kyoto International Children's Museum, Yokohama International Cooperation Festival '99,' and a publication entitled "Welcome to Seto—For an Enjoyable Homestay."

CLAIR serves as an interface from three ministries—Home Affairs, Foreign Affairs, and Education—but is principally responsible to the Home Affairs Ministry because its work is largely with local authorities. Funding is shared by the participating prefectures and municipalities.

Mr. Nakada outlined three challenges that he faces and asked for suggestions from the WACA delegation:

- How do you restructure the involvement and interest level from the "old way"—characterized by twice yearly government visits—to a steady stream of international exchange activity that sustains local interest?
- How can CLAIR change and respond to common challenges, particularly in-depth urban issues? Culturally and historically, the rural community needs have commanded more attention.
- How can discussions move beyond one-on-one sister city connections to involve broader regional cooperation?

Suggestions from the WACA delegation included broadening the collaboration beyond local government authorities to include youth organizations, chambers of commerce, service organizations such as Rotary, and the private and corporate sectors. This corresponds to a trend in many countries away from government activity to private sector interaction and networking.

Sir Eldon Griffiths suggested that CLAIR consider sending an observer to the WACA national conference next January in Washington, D.C. Other members of the delegation suggested that many local councils

might be in a position to assist as a contact point, especially in identifying and screening prospective candidates for CLAIR programs.

INCREASING FOREIGN RESIDENTS AND THEIR IMPACT ON JAPANESE SOCIETY

Speaker: Dr. Chikako Kashiwazaki, Lecturer, Sophia University
Date/Time: Wednesday, February 7, 12:00 noon (luncheon meeting)
Location: Akasaka Prince Hotel
Rapporteur: Roger Hiatt, International Relations Council of Greater Kansas City

Japan is generally considered an ethnically homogenous society. Nonetheless, there are several other ethnic groups within Japanese society, including the indigenous regional minorities of Ainu (in Hokkaido) and Okinawans (in the Ryukyu Islands to the south). The “old-comers” are ethnic Koreans and Chinese who arrived in Japan in the late 19th and early 20th centuries, primarily as migrant or conscript labor from Japan’s colonial period, but who remain barred from citizenship.

Since the late 1970s and early 1980s, a variety of “new-comers” have arrived in Japan, including Indochinese refugees, “entertainers” (including mail order brides and those from more traditional professions), “*nikkei*” (people of Japanese-descent from Brazil and Peru), spouses of Japanese nations, as well as professionals from a number of countries around the world. Acceptance of refugees has brought some changes in Japanese law, including adherence to international agreements on refugees and changes in pension law relative to non-discrimination.

The issue of immigration of other nationalities is important because it involves a clash between, on the one hand, Japan’s traditional isolationism and continuing closure to other nationalities and, on the other hand, Japan’s aging and declining population and workforce. Barring a dramatic increase in Japan’s birthrate—reported at approximately 1.4 children per family, which is below the rate necessary to sustain population levels—Japan must encourage immigration of foreign nationalities.

The national debate on the admission of foreigners to Japan continues to focus on unskilled labor. Japan has had no “guest worker” program, which might prove useful in responding to the shortage of labor in Japan. Instead, certain revisions were made to Japan’s immigration law in 1989 (effective in 1990). Employer sanctions were introduced to penalize employers for employing workers who were in Japan illegally. While the recruitment abroad of skilled workers and trainees is permitted, unskilled workers remain barred. This has led to continuing recruitment of the *nikkei* from Brazil and Peru to alleviate the shortage of unskilled and less skilled labor.

The presence of an increasing number of foreigners in Japan has many policy implications, most of which remain unresolved. Some groups, particularly Korean “old-comers,” are seeking the right to vote in local elections. Changes in the nationality law to facilitate naturalization are being discussed, but there is no prospect for change in the short term. Neither is there consensus on the means to regularize the status of foreigners who overstay (“overstayers”) their three-month visas. Repatriation and deportation are not realistic, yet amnesty is not on the political agenda.

The long-term implications of Japan’s nationality and immigration policies remain largely ignored. The present focus of immigration remains recruitment of a limited number of skilled-labor immigrants and the continuing exclusion of unskilled labor. Clearly there remain many issues for Japan to solve if it is to move to a more multicultural society.

GLOBAL BUSINESS OF JAPANESE CORPORATIONS AND TRADE POLICY ISSUES

Speaker: Mr. Kazuyuki Kinbara, Group Manager, European and North American Group Manager, International Economic Affairs Bureau, *Keidanren*
Date/Time: Wednesday, February 7, 2:00 p.m.
Location: Akasaka Prince Hotel
Rapporteur: Charles Jordan, Colorado Springs World Affairs Council

Mr. Kinbara—who had visited several World Affairs Councils under JCIE auspices in spring 2000—explained that *Keidanren* is the Japan Federation of Economic Organizations, roughly equivalent to the U.S. National Association of Manufacturers.

His presentation covered three topics: a call for the Japanese government to negotiate and implement Free Trade Agreements; the Japanese business community's stance on business relationships with the U.S.; and the "Japan Platform," a new system of working relationships among Japanese business, government, and non-governmental organizations (NGOs).

Free Trade Agreements (FTAs)

As the Japanese economy appeared to be overwhelming the U.S. economy in the 1980s, Japan saw little need for free trade agreements. However, their economy experienced the "lost decade" of the 1990s, and the U.S. economy measurably strengthened. Unnoticed was the development of over 120 (FTAs) around the world (*e.g.*, NAFTA, ASEAN, NAFTA, MERCOSUR in the Western Hemisphere's southern cone, and expansion of the EU). Japan has yet to be part of an FTA. As a result, both Japanese businesses and the government believe they are increasingly disadvantaged in the world trade arena. While they have based their trade policy on GATT and the WTO, they are becoming increasingly aware of the difficulty in reaching consensus among the 137 WTO members and the apparent efficiency of FTAs.

The Ministry of Trade and Industry (MITI) issued a white paper in 2000 promoting the implementation of FTAs, but there has been no response from the rest of the government. Japanese business is making an "urgent call" for developing such agreements.

The challenge to such agreements is twofold. First, Japan believes that a strict interpretation of WTO rules does not allow for the concurrent establishment of FTAs. More importantly, in negotiating a potential U.S.-Japan FTA, Japan is at a disadvantage. Japanese companies doing business in the U.S. already enjoy favorable tariff policies. Yet, in negotiations, the U.S. would certainly target sensitive Japanese markets such as agriculture for relief from tariffs and import restrictions.

In short, the Japanese feel there is an urgent need to immediately begin establishing FTAs and become part of emerging regional trading blocks, while at the same time, their political and historical and domestic protectionist culture prevent them from moving forward. The political structure and MITI are frozen into inaction.

Japanese Business Stance Regarding Doing Business With The U.S.

Mr. Kinbara reviewed the results of a working group analysis of the current outlook for doing business with the U.S.

Firstly, it was concluded that the U.S. market was still the most important for Japanese business. It is the world's largest financial market, is an important supply source, and is rich in new business models. It is also far ahead of Japan in such areas as biotechnology, IT, and services. Thus, the U.S. market should be the key in establishing a global corporate strategy.

Secondly, although the near term economic prospects are not bright in the U.S., excellent opportunities exist—especially in IT. Competition will remain fierce and Japanese companies will need to pursue even greater placement of production and personal in the U.S. to compete effectively.

Thirdly, major impediments to doing business in the U.S. exist. Mr. Kinbara listed some 14 perceived impediments such as the litigious nature of our society. The Leadership Delegation challenged him on the perceived difficulty some impediments posed and he acknowledged several were insignificant. He briefly reviewed some potential frameworks for removing impediments such as bilateral and trilateral agreements.

