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Japan’s Soft Power: What Can Japan Do to Help Solve Global Problems?

Keiko Chino, Director, Chief Editorial Writer, The Sankei Shimbun
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The year 2006 marks the twentieth anniversary of the establishment of SPF. We have no special plans for showy commemorative events, but given the great social changes over the last two decades, we have begun reviewing the Foundation’s successes and failures over that time and have launched initiatives to help us frame the Foundation’s future.

In only 20 years many events have shaken the international community: the end of the cold war and the disappearance of the Soviet Union, the Gulf War, the Asian financial and currency crisis, and the terrorist attacks of September 11, 2001, and the subsequent wars in Afghanistan and Iraq, to mention just a few. When it comes to major developments that will shape history over the long term, we can point to the rise of Asia as the standard-bearer of modern industrial civilization. The wave of industrialization that began with Japan and spread to the Asian NIEs (the newly industrialized economies of Hong Kong, Singapore, South Korea, and Taiwan) and the member states of the Association of Southeast Asian Nations has now extended to China and India. As a result, the center of economic power is shifting back to Asia after several centuries.

Still, Asia’s increasing presence in business and economic power is not sufficient to shape history. It needs to lead to the kind of civilizational development that could be called a renaissance originating in Asia, something that a number of intellectuals are already calling for. The rise of Asia will be of historical significance only if it leads to a sweeping renewal and creation of values and lifestyles that can break through the impasse of modern material civilization, beset as it is by frustration, anxiety, and fear amid ongoing economic development and prosperity.

Ever since the West initiated the Industrial Revolution, the view of history as monophyletic development, taking the West as the model and measuring a country’s progress in terms of how close that country has come to it, has dominated. In other words, westernization has been seen as synonymous with development and progress. But it seems to me that if Asian countries that have acquired economic strength rediscover their own individuality and traditions in noneconomic fields and unleash a new creativity in the course of interaction with other countries’ cultures, they will demonstrate that polyphyletic development is also possible. So far, Japan’s international contributions have tended to be confined to business and economic aspects; but in future, I hope, Japan will strengthen its activities in fields it has more or less neglected and will take the lead in pioneering an Asian renaissance.

In the context of the history of civilizations, what a single private foundation can do is limited. But with the cooperation of like-minded people, we intend to explore the role that SPF can fill. We ask for our friends’ encouragement and support.

Setsuya Tabuchi
Japan’s Soft Power: What Can Japan Do to Help Solve Global Problems?

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The views and opinions expressed in the following roundtable are those of the individual speakers and do not necessarily reflect those of the Sasakawa Peace Foundation.
Why Has Japan’s True Importance in the World Gone Unnoticed for So Long?

Akinori Seki: Poverty, destruction of the environment, energy shortages… How do you think Japan can use its “soft power” to help solve these global problems?

Kiyoshi Kurokawa: Global issues have become increasingly problematic as the world has changed dramatically over the last century. In 1905, Albert Einstein published five scientific papers presenting revolutionary ideas, including his Theory of Light, the Theory of Brownian Motion, and the Special Theory of Relativity. Today, about 35% of Japan’s much needed electricity comes from atomic power plants. The continuous expansion of the electricity-dependent world of computers and television, which plays a dominant role in Japanese daily life as elsewhere, is a good example that shows the need for abundant energy. Over the past century, the world’s population has quadrupled, growing from 1.6 billion to 6.5 billion. Changes in industrial structure and the economic growth engine have promoted urban growth with half of the people of the world, or even 3/4 of the people of developed countries now living in the urbanized areas. Fifty years ago, 40% of Japan’s labor force mostly farming. The figure today is dramatically lower, counting only a few percent.

People today live longer. At the time of the beginning of Roman Empire 2000 years ago, the average life expectancy at birth of the Empire was a mere 25 years. One hundred years ago, life expectancy in Japan, Britain, and the United States was between 40 and 43. Today the average is around 80 in some countries. Accordingly, while the average life expectancy rose only about 15–20 years over a period of 2,000 years, the last century saw a remarkable leap of 40 years. This is absolutely amazing, but nobody thinks anything of it.

Why do people tend to overlook things that are truly amazing? Maybe if we can answer this we’ll find a key to answering your question. Otherwise I don’t think we’ll be able to take this discussion to the next logical step. Japan lost the war 60 years ago, and yet today it has become a country with the second largest gross domestic product (GDP) in the world. We have to trace the steps Japan took to reach its current prosperity. In other words, we should start this discussion by considering how the rest of the world views the modern and prosperous Japan and how Japan has become as she is now.

George Hara: I’d have to agree that Japan’s role in the world is rarely considered that important by other countries. My home is in the United States now, but I lived in Japan until I graduated from university and saw a lot of the good sides of Japan. With these good sides existing I find it strange that people in other countries seldom seem to give much consideration to Japan. One quality I particularly like about the Japanese is the way we always tend to consider yielding to the other person’s judgment about something when it is expressed differently and strongly. Even when we don’t always agree with them, we tend to remain silent and try to go along with what they say. There are very few countries whose people show such consideration for the feelings of others.

Yonosuke Hara: I’m a great fan of Ryotaro Shiba (Japanese novelist and essayist, 1923–1996), and have been reading his books over the last few years. His last work, a collection of essays called Kono Kuni no Katachi (“The Shape of This Country”), begins with this sentence: “Japanese people think that any idea of a philosophical nature must come from abroad.” This very suggestive sentence, so typical of Shiba, has an important message for us.

Shiba claims that the members of Japan’s intellectual class don’t really know their own country. Because Japanese people believe that all philosophical ideas come from abroad, Shiba maintains that they are not ready to analyze or understand themselves properly. Maybe these thoughts can
point us in the right direction when we discuss Japan and the outside world. This might be a good time to ask, what is culture? For me, culture is something specific to an ethnic group, just like the smell of pickles is specific to a certain type of meal. It’s vital that people from different cultures interact and discover what cultural attributes they have in common, then create new ways to handle all the different cultures. That is how civilizations are born. According to Shiba, a civilization is born only from the blending of different heritages. He claims that Japan lacks the dynamism that should come from this blending, so although Japan has certainly developed its own culture, it is doubtful that it has developed its own civilization.