Finally, there was a brief discussion on some of the negative and positive impacts of liberalizing business in both countries. All agreed that such moves would place considerable pressure on Japanese agriculture and regulated industries to reform.

“The Japan Platform”

Mr. Kinbara’s final topic focussed on a subject that is receiving increasing interest in Japan. Traditionally Japanese NGOs have been small and under-funded. The government considered them to be “left wing” organizations because of their principal focus on social causes. Significant certification requirements prohibit almost all from getting a tax exempt status and thus in turn has restricted corporate funding opportunities.

The inability of the government agencies to act quickly following several critical situations in recent years (e.g., The Kobe earthquake) while NGOs mounted a rapid emergency relief efforts plus other recent events have shifted government and corporate thinking regarding NGOs.

A coalition of some 16 NGOs recently created the concept of “Japan Platform”. This is planned to be an equal partnership between NGOs, businesses, and government with each constituent providing funding and resources that would allow NGOs to provide rapid emergency relief in natural disasters and refugee situations. Recently the Keidanren declared its support and major companies such as Toyota, Sony, EMC, Fuji Xerox, and JAL have come on board as corporate contributors.

The effort is just beginning and the ability to secure full government support is not certain. However, increased corporate backing, more transparent administration on financial reporting, plus the emerging positive public image of NGOs is expected to carry the day.

THE JAPANESE ECONOMY FROM THE AMERICAN BUSINESS PERSPECTIVE

Speaker: Glen S. Fukushima, President and CEO, Cadence Design Systems, Inc.
Date/Time: Wednesday, February 7, 4:00 p.m.
Location: Akasaka Prince Hotel
Rapporteur: Claudia McBride, World Affairs Council of Philadelphia

Mr. Fukushima—until recently president of the U.S. Chamber of Commerce in Japan—was no stranger to WACA delegations. He began his presentation to the delegation by offering a summary of the U.S. and Japanese economies over the past twelve years. He recalled that it was only ten years ago that Japan was seen as invincible—from the late 1970s to the early 1990s, there was great concern, even fear, about Japan’s economic strength. For example, a 1989 survey showed that 68% of Americans were more concerned about Japan’s economic strength than the Soviet challenge.

The turning point came in 1995 with the burst of the bubble and Japan’s growing inability to stimulate its stagnating economy. Two events underscored Japan’s sense of vulnerability and undermined the confidence of the Japanese with regard to handling crisis: the Kobe earthquake and the Sarin gas attack in the Tokyo subway. Several scandals also eroded confidence, creating a sense of malaise and pessimism.

Mr. Fukushima pointed out that, while there was an *overestimation* of Japan in the 1980s, there may have been an *underestimation* of Japan during the 1990s, continuing through to the present. The Japanese, he explained, do not see their situation as dire, and attribute much of the West’s pessimism regarding Japan’s recovery to the tendency of the media to report disproportionately on negative news, a view he shares. The

fact that Japan's standard of living has not declined also contributes to a sense of complacency and optimism among the Japanese.

The American Business Community in Japan

The Chamber of Commerce in Japan is the largest U.S. Chamber outside of Japan and has enjoyed considerable influence on the U.S. government. The level of interaction between U.S. and Japanese government and business leaders has increased.

Priorities of the U.S. business community in Japan include market access, implementation of trade agreements, foreign direct investment (which has increased significantly, but still low comparatively), de-regulation (which is seen from a producers' point of view rather as "managed" rather than market activated); and structural reform and corporate governance (Japan's activity lags behind rhetoric when it comes to international accounting systems, existence of independent board members, and the role of a board). He cited the lack of lawyers as part of the problem—even with a significant number of non-lawyer employees working in legal capacities, Japan has about half as many lawyers *per capita* as in the U.S.

Mr. Fukushima reviewed the Clinton Administration's approach to Japan, noting four phases:

- The first phase (1993-95) was characterized by intense trade negotiations, often in a relatively hostile environment.
- The second phase (1995-97) was one in which military cooperation superseded trade as a result of Japan's weakening economy, Japan's less attractive market coupled with more attractive "big emerging markets" elsewhere in Asia, and the strengthening of the Yen. Other military and security issues contributed to this shift, including the rape by U.S. military personnel in Okinawa, increased tensions between China and Taiwan, and North Korea's nuclear buildup.
- The third phase (1997-99) was more macroeconomic in nature, with the emphasis on encouraging Japan to make the necessary changes to help the Asian economy recover from its financial crisis.
- The final year (1999) saw substantial policy coordination between Washington and Tokyo on issues relating to China and North Korea.

With regard to prospects for U.S.-Japan relations under the Bush administration, Mr. Fukushima noted that Republicans tend to "court" Japan. The Japanese are satisfied with the Bush victory, but Mr. Fukushima predicted that the Bush administration might press for more burden-sharing on security.

Experts from U.S. and Japan differ on their forecasts for the recovery of the Japanese economy. While U.S. economists see a "hard landing," most Japanese experts believe the recovery will happen, albeit at a fairly slow pace. There is also a split in the U.S., with economists (macrolevel) holding a more pessimistic view and businesspeople (microlevel) holding a relatively optimistic view of Japan's long-term economic health. Businesspeople recognize that the Japanese appetite for luxury goods does not diminish with a stalling economy.

Ultimately, Japan's economic future rests in part on whether Japan will make the changes necessary to create a robust economy. Mr. Fukushima cited the growth of mergers and acquisitions—still low compared to other industrialized nations—as an indication of willingness to make necessary changes. He was optimistic about long-term prospects for U.S. business to make a profit in Japan. He also thinks there are considerable "forces of change" based on demographics and social change that will contribute to a more dynamic Japanese economy in the long term.

POWERSHIFTS: CHANGING DYNAMICS OF JAPANESE SOCIETY

Speaker: Mr. Tadashi Yamamoto, President, Japan Center for International Exchange
Date/Time: Thursday, February 8, 7:30 a.m. (breakfast meeting)
Location: Akasaka Prince Hotel
Rapporteur: Jane Wales, World Affairs Council of Northern California

Mr. Yamamoto met with the WACA delegation to describe the background and history of the Japan Center for International Exchange (JCIE) and his own personal involvement in the third sector, and to reflect on the role of non-governmental organizations (NGOs) in effecting change within Japanese society. He focused primarily on organizations with international ties. Sir Eldon Griffiths suggested the establishment of a working group to consider ways to deepen cooperation between JCIE and WACA.

History of JCIE

JCIE celebrated its 30th anniversary in the year 2000, and has been one of the few truly independent organizations in Japan for most of its history.

Yamamoto's personal engagement. Ambassador Yamamoto attributed his interest in international exchange to his early experience as a college student in the United States in 1958-1962, during the "golden era of American idealism." He and a young Japanese industrialist launched a dialogue with the American Assembly in 1962, with support from the Rockefeller Brothers Fund and the Ford Foundation. At this time there was no tradition of private philanthropy in Japan. Their goal was to effect change within Japan and to offer a link to rest of the world.

Dinner with the Yamamoto Family ...

Mr. and Mrs. Tadashi Yamamoto graciously hosted the delegation at their home for dinner. Additional guests included Mr. Akikazu Kida, General Manager, Planning Department, Government & Industrial Affairs Division, Toyota Motor Corporation, and Ms. Akiko Kuno, Executive Director, The American-Japan Society, Inc. Each had been active and supportive of the growing role of non-profits in Japan.

Evolution of JCIE priorities. The initial goal of the JCIE was to promote good will and understanding through citizen exchange programs. It was meant to "explain the peculiarities" of Japan to others. But, as Japan became one of the world's leading economies, JCIE shifted its focus to that of helping to define Japan's global purpose, role, and responsibilities.

The organization now pursues two activities. The *first* is research and policy analysis, engaging an international network of scholars. Yamamoto describes JCIE as a "think-net" rather than a "think tank." The *second* is to foster the NGO sector in Japan, with the goal of providing "the regional underpinnings of the U.S.-Japan relationship." This includes nurturing relations among NGOs, commercial actors, and Japanese government officials at the local and national levels. It also involves developing an international web of relationships among NGOs. JCIE has also served as an incubator for new NGOs. Twelve of its employees have left to launch their own organizations.

Yamamoto is now dedicated to building an endowment for the JCIE (through JCIE-USA), developing a new generation of leaders, so that the institution will survive him.

The role of NGOs as agents of change in Japanese society

The need for change. The Prime Minister commissioned a report from the JCIE, which recommended that Japan make the transition "from governing to governance" by "empowering individuals." The report argued that Japan had benefited from a highly efficient system of governing, with a small group of the "best and the brightest," which enabled Japan to modernize swiftly. That development model no longer serves Japan, now that it is a highly advanced, and increasingly pluralistic society. Whereas there had been a national consensus that economic growth was the overriding priority, new goals had emerged. Whereas social harmony had been seen as the overriding virtue, diversity, innovation and dynamism had become the

virtues of a successful society. Japan needed to reward rather than discourage risk-taking. It needed to consider the well-being of the individual as well as the group.

According to Yamamoto, the report stirred a national debate. JCIE was criticized for advocating a weaker state, at a time when the state needed to be strong in order to address the economic crisis. Yamamoto's response was that the Kobe earthquake had demonstrated that the state *alone* cannot address all problems; other actors, including NGOs, need to step in. Secondly, the JCIE was criticized for failing to provide a roadmap for change. Yamamoto argued that political leaders need to play that role, providing direction to government bureaucrats. Third, JCIE was criticized as unrealistic, and for underestimating the difficulty of change. Yamamoto's response was that Japan had moved from an imperial to a democratic system, from a developing state to a Great Power. Change is clearly possible.

Signs of change in Japan. Yamamoto pointed to the emergence of civil society organizations, responding to social needs. He noted that the Kobe earthquake was a catalyzing event. And the need to look after foreign workers, who lacked health insurance and other social services, had become apparent. While the NGO sector is growing, it still lacks funds, human resources, and public recognition.

He also pointed to the emergence of a new generation of politicians, who are trying to break the pattern. Over 90% of the legislation passed by the *Diet* had been drafted by bureaucrats. Now, the politicians themselves are initiating new laws. However, they lack the independent research capability needed. The JCIE can help in this regard.

Finally, he argued that Japan had transformed itself into a new kind of international actor, presumably referring to its growing role within international organizations and its continued commitment to providing economic development assistance.

DREAMING IN SONY'S *MEDIAWORLD*

Speakers: Mr. Nobuyoshi Fukuka, General Manager, Public Relations, Sony
Ms. Mitsu Shippee, Education Programming, Public Relations, Sony
Date/Time: Thursday, February 8, 10:30 p.m.
Location: Sony *MediaWorld*, *Takanawa* Office, Tokyo
Rapporteur: Patricia Jansen Doyle, Cleveland Council on World Affairs

Our visit to *MediaWorld*, a showcase of new products of the Sony Corporation, was a sharp break from our meetings with Japanese speakers who questioned Japan's ability to modernize its institutions swiftly enough to meet the challenges of globalization.

Here we became interactive samplers of high tech electronic tools designed to serve the media and entertainment world, businesses, and individuals in pursuit of leisure time recreation.

We visited a small theater to view Sony's new large video screen that is available to shopping malls and Disney stores for one-fourth the cost of conventional film installations. In a nearby high definition theater we donned 3-D glasses to travel along a river in Northern Japan that seemed more than real, some of us physically ducking as a kingfisher bird of remarkable resolution seemed to fly directly into our faces. We saw the latest ultra high definition monitor being readied for clients ranging from airline control towers to art museums, providing 20 times the scanning lines of conventional TV and four times that of HDTV. And we compared the moving images created by the new high definition camcorder with that of commercial movie film. George Lukas will debut this new technology in his new *Star Wars* movie.

For the business world, we were introduced to e-conferencing equipment. We sat at cordless PC's that enable participants in a conference to watch the speaker on the monitor, input and transmit documents across the room or the world, and end up with minutes for instantaneous distribution afterward.

Our real dreams exploded among the toys for leisure time. There were music clips to download music from the Internet and carry a whole music library. Or a memory stick so we could carry the entire contents of our computers in the palm of our hands or record up to 1,000 digital photos. Or roll everything into one computer that integrates digital audio/video and information technologies into a single carryall. A unit can be customized to include a computer, an MD player, a digital HandyCam, and a digital still camera to create our own entertainment system. There was even a flat portable TV monitor that would enable us to run to the kitchen or the bathroom without missing a commercial or a home run.

The only sobering thought was buried in the 2000 annual report distributed when we departed. The slick “*Do You Dream in Sony*” document revealed the ambiguities of our times. Sony’s operating income declined 30.9% during fiscal 2000. But this didn’t dim Sony’s optimistic message—that they were prepared to remain a world leader in information and entertainment technology in a broadband network era.

PANEL DISCUSSION

ROLE OF LOCAL INTERNATIONAL EXCHANGE ORGANIZATIONS IN THE AGE OF GLOBALIZATION

Speakers: WACA Delegation, moderated by Mr. Tadashi Yamamoto, President, JCIE
Date/Time: Thursday, February 8, 2:00 p.m.
Location: *Keidanren Kaikan*
Rapporteur: Catherine Born, Minnesota International Center

Mr. Yamamoto had invited several members of Japan’s private and public sectors to hear how our organizations operate. He chaired the panel and introduced the delegation. (The list of attendees is included in the appendix to this report.)

WACA delegates’ presentations reflected the effectiveness of a diverse group of grass root organizations, *i.e.*, non-profits working in a variety of creative ways to build mutually beneficial partnerships with corporations, local and national governments, education systems and other non-profits. Presentations focused on the following areas:

- Overview of the Council System
- Projection via the Media
- School Outreach
- Great Decisions
- International Visitors
- Corporate Sponsorship
- Young Professionals
- Operating a Small Council
- New Directions in Programming
- Governance

WACA is an eclectic group of independent, separately non-profit, non-partisan organizations working under a common mission to educate and inform the U.S. public about international issues. Our programs range from the informal to the formal. Primarily volunteers with the support of a small number of perform the work of the organizations paid staff. The organizations represent the interface of the local and global and of government and non-government and we are looking to increase the number of our members and partners around the world.

Questions from the audience and WACA delegation responses:

How will this work in Japan especially when there is a lack of interest in international affairs? How do you get people interested in statistically significant numbers? (*From a senior diplomat*)

WACA does not, unfortunately, work with the majority of Americans. And the U.S. in some respects is turning more inward. But that makes our task even more important. Also WACA must discover the issues of particular interest to their community and ensure programs reflect those interests. Currently in many communities the issues are related to the global economy.

Does “grass roots” require a “dumbing down” of issues? (*From a senior diplomat*)

The U.S. public is much more interested in global issues than the media and others give them credit for. Their interest has grown because of the globalization of their workplace and the increase of new immigrants to their neighborhoods and schools. Therefore people are interested in “people to people” discussions on related issues and less interested in “government to government” discussions.

How do you distinguish between good Egos and bad Egos, e.g., protesters at the WTO conference as “negative elements?” *(From a senior diplomat)*

Delegates described how protesters could be an opportunity to facilitate continued learning about the topic. The neutrality of WACA organizations was emphasized as was the effort to provide members with a variety of perspectives on a given issue.