Maybe the reason we feel that foreigners do not recognize a strong Japanese presence is because we haven’t developed our own civilization through interaction with other ethnic groups. It could be that people seeing Japan from the outside don’t think of Japan as having its own unique civilization.

Keiko Chino: Surely it is geography and history that blur Japan’s identity. Geographically, we are an island country at the far end of East Asia, and for historical reasons, Japan is even less known today that it was in the past. Getting back to Ryotaro Shiba, his well-known historical novel, Saka no Ue no Kumo (“Clouds on the Top of the Hill”), which spans several decades, is set in the time of the Meiji period (1868–1912). It is obvious from the novel, and from history too, that Japan had a greater world presence during the Meiji period than it does today. After Japan’s victory over Russia in 1905, the country was known throughout the world. However, after Japan’s defeat in World War II, the Japanese felt they had to live their lives as inconspicuously as possible, no matter what. Again during the Cold War, the only option was to remain inconspicuous.

As Mr. (G)Hara said a moment ago, we Japanese tend to feel comfortable just nodding our heads in agreement, and this is how we reach a mutual understanding without needing to explain our own position. It’s a good method and it works. There is a saying that it is difficult to get Japanese to talk, and just as difficult to get Indians to remain quiet. The problem these days seems to be that, more often than not, even Japanese people don’t understand the other person’s position without verbal explanation...

G. Hara: In the United States, business is a dog-eat-dog world, with winners and losers. A business person develops a tactical plan, uses capital and technology as weapons, and comes out on top if the plan and weapons are superior to those of his or her competitors. In the same way, the U.S. is the main decision maker in international economic and financial policies, and Japan nods its head and goes along with them. It has been like this for a long time, and this method has actually been relatively successful. There is a Japanese expression, Nokorimono ni fuku ari (Sometimes the lees are better than the wine).

Even those American people who are considered the most brilliant can only think of new things within the limitation of human intelligence. It is this which determines the intellectual limit of the Western world. In the Western style of business, winners take the best pickings, and leave what they consider dregs for those people plodding along honestly. But in supra-human analyses, it becomes evident that some of the best things may also get left behind, waiting for others, maybe the Japanese, to pick up and use. This happens quite often.

As I mentioned a moment ago, we Japanese tend to give way without saying anything explicit when someone expresses an opposing opinion strongly. Another gentle quality of the Japanese is that we consider it very wrong to trick someone. These ethical values are a wonderful part of our heritage in comparison to the situation like in the United States, where deception is an acceptable strategy. For example, a company may know it is violating anti-monopoly legislation but does not mind doing so if its strategy is to keep benefiting from monopoly practices until it is sued, then draw out proceedings
until the other company is forced to declare bankruptcy. The lawbreaker will then end up by paying a penalty but keeps raking in profits. No companies conducting business the Japanese way can win against competitors like that.

I usually tell young Japanese to go to a business school in the States perhaps Stanford or Harvard to learn the American way of doing business. But I also tell them to keep the system of honor that they have learned from childhood. I'd like lots of Japanese people to do that, because it is actually the best way to succeed in business today.

The Soft Power That Comes from Hard Power

**Kurokawa:** As Ms. Chino said, 100 years ago Japan occupied a prominent place in the world. But today, almost the only thing our country is admired for is its economy.

The term “soft power” comes from Harvard University professor Joseph Nye, who wrote *Soft Power: The Means to Success in World Politics*. Nye says it is not enough for a country to have only hard power a country needs soft power. Remember that Japan doesn’t have that much hard power. It has only money power and soft power. I know some Japanese people support the above “soft power” theory and emphasize how important it is for Japan to wield it. It’s true that Japanese culture has produced some wonderful things that one can list as soft power, like manga and animé. But if someone thinks that Japan can wield soft power in the world with only such elements of soft power, they haven’t understood Nye’s idea properly.

**Chino:** I agree. Soft power is considered important when you have also hard power. Japan doesn’t have hard power, and those commenting on Japan flailed about and seized on the concept of soft power, when they were looking for something important in place of hard power that Japan doesn’t have.

**Kurokawa:** Or we may say that because checkbook diplomacy and other forms of money power are now frowned upon, attention turned to soft power.

**G. Hara:** Speaking about money power, one popular topic of conversation is, “Who owns a company?” In Japan, the answer given these days is, “The shareholders do.” But do they? Legally, yes, they do, but we should think of a company as existing for society as a whole. In the United States, public opinion has come to the conclusion that shareholders own the company, but that is just because money market funds now control the American economy. Fund managers are always keen to remain alert to the market prices for land, stocks and other assets. That is why the U.S. business world is now focusing on asset impairment accounting and market price accounting, with a company’s goal ending up being only short-term profit. American corporations used to close their books once a year, but today it’s common to operate on a quarterly basis. American capitalism is driven by American companies, and this drift toward a shorter term is leading more and more to failure.

Business in the United States is hamstrung by the logic that American business people devised for themselves, making the corporate world heading in a direction everybody knows is wrong. If Japan can use its soft power to promote a superior approach with entirely different logic for solving problems, then our standing in the world will improve.

**Chino:** Maybe we should step back and examine how Japan has developed up till now. If we can find something original there, Westerners may acknowledge its value. One of our former prime ministers, Keizo Obuchi, established the Commission on Japan’s Goals in the 21st Century, which produced a final report entitled *The Frontier Within*. Unfortunately, Obuchi died unexpectedly in
2000 and the report was quickly forgotten, but “the frontier within” is still an important concept to guide us and to tell us that tremendous possibilities are here, within Japan. It’s important that Japan’s voice to the world come from within.

G. Hara: If we can find Japan has the wisdom needed to solve global problems and conflicting value systems, we will have only to offer it to the world. Many Americans are capable of judging such new values.

Kurokawa: I’m sure you’re right. What matters is just how creative Japan can be in proposing rational choices of solutions. It wouldn’t have to be just from Japan, of course it could also come from China, or India, or anywhere else.