What kinds of school programs have you found effective? *(From the principal of an elementary school whose school is the center of the community and who is responsible for facilitating connections within that community)*

In Pittsburgh, the intent of the programs is to show students—through practical exercises and role models—that there is a larger and complex world, with a global marketplace, and that they are affected by it and in turn can affect it. School outreach programs focus on the teachers who then leverage that message to hundreds of students. San Francisco uses an on-line negotiating game where students take on the role of various foreign ministers and practice the mechanics of decision-making.

From the corporations’ point of view, what do they see as the benefit of sponsoring a WACA program? Is there a good method for tracking these benefits? *(From a corporate executive)*

Although there is no precise measure that corporate sponsorship is successful, the corporations that have sponsored events have repeated sponsorship. Benefits of sponsorship include access to speakers and to informed and influential audiences, and enhancement of that corporation’s image in the community.

Has the U.S. public become less interested in Japan? *(From a journalist)*

No. Several current programs were described. Mr. Yamamoto indicated that this perception might be more a creation of the media than reality.

How can government reach out to and work with non-profit organizations? How can we trust them? *(From a member of the House of Representatives, Japanese Diet)*

Government officials can serve as members of the board. They can also use councils as a platform for their positions, as can the opposition. Many government officials are active members of our organizations and attend the programs to stay on top of world affairs as well as to gain informal and unofficial access to opinion makers and leaders from around the U.S. and the world.

Do you do direct work or have partnerships/relationships with any humanitarian organizations? *(From the head of a humanitarian organization)*

Our organizations are not involved in providing direct assistance, although many of our programs discuss the issues surrounding these efforts.

OKAYAMA PREFECTURE

Speaker: Mr. Katsumi Yamaguchi, Vice Governor, Okayama Prefecture
Place: Okayama Prefecture Building
Time: Friday, February 9, 2001, 2:00 p.m.
Rapporteur: Schuyler Foerster, World Affairs Council of Pittsburgh

The delegation paid a courtesy call on the Vice Governor of Okayama Prefecture. There are two Vice Governor's in Okayama Prefecture, each appointed by the elected governor with the consent of the prefecture assembly. Vice Governors are often drawn from the central government's Home Affairs Ministry as a way of sustaining close ties to the source of most prefecture's funding and public works projects, which is a large proportion of government spending in Japan.

Okayama is in western Japan. The prefecture includes a population of almost 2 million people, in 78 separate municipalities. The city of Okayama has a population of 600,000. Its economy is largely heavy industry, but—like most places—the region hopes to be an IT center. At the moment that takes the form of a heavy investment in laying an optical fibre communications network in the region.

Our meeting took place in the prefecture headquarters, a relatively new, beautifully appointed facility with a variety of meeting rooms and reception rooms as well as prefecture offices.

OKAYAMA INTERNATIONAL CENTER

Speakers: Mr. Atsuo Mori, Director, International Affairs Division, Department of Planning & Regional Development, Okayama Prefecture
Mr. Michio Sugii, Director General, Okayama International Center

Date/Time: Friday, February 9, 5:00 p.m.

Location: Okayama International Center, Okayama

Rapporteur: Charles Jordan, Colorado Springs World Affairs Council

Following a 15 minute video promoting the city of Okayama, Mr. Sugii described the Okayama International Center and its functions.

The center is an eight story building housing training facilities, conference rooms, a library, guest rooms and a passport center. It is open to both Japanese citizens and foreign visitors. Last year it provided services to 230,000 people, 80,000 of which were using the passport office. Of the 230,000, ten percent were foreign nationals. Among its training options were language training and local job training for developing country visitors. The center is run by the prefecture government under a subsidy from the central government.

HOME STAYS IN OKAYAMA

Sir Eldon Griffiths

My host had been for many years a member of the Okayama legislature. We discussed in some depth issues of land use, planning, schools, police, health, and welfare.

Apart from learning Japanese bathroom and dining etiquette, the most memorable episode was a "coincidence" that brought my home in Orange County and my host's into surprising proximity. My hosts are close friends and supporters of *Soka Gakkei*, the religious organization that is building a new university in Orange County. On the walls of their home were pictures of this university at a site that is literally my next door neighbor, which I see every morning from my home. So here I was, 6000 miles from California, chatting with my hosts about the student dorms, library, and lecture halls going up next to my own home.

Schuyler Foerster

Hosting home stays was an opportunity for my host family opportunity to "bring the world" home to their 17-year old son. Their home boasted a beautiful traditional "*tatami*" room that was rarely used—but used proudly on this occasion in meals and demonstration of a Japanese traditional tea ceremony.

The grandfather was celebrating his 76th birthday. He had been drafted 10 months prior to the end of World War II, which he spent in Japan waiting for the American invasion in which he and his friends

expected to die. He was grateful that the war had ended—it had taken the lives of his parents and older brother—and he was especially grateful that the U.S. had kept the Soviet Union from dominating Japan after the war. They worried about nuclear weapons in Russia, China, and North Korea. They drew careful distinctions between the personal indiscretions of an individual U.S. Marine commander on Okinawa and the views of the U.S. government—just as they recalled that Americans had helped the Japanese people after the war despite the individual errors of its Japan’s wartime leaders.

Catherine Born

Haiku ...

Too many slippers
On and off in the night chill
Laughing in our soup

Three dictionaries
Shared round the space heater
Beside the teacups.

Joan Bristol

With my host family, I discovered their 23-year old daughter, who was attending university in Kyoto and came to Okayama especially to meet me. She was interested in spending time next year in the U.S., and we devised a tentative plan for her to pursue her interests in doing graduate work in botany, visiting botanical gardens and talking to universities on disease control and tree cultivation. Through Rotary and the Japanese Consulate General, I will hopefully find group study exchange and intern programs. She will find a crash course in English, hook into exchange programs from Japan, and keep in touch by email. Her family was totally supportive. And I conquered the Japanese bath routine.

Patricia Doyle

My host family appeared to be living what seems to me to be the American dream—a better life for each successive generation. The son of a fisherman and the daughter of a farmer were both schoolteachers, with the husband devoting his energies to the mentally retarded. Their 23-year old daughter was working her way through college and was about to depart for a year of study in Australia.

We also shared a love of music. In the music room of their suburban home, their daughter demonstrated how she was learning to play the Japanese harp, while the father produced heavenly, mellow music on a bamboo flute, a musical instrument brought to Japan by Chinese fishermen more than a thousand years ago.

Roger Hiatt

My host family lived in Kurashiki, which is a sister city to my home in Kansas City (Missouri). It was a traditional family of five members from three generations. The home was new construction, but furnished in a more traditional Japanese style. The husband works in a bank; his wife plans to enter the workforce soon to help with growing family expenses. The family’s English was limited, but functional—but immensely better than my Japanese. We talked about my life in the U.S. and family pictures, and I was delighted to discover how well I slept on a futon bed in the *tatami* room. Their family dynamics were not much different than what one might see in the U.S.

Charles Jordan

My host family had lived in the U.S., as well as in Russia and Israel. The husband was a retired history professor. As a result, we spent most of our time together discussing how Japanese society had changed over the past decade and where it was going in a more globalized environment. We noted how two cultures often share many of the same frustrations and hopes. We worry about the loss of values in the younger

generation, but we envy their life ahead. We also shared frustration regarding our respective institutions' difficulties in coping with the emerging world order.

Barbara Propes

I knew my home stay was going to be interesting when one of the first questions my host asked was "Does the United States rule the world?" This led to a home stay filled with valuable exchanges of ideas based on our limited understanding of each other's countries and cultures. I really appreciated the hospitality of "my family," especially their willingness to share so honestly.

Claudia McBride

Was I in Japan or the suburbs of Philadelphia? On the way "home," we stopped for snacks. Once settled in the family living room, the snacks were set out and we watched a sitcom. Though I couldn't understand a word, I could tell the acting was just as bad, the plot just as insipid (maybe worse) as any in the U.S.

My host family wasn't interested in talking politics or Japan's economic recovery. *What music did I listen to?*, asked the eleven-year old. *Did I think she was pretty? Could we go have our photo taken together?*

With the exception of slipper and bath etiquette, it felt oddly familiar. Globalization on the micro-level?

Jane Wales

The visit began with a Japanese tea ceremony, choreographed by tradition, carried out fastidiously by a pretty eight-year old girl. She had learned how to prepare and serve the tea just recently, and was anxious to display her new skill. We sat on the floor, with our knees under a small comforter slipped over the coffee table, trapping the warm air from an electric heater underneath. Everything about the serving of the tea and sweets was set by tradition and carried out with precision. But the visitor had not been tutored, and failed to drink the large bowl of tea in three large gulps as is prescribed.

My host family had recently hosted a man from Bosnia-Herzegovina, who was terrified of the dark, and had to return to the hotel when night fell, rather than sleep in their comfortable house. Through him, their children had already witnessed the cost of civil conflict, despite the gentleness of their own lives. Nonetheless, they devoted their energies to helping their children prepare for the life that lay ahead.

I shared with them the first story line of an upcoming children's program being developed by the World Affairs Council of Northern California, in partnership with Japanese Public Television—the presentation of the problems of civil conflict and crime, through the eyes of four teen-agers from Belfast, Kosovo, Sri Lanka, and Detroit, Michigan. Each would describe what it was like to walk to school each day—what do they look forward to, and what are their fears?

SOUGEN-JI ZEN BUDDHIST TEMPLE

Speaker: Ms. Hisako Kunitomi, Board Member, Okayama International Friendship Association
Do-Ken, Zen Buddhist priest
Date/Time: Saturday, February 10, 4:30 p.m.
Location: *Sougen-ji*, Zen Buddhist Temple, Okayama
Rapporteur: Barbara Propes, Alaska World Affairs Council

Ms. Kunitomi was our hostess for this cultural portion of our tour. She introduced Do-Ken, the number two monk in the temple. Do-Ken is a former banker from Chicago who had spent four years at the temple in the 1980s before returning to Chicago to take care of a dying friend, attended nursing school, and returned to the temple in 1990 as a monk and to work half-time in the local hospice.

The temple was built three hundred years ago by the local Shogun. Following World War II, it was necessary that a monk live on the premises to ensure that the temple would survive. That monk still lives on the property, at the age of 95, and is cared for by the rest of the monks.

This is only one of two Zen monasteries in Japan that accepts foreigners, and the only one that accepts western monks of both genders. The monastery now has some 30 residents, mostly from the U.S., UK, and Australia, but also from Scandinavia, Spain, and India. There are no monks from Japan at the monastery, presumably because the few Japanese Buddhist monks prefer to remain within their culture. The monastery also has a sister relationship with a temple in Seattle, which hosts spiritual retreats twice a year. The monastery also hosts programs for companies seeking retreat possibilities for new employees, as well as for other groups. In addition, local residents visit the monastery to practice their own form of Zen. These activities help finance the monastery, which receives no government funds.

A memorable image ...

All of us—without shoes—sitting on the cold temple floor. Some of the more agile among us stoically sat cross-legged; others of us gave up and stretched out our legs. All of us trying to keep warm—and our host barefoot!

Food at *Sougen-ji* is donated by the local community, and donations also help with maintenance. Each monk rotates the responsibilities of cooking for the rest of the group. Actual physical labor is accomplished by the residents, principally maintenance of the beautiful grounds.

There are only 35 Zen masters in the world, each of whom is expected to train and develop his replacement. It takes approximately seven years to develop the ability to maintain a full lotus yoga position, the position essential to Zen practice. It takes approximately 10 years to begin to pierce the veil of ‘enlightenment,’ and some 20 years to develop the spiritual consciousness—defined as losing one’s own sense of self—necessary to become a master.

The monastery is full of elaborate statues and calligraphies, many of which are over 200 years old.

INTERNATIONAL ACTIVITIES IN OKAYAMA PREFECTURE

- Speakers:** Ms. Shigeko Fukai, Professor, Okayama University Faculty of Law
Mr. Michiyoshi Imanishi, Member, Executive Board, Okayama Prefecture International Exchange Foundation
Ms. Mieko Kitajima, Member, Executive Board, Okayama Prefecture International Exchange Foundation
Ms. Hisako Kunitomi, Board Member, Okayama International Friendship Association
Dr. Tohru Okigaki, Director Emeritus, Shigei Medical Research Institute, Dean of Students, Kinki Welfare University, Hyogo
Dr. Shigeru Suganami, President, Association of Medical Doctors in Asia (AMDA) Japan and AMDA International
- Date/Time:** Saturday, February 10, 7:00 p.m. (dinner meeting)
Location: Hotel Granvia, Okayama
Rapporteur: Joan Bristol, Denver World Affairs Council

Six Okayama leaders representing an eclectic group of NGOs joined us for dinner. Each of us spoke about our respective backgrounds and activities.

Mr. Okigaki was president of the 1999 Okayama NGO Summit for International Contributions (“*Joining Minds with the People of the World*”) and is holds senior positions at the *Shigei* Medical Research Institute and *Kinki* Welfare University. He noted that 10% of all Japanese NGOs are in Okayama—“the biggest NGO town in the world.” Following the 1999 NGO Summit, the effort has three major goals: (1) to promote and establish an Environment Support Center; (2) to support and work together for implementing of a “2001 Children’s Summit on Okayama”; and (3) to work toward achieving a goal of making Okayama a major international city—“Geneva in the West, Okayama in the East.”

Dr. Suganami went to help refugees from the Kobe earthquake in 1995 and discovered that the governmental red tape, systems, and procedures prevented him from reaching the refugees. He subsequently formed the Association of Medical Doctors in Asia (AMDA), analogous to “Doctors Without Borders.” AMDA now has chapters throughout Asia, Africa, and South America and would like to add chapters in Albania and Kosovo. AMDA is a multi-cultural and multi-religious endeavor, demonstrating the ability of diversity to work together for a common good. Its philosophy is that out of trouble can come wisdom and the possibility of respect and trust. Following the recent Indian earthquake, AMDA collected—in two days—40 tons of goods from the city of Okayama.

Mr. Imanishi is an NGO leader as well as a businessman. Five years ago, he established a non-profit organization to promote international exchanges among children. Building toward the 2001 Children’s Summit in Okayama, he currently heads a program that brings together 500 Asia students from primary schools to get to know each others’ cultures so that barriers can be removed.

Ms. Kitajima was recently appointed by the Governor of Okayama Prefecture as Head of the Commission for Public Safety, working with law enforcement issues—in her view, to provide “shock treatment in a man’s society” as the first woman head of that commission. Previously she served on Okayama Prefecture committees on human rights, sexual equality, and education.

Professor Fukai teaches international relations at Okayama University, with a principal research focus on identifying the elements of a “sustainable world order” through free trade in material goods and sharing of technology.

Ms. Kunitomi organized most of the Okayama program and is herself quite an entrepreneur, involved in several international exchange activities. Among her other endeavors, she also serves as a resource to the priests, monks, and trainees at the Zen Buddhist Temple, *Sougen-ji*.

The WACA delegation shared their perspectives on the recently completed home stays.