Seki: The important thing is to realize the limits constraining the West and see from what corner a new message to the world might be transmitted. Which leads to the question, how can Japan use its communication abilities and its value system to help solve world problems?

G. Hara: Going back to what we talked about a moment ago, a company belongs to its shareholders. This would be difficult to change, from a legal perspective. Even so, Japan could come up with any number of ideas for different types of for-profit organizations, which are not some form of stock company. We might be able to come up with a very big idea of the forms of for-profit organizations, accepting shareholder-based companies as one possibility included in the entire concept. Japan should use its creativity to develop all kinds of ideas like these.

Kurokawa: It would be truly great if Japan could provide opportunities to develop young people to conceive such new value systems you are talking about and to translate innovative ideas into reality. But could Japan really become such a place? Another possibility is for more Japanese people to go abroad to develop themselves. If, at any rate, more Japanese were to think and act like you (G. Hara) do, different values and new ways of thinking would enter Japan and change it for the better.

Education Is the Key to Japanese National Security

G. Hara: We need new ideas for everything. Talking about the electoral system, just about everyone agrees that choosing politicians by the present system isn’t working well. Excellent political leaders just can’t be chosen by the system we have now. We need to develop a better method, as one possible solution for this problem.

Y. Hara: In my opinion, our electoral system and the system we use to choose a stock issue are actually similar, because in both cases we make the selection anonymously. But for voting and for buying stocks, I don’t feel these kinds of mechanical systems are enough to make the system truly work. I feel we could have something else instead, although I can’t say exactly what.

Kurokawa: In the United States, after the election of a new president highly intellectual people not
necessarily connected with the government bureaucracy are quickly gathered around the executive
power base and form the brain of the government. This is true whether the new president is a
Republican Bush, a Democratic Clinton, or whoever. This doesn’t occur in Japan. The government
offices at Kasumigaseki in Tokyo, with its bureaucrats manning the ministries, remain as the
government brain. This has kept Japan from moving forward, rightly or wrongly.

**Chino:** Yes, the American and Japanese systems are quite different. Unlike in the United States,
when Japan gets a new prime minister, most high-echelon bureaucrats keep their positions. The
bureaucracy remains the same, and continues to support different administrations. There are some
who even say this is one of Japan’s strengths. But the problem is that those Kasumigaseki
bureaucrats don’t have nearly the same caliber of talent their predecessors had. And today it’s
common for the better ones to quit at a moment’s notice. In other words, the true elite have gone,
and we are left with nondescripts running the government.

**Kurokawa:** The year 1989 was that of the fall of the Berlin Wall and the Tiananmen Square
Incident. The Soviet Union collapsed in 1991, ending the Cold War. Japan, along with the rest of
the world, was faced with a dramatically different situation around the time the new Heisei era began
with a new Emperor (1989). During the Cold War Japan was content to remain under the umbrella
of the Japan-U.S. Security Treaty. The Japan-U.S. relationship defined our world, and Japanese
politicians and government bureaucrats functioned properly within the Treaty’s framework. It means
they didn’t have the need to develop a grand national vision, because Japan no longer needed elite
thinkers by that time. The major national agenda was set by the United States.

Today, Japan’s most urgent challenge is education. About 75% of all Japanese alive today were
born after World War II, and perhaps half of them may not even know that Japan and the United
States fought on opposite sides during that war. It will be up to the next generation to bring real
reforms to Japan, and that won’t be for another 20 or 30 years. In the meantime, the world situation
will continue changing rapidly.

**Seki:** You are arguing that today’s Japanese don’t have the ability or vision to transmit Japan’s soft
power to address global problems. And if we do think we can do something, the next question would
be, what exactly could we do?

**Chino:** Surely the answer lies in the people themselves—those who are aware of the problems
should just get up and do it. Japan has people like Mr. (G) Hara who have worked hard to change
what seems wrong to them. We need definite action, not words. Of this I am certain.

**Y. Hara:** One has to know what one can do, and just do it. If I can share with you my own
experience, about 10 years ago I began holding discussions with Vietnamese government officials on
how they should connect their country to the global economy. We looked at the experience of Japan
and other countries when considering which areas of economic system Vietnam should change, and
which areas it should not change too much. My input included advising them on developing
economics textbooks for universities in Hanoi, and offering detailed suggestions for course
syllabuses. None of this was earth shattering, but it was a start by applying the little that I could do.

**Seki:** If, for the moment, we talk about Asian countries and developing countries as targets of our
information transmission, maybe it would be wise for us to make efforts to share our past
experiences from which they could learn, since Japan has failed in many ways over the years.

**Kurokawa:** Getting back to the question of education, in India the highest caste, the Brahmins, are
highly educated. Intellectuals and philosophers are grouped among the highest classes, and actually
India has a tradition of respect for anyone who exercises their brain irrespective of social classes. It’s
fascinating talking with Indian academics because they have immersed themselves in philosophy and
knowledge. On the contrary, Japan doesn’t have that tradition. Here education has only one aim for students to pass entrance exams and get into a “good” university whose status is based upon the government criteria. On the intellectual level, our students don’t stand a chance against an academic from India.

Universities worldwide are competing against each other for acquiring students from around world. Universities in the United States, Britain, Australia and New Zealand are exerting a mighty business effort to attract bright students from Asia. Asia might not have a lot of rich parents per capita, but the Asian population is so huge that there are still many. Universities in Western countries which are upgrading their undergraduate departments to attract excellent foreign students who will be tomorrow’s leaders in each country.

Princeton, Massachusetts Institute of Technology (MIT), Harvard and Cambridge are doing exactly this. Undergraduate departments are open to students in many fields, not just science or research. So after these foreign students graduate they will become leaders in wide range of social sectors of many countries, forming networks with their fellow graduates. To illustrate their efforts, MIT began placing all of its textbook contents online about 10 years ago for free downloading. This was to attract the world’s best students. Needless to say, Japanese universities aren’t doing this. And almost all of their courses are in Japanese, which gives little incentive for foreigners to come here as students even those from other parts of Asia.

The Japanese government invests heavily in science and technology, but those funds are basically targeting Japanese researchers. And yet, Asia has many, many young people eager to study major sciences, for example, space and satellite science and technology, astronomy, genome sciences, and other subjects fields that require a level of funding that is prohibitive in their own countries. If Japanese universities offering such courses were to open the door wide to foreign students, many would come. Undergraduate departments of Japan should admit more foreign students on scholarship. Some would later want to enroll in a graduate school elsewhere in the world. Thus, while in Japan they would study hard and ask the faculty that they be given a better education so that they could later get into schools like Harvard and MIT. Without doubt, they would also wonder why Japanese universities don’t offer courses in English this global age. Indeed, why not?

If, at universities in Japan, there were a greater number of motivated foreign students studying together with Japanese students, the latter would gain a better awareness of other countries, and appreciate other cultures, other ways of thinking, other value systems. After they graduated from Japanese universities, many of these foreign students would eventually end up in leadership roles in their own countries, in various parts of the world. Most importantly, this will create a larger number of foreign people who have acquired good understanding of the Japanese society, by studying or doing research in Japan while still in their youth. This would produce more friends of Japan, thus such policy must be the basis of national security.

Establishing this kind of international human or friendship network is sure to create goodwill, and this goodwill will become a foundation of security for our country. When I visited the Prime Minister Junichiro Koizumi in his office in December 2005, I suggested that one third of the undergraduate students of the seven most prestigious national universities should be foreign nationals and that scholarships be available to all foreign students.

I suppose some Japanese would disagree with me on this. Anyway, Japan can be a lot more open when it comes to foreigners. Remember that we once had many foreigner-related issues to which we felt much more resistant than over the mere issue of foreign students at national and other universities. When the Hawaiian Konishiki became the first foreign sumo wrestler to hold the higher
The title of sekiwake or ozeki, there was a lot of opposition, with people saying that sumo is to be fought in front of the Shinto gods, that it is a sacred sport only for Japanese players, that we couldn’t let a foreigner become Grand Champion or yokozuna. Now, slightly more than 10 years later, we have had three foreign yokozuna. And the whole country is very happy about it.

Chino: The old Silk Road linking East Asia to Europe has now become the Sumo Road joining Japan to Eastern Europe through Mongolia!

Kurokawa: Of all 758 professional sumo wrestlers, 60 or 8% are foreigners now. In the makuuchi division (the highest level), 12 of 43 wrestlers or 28% are foreigners. In the last Spring Tournament, 4 of the 9 wrestlers or 44% in the three top ranks, after yokozuna, were foreigners, and if we add yokozuna who is a foreigner that makes 5 out of 10 or 50%. The Japanese public is comfortable with this, and thanks to all these foreign wrestlers, people in other countries have taken a liking to Japan and now know more about Japanese culture. The sumo wrestler Baruto is from Estonia, Kotooshu from Bulgaria, Asashoryu from Mongolia... If you go to those countries, you’ll meet many people who say they like Japanese sumo and Japan.

Prime Minister Koizumi once told me he supposed the champion of the next tournament would be Hakuho, another sumo wrestler from Mongolia. I answered that he should take Mongolian sumo wrestlers with him when going to Mongolia in the summer. This year is the 800th anniversary of the crowning of Genghis Khan as the Emperor of the Mongol Empire, and taking sumo wrestlers would be an exercise in “soft power.” It would ease the way for visits by representatives of Nippon Keidanren (Japan Business Federation) when the prime minister has some business in mind. That is what soft power is all about.

At any rate, since the traditional world of sumo has opened up to foreigners this way, there’s no reason why Japanese universities shouldn’t do the same. They should break out of their seclusion and embrace internationalism. I say bring in changes so that one third of all classes at the undergraduate level are conducted in English.

Chino: It’s my pet theory that Japan has two things that appeal to foreigners even without our justifying or explaining them: sumo and the imperial family. I suppose you might laugh at this combination, but think about it and you’ll surely agree with me. You’d have to look far to find anything else in Japan that people worldwide accept without question. The two are Japan’s trump cards, so Professor Kurokawa’s proposal to use sumo is no exaggeration. And it’s important that we Japanese realize that they are part of Japan’s soft power.

Distance Learning and Telemedicine Services: An Example of Soft Power in Action

G. Hara: I like Professor Kurokawa’s identification of sumo as an example of how soft power can be used. Another should be assistance for the developing world. The United Nations has 192 member countries, and about 130 of these, in Africa, Asia and Latin America, are still in the development stage. About half of all developing countries are in the least developed category, with illiteracy rates above 50% and infant mortality rates hovering around one out of every six babies. Average per-capita GDP is less than a dollar a day, or 2 dollars a day in “fortunate” cases. However, support from a hard-power country is hardly suitable because its efforts to combat poverty, environmental degradation, energy problems, hunger, etc. are designed to bring developing countries into its own sphere of influence. Other countries that are lacking in hard power, and I’m talking about Japan in particular, are perhaps in a better position to offer support. This reminds me again of that Japanese expression, Nokorimono ni fuku ari (Sometimes the lees are better than the wine).
Two of the developing world’s most urgent issues are education and health, best illustrated by high illiteracy rates and infant mortality rates. If experts were to gather from around the world and come up with a joint approach for tackling these problems, we would see progress.

I decided to do something. I began by establishing a company in Bangladesh to develop projects offering distance learning and telemedicine services. I had entertained the idea for some years, and watched with frustration as Western countries pursued such projects for themselves but either didn’t transfer the technology to the developing world or exported technology that was 10 or 15 years out of date. That’s why I got to thinking, why don’t we take the latest technology to at least one of the poorest countries, to assist them in improving social conditions?

In October 2005 we established a new company in Bangladesh called bracNet, a tie-up between the NGO Bangladesh Rural Advancing Community (BRAC) and my DEFTA Partners. Unfortunately, NGOs or nonprofit organizations are not financially independent because they depend on donations and grants, but BRAC finances 80% of its activities through its banking and shopping mall operations. The proceeds are used to promote its primary goals, which are medical care and education.