HIROSHIMA

Speakers: Mr. Shoichi Fujii, Former Director of Cultural Affairs, Hiroshima City Culture Foundation
Ms. Masako Unezaki, Hiroshima Guide/Interpreter
Ms. Setsuko Iwamoto, A-bomb survivor
Date/Time: Sunday, February 11, 10:00 a.m.
Location: Hiroshima Memorial Park and Museum
Rapporteur: Jane Wales, World Affairs Council of Northern California

Hiroshima has seven branches of the Ota River flowing through it, and is known as the “big island” or “river city” by many. With a population of 1.1 million people, it is Japan’s tenth largest city. The city was rebuilt after the Second World War; its many trees remain a symbol of rehabilitation.

The delegation visited the Hiroshima Memorial Museum and received an overview from its associate director. He said the that city had dedicated itself to the promotion of peace in four ways:

- The first was to convey the experience of the 1945 atomic bombing of Hiroshima to future generations, through the personal stories of the survivors. Over 300,000 visitors per year hear from these witnesses to the bombing. The survivors’ testimony is being videotaped for future generations, and they travel to speak throughout the country, and throughout the world.
- The second is to promote the elimination of nuclear weapons, joining non-governmental organizations (NGOs) around the world that are dedicated to a world free of nuclear weapons. The Mayor of the city of Hiroshima has made presentations at international conferences, and the city has an exhibition that World Affairs Councils may host. Over 500 cities have joined in the

World Conference of Mayors for Peace through Inter-city Solidarity project, a program that was begun in 1980, on the forty-fifth anniversary of the Hiroshima bombing.

- The third effort is to promote peaceful alternatives to conflict, through research conducted by the Hiroshima Peace Institute and the dissemination of information on the city's activities. The Foundation has a website for dissemination purposes.
- The fourth undertaking is to support citizens' activities to promote peace, including the circulation of a petition.

The Museum's associate director offered a summary of the physical effects of the bombing, ranging from the immediate deaths from the blast and acute radiation exposure, to the longer term effects of leukemia and other cancers.

The delegation then heard from a survivor, Ms. Setsuka Iwamoto, who was 13 years old at the time of the bombing, and was less than a mile from the thermo-center at the time. Her presentation was simple, straightforward and compelling. She described Hiroshima as strategically significant during the war, a source of military production, and a base for one-fifth of the Japanese army. Because it was the only city of military significance to be spared conventional air attacks, the city was preparing for air-raids, and in the process of demolishing buildings to create fire breaks in the event of attack. School children as well as adults participated in demolition efforts; hence, the relatively large number of children outside on the morning of August 6.

She described her experience on that morning. She was in a building, and was aware of a "golden flash" with great heat, followed by a "blue flash." She was partially buried in the rubble of the collapsed building, and lost consciousness. When she regained consciousness, she pulled herself from the rubble and saw a city flattened by the explosion, and pitch dark. She recalled that she "thought I was the only living creature on earth." She heard cries for help, and saw that her teacher had been badly burned, with her clothes in tatters. Others were deformed, beyond recognition. She had been protected by the combination of rubble and her white uniform, which did not absorb heat. Others walked ghost-like, with their hands held before them, and skin sloughing off from their fingers. All desperately wanted water to cool their bodies, and some jumped into the rivers, or drank water, although they were warned that it might kill them to do so. The river was filled with the bodies of the dead, moving in and out with the ebb and flow of the tide of the inland sea. A woman, whose son has been buried in the rubble, was crying for help. But, people simply filed past her to go to the evacuation area.

She was taken to an army depot relief station, where people were lying on the concrete floor, their blankets identifying the disfigured survivors. Some had maggots on the burns.

On August 15, Ms. Iwamoto's family retrieved her. Her parents and sisters had survived. She suffered from the effects of radiation sickness. Because there was no medicine available, her mother treated her with homemade herbal medicines. Successful stories of home remedies were shared among those who survived.

Ms. Iwamoto has given this account of her story over the past 17 years, in the hopes that nuclear weapons will never be used again.

Following this accounting the WACA delegation visited the museum, which documented the history of Hiroshima and its role in the war, the experience of both the Hiroshima and subsequent Nagasaki bombings, and the development of nuclear weapons during the Cold War. Outdoor sculptures stood as monuments to the dead, including a "peace bell" across the river from the ruins of the Industrial Dome, still preserved and known as the Peace Dome. On behalf of the delegation, Sir Eldon Griffiths placed flowers at a monument in memory of those killed.

MIYAJIMA ISLAND & ITSUKUSHIMA SHINTO SHRINE

Date/Time: Sunday, February 11, 3:00 p.m.
Location: Itsukushima Shinto Shrine, Miyajima Island
Rapporteur: Jane Wales, World Affairs Council of Northern California

Miyajima Island—or Shrine Island—is in the center of the inland sea. The majority of the land-mass (95%) is government-owned virgin forest, and an ancient shrine. The remaining 5% is commercial, filled with small souvenir shops and tourists.

The shrine is marked by a vermilion gate, which stands in the channel of the inland sea. That gate is meant to divide the secular from the spiritual world. The shrine is 1400 years old, but its current structure was built 800 years ago by a Samurai warrior. It reflects both the Japanese tradition of indigenous Shintoism and the Chinese influence from which Buddhism was imported.

KYOTO

Speaker: Ms. Hiroko Shimamoto, Guide And Interpreter
Dates: Monday, February 12 & Tuesday, February 13
Rapporteur: Catherine Born, Minnesota International Center

Kyoto. The city of Kyoto is home to 1.4 million people. It was Japan's capital for most of the country's history. Though the central part of the city has been modernized, many of the city's historic legacies have been preserved.

Nijo Castle. The castle was originally built in 1603 to be the official Kyoto residence of the first Tokugawa Shogun. The third Shogun completed it in 1626. The lavishly decorated castle is representative of the height of Momoyama (1573-1614) architecture. In its day it symbolized the power and authority of the Tokugawa military government. The castle was given to the Imperial family in 1867 when sovereignty was returned to the Emperor from the Shogunate.

The temple is built of native *Honoki* wood, Japanese cypress. Its armored doors are framed by thirty-foot pillars stacked on a wooden and stone footings designed to counter the shifts from the region's frequent earthquake tremors, a construction still in use today. The temple layout is a series of successive and interconnected L-shapes, designed to maximize ventilation as well as light from the path of the sun.

Inside, gold leaf on the interior walls and sliding panels of the ceremonial and residential halls reflected the candlelight. Halls for greeting the shogun's lords were decorated with images symbolizing power and authority such as pine trees, hawks and tigers. In the domestic quarters there more refined images of peacocks and cranes. The domestic quarters were staffed by women from various stations in Japanese society and identified as such by the color and cut of their clothing. Since women from the lowest station were not permitted to see the shogun, rooms were constructed to allow them to be present but out of sight.

The 300 palace rooms were carpeted with 800 straw *tatami* mats. Originally these mats were limited to bedding but over the years were used to cover the entire floor area. Although the shogun was well guarded, "nightingale" floors were constructed so as to "chirp" to alert residents of any intruders. Their footsteps created friction between the clamps and nails hidden beneath the floor.

Rokuon-Ji, or Kinkakuji (the Golden Pavilion) Temple. In 1394, the 3rd Shogun of Ashikaga abdicated his throne and began to build a home that, upon his death was to become a Zen temple. The pavilion combines three types of architecture. The first floor is a palace style (*Shinden-zukuri*). The second floor is in the style of a samurai house (*Cho-on-do*). The third floor is done in the Zen temple (*Karayō*) style. Both second and third floors are covered with gold leaf on Japanese lacquer. The roof upon which a gold Chinese Phoenix sits is thatched with shingles.

The temple is surrounded by a rambling urban forest of bamboo. A 600-year old bonsai tree has grown to resemble the sailing ship of the temple's original shogun master, a rock beneath a waterfall becomes a carp struggling upriver to achieve "dragonhood," and a teahouse overlooks moss covered rock, which in the setting sun turns as gold as the temple itself.