Through the tie-up with BRAC, bracNet hopes, by the end of 2007, to begin manufacturing free-use Internet protocol (IP) cell phones equipped with a miniature television. It is considered to be fundamental wireless broadband technology. The technology is designed for post-computer use. We plan to begin using the TV phone for the distance learning and telemedicine services in 2008. We are sure the business would succeed with only BRAC’s participation, but we still intend to bring Japanese and Western corporations on board, to help them learn from our methods and launch their own projects. This will spread our innovations worldwide.

The project will use new technology and a new business model that will cut investment costs to a fraction. Cutting investment costs allows the business to function more efficiently or even increases profits. This proves that private enterprise can succeed in an area where only governmental official development assistance (ODA) programs were active before. And if our project brings in a profit, the employees know they will receive a bonus and their local community will benefit. This encourages them to make their own efforts to cut costs on the job. Almost all countries receiving ODA from industrialized nations are at the developmental stage, and although they may appear stable the political situation is unpredictable and corruption rampant. Financial aid from governments is generally thrown into a bottomless pit. We decided it would be far better to join forces not with a governmental organization but with a creditable organization in the region, such as an NGO.

Seki: Your business model uses Japanese technology to solve global problems, and I suppose there are other such models as well...
Japan Needs a Strategic Vision

Kurokawa: We discussed how Japanese universities are basically closed to the world, or the “Sakoku mindset.” Another example of this country’s seclusion is our government’s inability to tell the world about its major contributions to the international community. For example, right after the Indian Ocean tsunamis of 2004, Prime Minister Koizumi pledged assistance from Japan valued at 50 billion yen or almost 500 million US dollars, but news about this was barely picked up by the international media. It is because the prime minister regularly gives two press conferences a day at his office, but it is without foreign reporters, perhaps because they were not invited. Government press conferences should be more open to the foreign media. The government seems to lack the initiative to develop and use PR strategies for the outside world. Japan’s contribution in foreign aid is quite large and should be widely known and acknowledged for the sake of the people of Japan.

Chino: I’ve found the same thing. It seems the Ministry of Foreign Affairs and the cabinet are basically unaware of how to get their message out. That was clear even before the Indian Ocean tsunamis. Japan extended a huge amount of aid, including 30 billion yen from the New Miyazawa Initiative, for nations embroiled in the 1997 Asian currency crisis. Southeast Asian reporters had more information than they needed to know about what the United States and the International Monetary Fund were doing, but they knew almost nothing about Japan’s assistance. When I explained it to them they were astounded. Japan just can’t get its message out. Another example: when the prime minister travels abroad he travels with the Japanese press corps, and his PR team gets extremely busy attending to Japanese reporters but his PR efforts don’t extend to the overseas press. You’d think his PR people would encourage the local media to cover the prime minister’s visit, but it just doesn’t happen. Even when he goes abroad, the PM’s office seems concerned with the Japanese public, and the local media gets forgotten.

Kurokawa: I have a similar story. Before I went to the Diet to discuss reform of the Science Council of Japan, I invited correspondents for Western journals like Nature and Science to attend the Diet hearing to cover my testimony. But it turned out foreigners are not allowed to attend such events. Luckily, I was able to get special permission from a Diet member on the committee, so I could invite them, but why the seclusion? No wonder foreign publications and news stories rarely mention Japan! Japanese politicians think only of their local public, and many companies including media, too, are happy to serve only the domestic market.

Chino: Japan is small in area but it has a huge domestic market. I guess Japanese companies think that is enough for them.

Kurokawa: Another example of Japan’s large market size: The New York Times prints 1,200,000 copies a day, the Washington Post 700,000. Compare those figures to the 10 million copies printed by Japan’s Yomiuri Shimbun newspaper.

Seki: If Japan remains so cut off from the world, it must be difficult for it to exercise soft power.

Kurokawa: When information becomes available to everyone, not just through the members-only kisha kurabu (“press-club”) system, the social dynamics change. This threatens the establishment, which includes newspaper publishers and other media, most seriously. It happens throughout history. The Protestant Reformation is a good example. Printing techniques spread from China through the Muslim world, and from there to Europe. After Gutenberg printed the bible in the mid-15th century, people saw that the church’s teachings and the bible differed considerably, and within a few decades Protestant churches were breaking away from Catholicism.
Now satellite television and the Internet are bringing more information to more people, threatening today’s establishments built on previous social paradigm. To protect their power base, some establishments are trying to hide or manipulate information. But blogs are making this not possible, let alone the Internet.

**Seki:** We have a borderless information society, but its benefits are not filtering down to developing countries. How can we eliminate the digital divide?

**G. Hara:** Perhaps my experience with that Bangladesh project can help answer that question. I’d like to explain our telemedicine services a bit. Surgeons can’t give accurate online advice without images with a high enough resolution to clearly see details, even miniscule spurts of blood. We knew we would have to use high-resolution technology, but networks in Bangladesh can’t support that with narrow-band circuitry, which is all they have. So we are developing a wireless broadband network under a partnership involving bracNet, DEFTA Partners and the Alliance Forum Foundation. We hope to have it up and running by the end of 2007. Capacity at that time will be only about 3 megabytes per second (Mbps), far less than Japanese and other telecommunication networks that support 100 Mbps. So we had to find a technology for the real-time compression of vast amounts of high-resolution data, 400 times the amount of data stored on a VHS tape. Otherwise we could not send it over a 3-Mbps circuit. We looked far and wide and eventually found, at a university in Russia, a technical research group with a new video compression technology called XVD (eXtended-play Video Disc), which matches post-computer age needs. We got the group to move to the United States, and they perfected the technology there. The Japanese broadcaster NHK later introduced this technology, and it is now recognized worldwide. Last April it was displayed at the International Symposium on Broadband Multimedia Systems and Broadcasting in Las Vegas, and the three big American networks (ABC, CBS and NBC) have decided to use it as well. Last May, it was also displayed in Geneva at the General Assembly of the World Broadcasting Association (WBA), an organization under the United Nations. This shows how you can start with nothing but still develop a new venture.