We learned that the winged roofs of the temples represent crows, a symbol of good luck, while the fish tails had the more practical purpose of protecting the temple from fire.

Ryoanji Temple. Measuring just 30 meters from east to west and 10 meters from north to south, the rock garden's stark simplicity contrasts sharply with the lushness of the court gardens. The rock garden consists of fifteen rocks in a field of white gravel surrounded by walls of boiled and oiled clay. It is up to each visitor to find what the garden signifies. It is said that one cannot see more than 14 of the 15 stones from any given point. Gardens filled with gravel instead of grass were originally thought to be a poor man's garden for those who could not afford a garden of grass and water.

Tranquility—

Anyone who wants to understand Japan—or at least probe more casually into its culture and national psyche—needs to spend time in a Japanese garden.

Rocks, sand, water, and trees blend together in patterns of natural harmony and simplicity that can—and do—calm the nerves, soothe the spirit, and lighten the load of even the most troubled wayfarer.

What a contrast from seeking relaxation in violent exercise!

VISIT TO STUDIO OF ARTISTS KOKEI AND SAYOKO ERI

Speakers: Mr. Kokei and Mrs. Sayoko Eri
Location: *Heian Bussho*, Kyoto
Rapporteur: Claudia McBride, Philadelphia World Affairs Council

The Eri's are two of the most famous artists in Japan. Kokei is a sculptor of wooden statues of Buddha, Bodhisattva, and priests, primarily for use in temples. He has essentially revived this art in Japan and created his own school of followers, including his son.

Sayako, Kokei's wife, decorates these statues with threads of goldleaf using the art form *kirikane*. *Kirikane* is an ancient gilding technique that flourished for over a thousand years but was a dying art form until the Eri's revived it. Their daughter is among those learning this art form. Sayoko also make studio screens, wall panels, boxes, balls, and other objects using this technique.

In addition to their work with statues, their modern, decorative pieces are featured in some of the finest hotels in Japan and are often commissioned by the Emperor. They have also exhibited and demonstrated their work all over the world.

JAPANESE PARTICIPANTS FOR PANEL DISCUSSION ON INTERNATIONAL EXCHANGE ACTIVITIES

Susumu ARAI	Staff Writer, <i>Yomiuri Shimbun</i>
Ambassador Kazuo CHIBA	Auditor, <i>Kitasato Gakuen</i>
Michelle M. DAMIAN	Program Coordinator, Council on Local Authorities for International Relations (CLAIR)
Seiji DEZUKA	CPA, Toyo & Co.
Hiroshi FUJITA	Secretary to Tomoko Sasaki, Member, House of Councillors
Michie EHARA	Japan Association for Cultural Exchange
Fumiko FUKUOKA	Director of Japan Program, Conservation International
Shuichi HARA	Executive Director, ALC Press, Inc.
Miyoko HIDA	Member, House of Representatives
Hirotarō HIGUCHI	Honorary Chairman, Asahi Breweries, Ltd.
Ichiro HINO	Member, House of Representatives
Keiko HIROSE	Executive Managing Director, Japan Association for Cultural Exchange
Preeya HORIE	Professor, Tokyo Gakugei University
Ikuko IWAMOTO	Director, Ibaraki International Association
Yuriko KOIKE	Member, House of Representatives
Koji KAKIZAWA	Member, House of Representatives
Eiichi KASAHARA	Yuryo Kyozaï Corporation
Yoshitake KIMATA	Member, House of Councillors
Akikazu KIDA	Project General Manager, Toyota Motor Corporation
Takashi KIUCHI	Economic Advisor, Shinsei Bank
Jun'etsu KOMATSU	Deputy Director, Japanese Language Institute, the Japan Foundation
Tatsuya KOMATSU	Senior Advisor, Simul International, Inc.
Takashi KOSUGI	Former Member, House of Representatives
Toshio KUROYANAGI	A50 Project Steering Committee Office
Masumi MURAMATSU	Former Chairman, Simul International, Inc.
Hideki NAGAI	Chief, Nijjama City Office
Takuo NAKAMURA	Secretary to Keiichiro Asao, Member, House of Councillors
Masaaki NAKATA	Senior Managing Director, Council on Local Authorities for International Relations (CLAIR)
Takeshi NIHEI	A50 Project
Yasuko NISHINO	Deputy Director, Domestic Partnership Promotion Division, Japan International Cooperation Agency
Katsuhiko OKU	Director, United Nations Policy Division, Foreign Policy Bureau, Ministry of Foreign Affairs
Kensuke ONISHI	Chief Coordinator, Peace Winds, Japan
Shigenobu OOBAYASHI	Head of Research Department, Council on Local Authorities for International Relations (CLAIR)
Atsushi SASAKI	Director, International Relations of Local Authorities, Ministry of Public Management, Home Affairs, Posts & Telecommunications

Yoshiyasu SATO	Advisor, Tokyo Electric Power Company
Akinori SEKI	Executive Director, The Sasakawa Peace Foundation
Yukio SHIBATA	Principal, Kasukabe Municipal Midori Elementary School
Michiko SUGISAWA	Program Coordinator, Musashino International Association
Tomofumi SUYAMA	Director, Exchange and Cooperation Department, Council on Local Authorities for International Relations (CLAIR)
Tadao SUZUKI	President & CEO, Mercian Corporation
Takuma TAKEO	Vice President & Director, United States-Japan Foundation
Taku TAMIYA	Secretary to Satoshi Shima, Member, House of Representatives
Shinako TSUCHIYA	Member, House of Representatives
Shoko TSUJIMURA	Section Manager, International Relations Section, Urayasu City Hall
Isamu UEDA	Member, House of Representatives
Yoko WAKABAYASHI	Japan Association for Cultural Exchange
Ichisaku YAMAGUCHI	President, Yuryo Kyozaï Corporation
Kunio YAMAMOTO	Head of Information and Management Division, Council on Local Authorities for International Relations (CLAIR)
Eiichi YAMASAKI	Executive Director, The Tokyo International Foundation
Hyosuke YASUI	Senior Assistant for Domestic Public Relations, Ministry of Foreign Affairs
Noriyuki YONEMURA	Senior Vice President, Fuji Xerox Co., Ltd.
Seiichiro YOSHIYAMA	Executive Director, Kawasaki International Association

BIOGRAPHICAL DATA ON SPEAKERS

Kent E. CALDER

Kent E. Calder has been Special Advisor to the Ambassador to Japan since 1996. He is currently also Director of the Program on U.S.-Japan Relations, Princeton University, and Professor at the Woodrow Wilson School of Public and International Affairs, Princeton University. He received his B.A. in Political Science from the University of Utah, M.A. in Government from Harvard University, and Ph.D. in East Asian Politics from Harvard University. He was the Japan Chair of the Center for Strategic and International Studies, Washington D.C., from 1989-1993 and 1995-1996. Recent publications include *Pacific Defense* (New York: William Morrow, 1996), and *Strategic Capitalism: Private Business and Public Purpose in Japan* (Princeton: Princeton University Press, 1993), as well as numerous articles in periodicals such as *Foreign Affairs*, *World Politics*, *The Wall Street Journal*, and *Nihon Keizai Shimbun*.

Kokei ERI

Kokei ERI began his career as a sculptor of Buddhist statues in 1965. His works are housed in many prestigious temples nationwide, and have been exhibited internationally in Antwerp, Geneva, Calgary, and New York. In 1986, he appeared on the NHK broadcast, "*The Voice of Buddha in Wood.*" Mr. Eri has been Lecturer in Buddhist Art at Ryuukoku University Junior College since 1991 and Lecturer at Doushisha Women's College since 1996.