Waseda University has begun using the XVD application for its distance learning program, and we intend to link up with the Keio University School of Medicine to apply XVD technology to telemedicine. The University of California and other institutions have already begun using it, but we decided to work with Japanese universities because we want people from Japan and around the world to learn by 2007, here in Japan, the technology for distance learning and telemedicine.

We wanted to take Japanese doctors to Bangladesh under the auspices of the United Nations, but a Japanese citizen can’t work for the United Nations without completing formalities through Japan’s Ministry of Foreign Affairs. If an individual of a private company or university wants to work for an international organization without Ministry authorization, he or she would always work for a nonprofit organization, but not a U.N. institution. Our problem was that there are still no Japanese nonprofit organizations earning capital on their own, like BRAC in Bangladesh is designed to do. So we are unable to have doctors join our project under the auspices of a Japanese nonprofit organization. To get around these hurdles, we use the World Association of Former United Nations Interns and Fellows (WAFUNIF), for designing a plan to support those people who currently work in Japan for a private company, university or municipal government, and want to participate in an assistance program in a developing country with a globally influential NGO or an international organization such as UNESCO, UNCTAD or the WHO.

**Kurokawa:** Nonprofit organizations in Japan haven’t reached the stage you need, probably because Japan’s “civil society” has still not developed to that level yet. The Japanese public demands citizen
rights, but it still doesn’t fully understand that a social consciousness must accompany those rights. Each country has developed historically in its own way, according to its own social mores, cultural values, and religion. We are in a global world, but if we don’t understand the culture and history of another country we will have only the superficial worldview we are comfortable with. Then we become bewildered at the changes occurring around us, i.e., globalization. If our understanding of the world doesn’t go deep, we can’t deal properly with people in other countries.

**More Foreign Students—Good for Japan Too**

**Kurokawa:** One suggestion I have for Japan’s effective use of soft power is support for Muslim countries wanting to improve education programs. The world’s Islamic population has doubled over the last 25 years. During the same period, Christian and Buddhist populations increased at a lower rate about 50% only the same pace as the increase in overall population. Since the population of Islamic countries has become two times in the last 25 years, that means more than half of their people are under the age of 25. Take Saudi Arabia as an example its population jumped from 9 to 21 million over the last 25 years, indicating almost 60% are under 25.

So, what are their elementary and middle school needs, and what kind of education will young people need when they join the workforce? If we ask ourselves how Japan can offer assistance, the possibilities are great. Japan has long remained on good terms with Islamic countries, and about 60% of all Muslims live in the same geographical area as Japan, that is known as greater Asia, so it is natural for Japan to offer assistance.

**Seki:** Yes, Japan has maintained a strictly neutral stance regarding issues in the Islamic world, and as a result we are an excellent position to cooperate with their efforts to improve social conditions. I gather you are suggesting that Japan explore what role it should play in the region.

**Kurokawa:** One approach could be to open up our universities’ undergraduate departments to students from those countries. That would quickly bring Japan plenty of good will.

**Seki:** Professor Hara, you have much experience teaching at universities. Any comments?

**Y. Hara:** Yes, I definitely agree the universities should open their doors wider to international students, but I wonder if they are actually able to. When I headed the Institute of Oriental Culture of the University of Tokyo I tried really hard to persuade professors to agree to the hiring of foreign researchers on a permanent basis, rather than for a fixed term. Getting Japanese universities to open their doors wider is really difficult, but they will have to do so one day.

**G. Hara:** I’ve also found that it is difficult to push reforms through the conventional professors’ organizations. Probably the most practical approach is to establish a parallel organization and transfer budgetary and decision-making powers to it, then reduce the authority of the original professors’ association.

**Seki:** Are you saying that, because Japanese universities have secluded themselves from the outside world, they have basically closed their doors to foreigners wanting to study in Japan? Do you have concrete cases?

**Y. Hara:** Well, the main reason why foreigners are staying away is because university exams are given only in Japanese.

**Kurokawa:** If a foreign student wants to come to Japan on a governmental scholarship, he or she must study Japanese for at least 6 months because the courses are given in Japanese. It would be better to change the system so that one third of undergraduates at the most prestigious national universities are from other countries. Then, of course, about 30% of the courses would be taught in
English. They should be allowed to graduate from their universities taking courses in English; many of them may try to take classes given in Japanese as well. They would learn Japanese outside class anyway, and the professors would quickly become accustomed to teaching in English, I hope. And with such a system, the universities would certainly be able to attract top-caliber professors from abroad.

G. Hara: A Vietnamese once told me he studied Japanese hard and graduated from a Japanese university, but then couldn’t find a job with a Japanese firm where he could use his language skills. For him and others, there seems to be no point in mastering our language.

Chino: Even if they do find employment with a Japanese firm, it is highly unlikely they would ever be promoted to a high-echelon position. They end up being treated only as masters of all trades. So it’s no wonder the more motivated one begins the more dissatisfied one ends up.

Kurokawa: I think it’s irrelevant whether they stay in Japan or not after getting a bachelor’s degree from a Japanese university. At Ritsumeikan Asia Pacific University in Beppu, Oita Prefecture in Southern Japan, 42% of the students come from abroad. Many have already graduated from a university in their own country. Ritsumeikan offers many scholarships to international students and have improved their dormitories. The locals told me that their town was a lot livelier since the university started attracting overseas students. I didn’t hear a single negative comment.

Then, five or ten years after they graduate from Ritsumeikan some of the alumni will probably come back to visit, and will surely retain fond memories of Oita. They might likely suggest some of their relatives, friends, or even their own children visit Japan for studying or something else, down the road. So it’s not important that foreign students stay here after they graduate. Perhaps it would be better for our universities to ensure that they want to come back again some day. Of course, if they want to find a job in Japan, that’s great too, especially as Japan’s population has stopped growing. Anyway, attracting many students and sending them out into the world (including Japan) later will increase the number of people who understand Japan, and this will make our country more secure in these uncertain fragile times. Offering training and education opportunities to people from other countries is nothing less than what should be a fundamental government policy for national security.

Providing scholarships will bring more foreigners to Japan, and in turn result in young Japanese people learning about other peoples and the world, coming in contact with different cultures, abandoning the secluded mindset of old Japan. This would give some young Japanese the confidence they need to set their sights on becoming world leaders, and others would gain from their friendship with such people. A win-win situation all round, not only for foreign students but also for young Japanese, the future of our own country.

Y. Hara: After they return home, it’s important that Japanese universities remain in contact with them through alumni associations and the like. Unfortunately, that’s not happening now. Some time
ago, foreign graduates of the most prestigious University of Tokyo tried to hold an alumni meeting in Bangkok, but they had no network of contacts and the meeting never materialized.

**Chino:** The same type of problem exists not only in the case of university students but also business trainees from abroad. When I visited Uzbekistan former company trainees said they wanted to belong to an association that would keep them in contact with Japan. Obviously they would have to do much of the organizational work themselves, but the companies or institutions that once offered industrial training in Japan should help them in this. Keeping this type of relationship alive would bring positive results for Japan, too. Also, looking at Asia, the Japanese government instituted what was almost a reparation program after World War II, inviting many students from Indonesia, Malaysia and other Southeast Asian countries. After they returned home many joined their country’s elite, and there was a tendency to maintain contact with people in Japan. Many Japanese politicians, business people and others kept the lines of communication open, but that was years ago and those lines have sadly faded away over time. I think this is a serious shortcoming even for Japan’s diplomacy.

**G. Hara:** If I can return to what I said a moment ago right after I talked to that Vietnamese graduate from a Japanese university I contacted an acquaintance in a Japanese company. He said that surely one of the many Japanese firms operating in Vietnam would be glad to hire him, and only three days later, that’s what happened. So this kind of problem can often be solved quite easily.

**How Should Japan Exercise Its Soft Power?**

**Seki:** I’d like to ask each one of you, how you think Japan should exhibit its soft power today?

**Y. Hara:** I would say the first step is to learn more correctly about foreign countries. Ever since Japan opened up to the outside world in the mid-1800s, the Japanese, especially intellectuals, have gone to extremes—they may either adore foreign countries a great deal, or hate them all. All countries have their good and bad points, but unfortunately we Japanese find it difficult to keep things in a good, balanced perspective.

This can be rectified partly by more Japanese traveling and living overseas. Also Japanese universities should become more international in outlook, accepting more foreign students and hiring more teachers from abroad. Foreign workers will come to Japan if they feel welcome, but I believe this would happen only if, for example, young Japanese mothers were comfortable about the fact that maybe 10% of the students in their children’s classes are foreigners. This applies to the university level, too. Japan needs to change its legislation gradually with the aim of having about 30% of the student body and teachers at Japanese universities come from abroad. If this becomes possible, Japanese people will gradually develop a greater appreciation for people from other cultures.

**Chino:** Saint Francis Xavier (Spanish apostle, 1506–1552) and other visitors to Japan long ago all reported the same thing; the Japanese are extremely curious. Every Japanese person man, woman, young, old shouldn’t contain their curiosity when they saw a foreigner, and the foreigners in turn were fascinated by the curiosity of the Japanese.

At any rate, the Japanese have a great desire to know, no matter what, even those things they shouldn’t know. That doesn’t mean they necessarily plan to do something with that knowledge—they just want to satisfy the curiosity. I suppose the tendency is universal, not uniquely Japanese.

This great desire to know has led the Japanese to adopt an amazing amount of ideas and things from other countries. But with regard to your question, how Japan could best use its soft power, it’s
important for Japanese to realize that the days when Japan introduced all kinds of things willy-nilly from abroad are coming to an end. Now it is time to express our gratitude to the world for what we obtained, by giving in return, by being of use. If we think only of taking from the world, we won’t be able to send a soft power message to it.

Indeed we need to turn our eyes to the outside world, but at the same time we need more foreigners to visit us. Few come, whether to tour or to live here. Japan’s tourist industry still has lots more potential than many other industries. We don’t have to build huge tourist attractions, like companies did during the bubble economy. All we need do is play up our exquisite natural surroundings, our distinctive four seasons, our cultural attributes that people worldwide find so appealing, like Japanese cuisine and traditions. We are proud of all these things, and they are all elements of soft power.

We have to ask ourselves, why do China, South Korea and other Asian nations attract more tourists than Japan? We should be blamed for this loss. We should make better use of the attractions we have.

If more students and the general public come from abroad, they will galvanize and energize us, and the changes they may bring are important too. Maybe some of those changes will not always be for the good, but we can’t expect to pick and choose, to have our cake and eat it too. Actually, a bit of friction from time to time would do us good.

Y. Hara: And we can no longer wait for big institutions in Tokyo to act for us. I’m now working on a project with the University of the Ryukyus, in the far south of Japan, forming tie-ups with people in Okinawa, Laos, and Vietnam. We are living in a new world where people in all parts of the country should think about what they can do, then do it.

G. Hara: I agree. I mentioned the Vietnamese graduate who found a job with a Japanese company in Vietnam what happened was the person I contacted, a top executive with a corporation in Ishikawa Prefecture, far from Tokyo, teamed up with people at the local university and went out of his way to get the ball rolling. That really impressed me, and made me decide to work with them as much as possible. It’s not necessary to depend on Nippon Keidanren (Japan Business Federation) or some other central organization.

Kurokawa: When you think of globalization trends, and the fact that 60% of the world’s population is in Asia, it seems obvious that Japan, the success model of the 20th century, should waste no time creating opportunities for Asian students to study at Japanese institutions of higher learning and research centers. We should also send many Japanese students abroad at least for elective courses or as summer students for independent study.

In Europe, major scientific projects, like space development and supercomputer research, are pursued not at the national level but under the EU umbrella. In Japan, though, R&D projects are
considered to be practically a national preserve. And yet, expensive research institutes and projects should be treated as assets for all mankind. The government should invest in them strategically, incorporating them into its development assistance and training programs. Even scholarships for students from developing countries could also be included in the ODA budget. The government vision should look on the country as a place where people come from throughout the world to gain expertise.