Glen S. FUKUSHIMA

Glen S. Fukushima leads the Japan operations of Cadence Design Systems, the \$1.5 billion software company headquartered in Silicon Valley. Before assuming his current position in October 2000, he was President & CEO of the Japan office of Arthur D. Little, Inc. Previously, he was Vice President of AT&T Japan Ltd. and President of the American Chamber of Commerce in Japan (ACCJ). He received his B.A. from Stanford University, M.A. from Harvard University, and J.D. from Harvard Law School. He served as Deputy Assistant U.S. Trade Representative for Japan and China (1988-90) and Director for Japanese Affairs (1985-88) at the Office of the United States Trade Representative (USTR). While at the USTR, Mr. Fukushima was involved in numerous trade negotiations between Japan and the United States, including the Structural Impediments Initiative (SII). Before his government service, he was engaged in corporate law practices in Los Angeles. He has studied at Keio University, was a Fulbright Fellow at the Faculty of Law of the University of Tokyo, and was a visiting professor at Sophia University. In 1997 he was selected by World Trade Magazine as one of the "25 Most Influential Global Visionaries."

Shun'ichi FURUKAWA

Shun'ichi Furukawa is Professor of Public Administration and Political Science, Institute of Socio-Economic Planning, University of Tsukuba. He began his career upon entering the Ministry of Home Affairs working in various posts including Bureau of Finance, as well as prefectural posts such as Director of the Office of Finance of Gifu Prefecture. During this period, he studied Public Management and Political Science as a graduate student of Harvard University and obtained a Masters Degree in City and Regional Planning. During 1986-87, posted as Secretary General of the Council of Local Authorities for International Relations (CLAIR), Mr. Furukawa was involved in the establishment of the JET program. Until August 1994, he was Director General of the Training Department of the Japan International Academy of Municipalities, responsible for overseeing programs designed to develop administrative capabilities of municipal personnel in relation to international needs of local regions. Mr. Furukawa is a graduate of the Department of Law of the University of Tokyo.

Koji HANEDA

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Hideko Katsumata is Executive Secretary of Japan Center for International Exchange (JCIE). After graduating from the University of the Sacred Heart, she joined the Japan Council of International Understanding (the predecessor of JCIE) in 1969, and joined in the establishing of JCIE in 1970. She has been Executive Secretary since 1985 and is responsible for overall office management as well as managing major conference JCIE sponsors. Among others, Ms. Katsumata is in charge of the U.S.-Japan NGO women leaders exchange program. She has been involved in recent citizen's movements to strengthen the nonprofit sector in Japan. She serves as a member of the Steering committee of the Japan NPO Center, Tokyo Voluntary Action Center, and a member of the screening committee of the Tokyo International Exchange Foundation. An editor of the *Program Officers in International Nonprofit Activities* and author of "Introduction on the Role and Functions of Program Officers," she contributes several articles including "Corporate Philanthropy in Thailand", "Current State and Challenges of NGOs in Asia", and "U.S.-Japan Women's Dialogue: Women Talk to Women."

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Kazuyuki Kinbara is Group Manager of the European Group, International Economic Affairs Bureau of the *Keidanren* (Japan Federation of Economic Organizations). He joined the *Keidanren* in 1979 as a political economist after graduating from the University of Tokyo. He was awarded the Swire Centenary Scholarship (1981-83) to study at St. Anthony's College, Oxford University, where he received his masters of letters in international relations. In 1989-92 he was seconded to the Ministry of Foreign Affairs and served as Special Advisor to the Ambassador to the EC in Brussels.

Mieko KITAJIMA

Mieko Kitajima, a graduate of *Tsuda* College, has been Lecturer at Notre Dame *Seishin* University since 1965. She was Chairman of the Okayama City Board of Education between 1988 and 1989. Currently she serves as a Member of the Executive Board of the Okayama Prefectural International Exchange Foundation, and Mediator at the Okayama Court of Family Affairs. She was recently appointed Commissioner for Public Safety by the Governor of Okayama.

Takashi KIUCHI

Takashi Kiuchi became Research Director of *Shinsei* Bank Ltd., formerly the Long-Term Credit Bank of Japan, Ltd. (LTCB), in 1999. He joined LTCB after graduating from the University of Tokyo, Faculty of Economics in 1968 and has since held numerous positions within the bank, and in New York, London, and Tokyo. Mr. Kiuchi was a guest scholar at The Brookings Institution in 1980 and a lecturer at Yokohama National University from 1982-83. He was also an occasional advisor to governmental committees of the Ministry of International Trade and Industry, Economics Planning Agency, Ministry of Finance, and the Ministry of Post and Telecommunications. He has published widely in Japanese and English, and also has a number of newspaper columns in Japanese and U.S. publications.

Kenji KOSAKA

Kenji Kosaka is a Liberal Democratic Party (LDP) Member of the House of Representatives from the Nagano First District, serving his fourth term, and Senior Vice Minister of the Ministry of Public Management, Home Affairs, Posts and Telecommunications. Upon graduating from Keio University, he joined Japan Airlines (JAL) in 1968 and became Division Director of the Office of the Manager for Europe, Africa and the Middle East in 1980. He left JAL in 1984, and in 1986, he became an assistant to Zentarō Kosaka, a Member of the House of Representatives. After serving as an assistant to then-Prime Minister Yasuhiro Nakasone, he was elected to the House of Representatives in 1990 as a Member of the LDP. He later joined the Renewal Party (*Shinsei-to*) upon its establishment in 1993, the New Frontier Party upon its foundation in 1994, and then the *Taiyō* Party at the time of its formation in 1996. When the *Taiyō* Party merged with the Democratic Party of Japan in 1998, he became an independent and rejoined the LDP in June 1998.

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Tadashi Yamamoto is President of the Japan Center for International Exchange (JCIE), which he founded in 1970. Under Yamamoto's leadership JCIE has been promoting the strengthening of Japan's role in international networks of policy dialogue and cooperation. He is currently a member as well as the Japanese Director of the Trilateral Commission, the Japanese-German Dialogue Forum, and the Korea-Japan Forum. He also serves as board member of the Asian Community Trust, and the Japan NPO Center. He was a member and executive director of the Prime Minister's Commission of "*Japan's Goals in the 21st Century*," which submitted its report in January 2000. Mr. Yamamoto is a graduate of St. Norbert College, and received his M.B.A. from Marquette University, Wisconsin. He is editor/author of a number of books on civil society and the nonprofit sector including *Nonprofit Sector in Japan* (Manchester University Press, 1998), *Deciding the Public Good* (JCIE Books, 1999), *Emerging Civil Society in the Asia Pacific Community* (Institute of Southeast Asian Studies, 1995), and *Corporate-NGO Partnership in Asia Pacific* (JCIE Books, 1999). He served as Japanese Executive Director of the Japan-U.S. Economic Relations Group (1979-81), U.S.-Japan Advisory Commission (1983-84), and the Korea-Japan 21st Century Committee (1988-91), and also was a member of the First and Second Prime Minister's Private Council on International Cultural Exchange (1988-89, 1993-94). Mr. Yamamoto received the Commander's Cross of the Order of Merit from the German government (1990) and The Honorable Commander of the Most Excellent Order of the British Empire (1998).

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Ms. Catherine Born	Ms. Tomoko Takayama 258-2 Tomizaki Okayama-shi, Okayama 704-8104 Tel: (086) 942-3236	Husband, sons, and parents.
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Ms. Patricia Jansen Doyle	Mr. Kenji Akimoto 3-6-10 Sanyo-danchi Sanyo-cho Okayama 709-0827 Tel: (086) 955-3111	Wife and daughter
Mr. Roger L. Hiatt	Ms. Terue Okada 1846-16 Chaya-machi Kurashiki-shi, Okayama 709-1121 Tel: (086) 429-2213	Husband, daughter, son, and mother.
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