And Japanese professors should be given the opportunity to teach overseas. All in all, promoting this kind of academic interchange, and creating opportunities for dedicated, talented young men and women to come from abroad for career upgrading, would make Japan a wonderful country.

**Y. Hara:** Exactly the same subject, I am now acting in a private capacity as a consultant for a program that would link Japanese universities with universities in Malaysia, Indonesia, and Thailand. We are exploring the possibility of sending Japanese professors to teach in these countries for a year, then bring back students who would study for a master's degree in Japan.

**Seki:** Promoting education like that would be another way for Japan to use its soft power.

**Kurokawa:** If Japanese universities open their doors to the world, their teachers and students would be in a position to set standards recognized worldwide. This in turn would boost the caliber of university education in Japan. If our universities remain introverted, their teaching staff and students will find it difficult to rise to top class in the world, and the universities themselves will be little more than backwaters.

**G. Hara:** There has to be an overall objective behind efforts encouraging people to come to Japan from around the world to study and do research. Mankind has many problems to solve, like problems related to the environment, energy, and poverty to name a few. Of all those problems, I believe Japan should prioritize poverty reduction in developing countries. We should be inviting young people from around the world to come to Japan and join their efforts with ours as we work for solutions of this problem. Students from the developing world need to learn plenty about high-tech and advanced business models, not just development theory. Then, when they return home they would be able to apply both this technical knowledge and development theory to alleviating poverty.

We have already launched the project I mentioned in Bangladesh, and hope to be operating similar projects in one or two countries in Latin America by 2007, and in Africa three years after that. With about two projects on each of three continents, we will have showpiece projects that can serve as models to be emulated elsewhere. That is why we have Japanese and Western companies working with us. If they follow our methods, the approach we have started will spread worldwide. It’s important we help young people understand that to get things moving, you have to carefully consider what exactly can be done, start with that, and move toward your goal one step at a time.

**Seki:** How can you communicate that to young people effectively?

**G. Hara:** Work with them. And share with them knowledge of the criteria needed when an important decision must be made. They will learn by doing.

**Chino:** We may tend to think negatively of young Japanese today; that’s a shame, because by nature, everyone wants to do something for society and their fellow man. Young people today just don’t know how to translate their natural feelings of altruism into concrete action.

Unfortunately, Japanese people by and large still tend to think of themselves as superior to other Asians, while regarding the West as a repository of knowledge to be acquired. I like Professor (Y) Hara’s idea of inviting professors from other parts of Asia to work on the same projects together. We will begin to truly understand the world only by coming in contact with other cultures.

**Seki:** Over the years, Japan has tackled major problems such as poverty, environmental degradation,
and energy shortages. We can help people from other parts of Asia learn from Japan’s experience, to help them tackle their own problems. This is one way to exhibit soft power over the immediate future.

**Tax Changes to Combat Global Problems**

**Seki:** Professor Kurokawa has suggested that foreign students make up one third of the student body at the most prestigious national universities in Japan. If the universities say they can’t open their doors like that, could Japan take a different direction by setting up online universities for students living in other parts of Asia?

**Kurokawa:** That would be technically possible, but I’d say personal human contact is essential.

**G. Hara:** We have to think in this order: development first begins with ideas, and grows when people come together to share those ideas. Technology is just a tool to increase educational opportunities.

**Kurokawa:** The Internet can most certainly be used to promote educational objectives, but it is not an end in itself. It simply serves as a medium helping us achieve a purpose. It is true that there are virtual campuses, but I doubt if the Internet could ever be more than an aid to learning. Human interaction is far more important. A good education means people doing things together, sharing time together.

**Y. Hara:** The important thing is to think what we should do, rather than what tools we should use. We need Japan, the United States, and Europe to all work at the same time tackling poverty, environmental degradation, energy shortages, and other global problems.

**Kurokawa:** If young men and women from throughout the world were to study together, their perspective would quickly expand and solutions to global problems would come.

**G. Hara:** Poverty and environmental problems exist in many shapes and forms. Japanese people will never know what real poverty is until they go where it is severe and experience it for themselves. So it would be good for many young Japanese to go to poor countries that would open their eyes and help them expand their potential.

**Kurokawa:** They’d have to interact with people in developing countries for six months or a year to truly understand real conditions there. Many young Japanese today don’t have a life goal. In my opinion, that’s probably because they stay in Japan, surrounded by peers with the same values, immune to the outside world. So they have no one to trigger a “Eureka!” phenomenon, no one to help them discover a life goal.

**Seki:** Solving global problems takes time and requires the investment of many resources, including human resources.
G. Hara: Well, yes, it takes a long time to develop the core technologies needed to solve energy, environmental, and other global problems. And even after the technology is developed there is a “technology risk” that it may not operate as designed. We see the same phenomenon in the market: even if the technology risk is overcome, there is a market risk, a risk that the developed product may not succeed commercially in the market. These risks have to be faced and overcome before a product is truly completed and marketable.

As I mentioned a while back, the tendency in the American business world is now toward asset impairment accounting and market price accounting, with short-term profit the goal. In other words, the trend is to avoid investing funds at the technology risk and market risk stages. If you were to ask the average American with venture capital to invest in a new technology, he would not do it if that technology will not yield quick results. He would rather invest in something that would yield a low-risk profit, like a business venture planning an initial public offering of stocks, or a merger and acquisition project.

The same trend seems to be growing in Japan. Investors here would not have to follow suit the American way if the government changed the tax system to accept investments as deductible expenses when the money is invested by people or companies for the early stages of a project developing a new technology. In other words, this is an arrangement to attract large amounts of private capital to core technology development projects. This arrangement would make investors look on Japan as a country where they could save taxes by directly investing in ultra-high-tech sectors that will promote the development of the next generation of key industries. For American investors, American companies appear to offer a quick profit, their profit-making methods are somewhat questionable. Under these circumstances, American investors may not like to put their money into a long-term development of new technologies in America. This gives Japan an opportunity to attract foreign investment for the establishment of companies that will develop new technologies here. The result? Japan will gain the edge in the development of new core technologies, and create the next generation of key industries. In other words, just like people with new ideas and technical expertise rushed to the Silicon Valley in California in the 1990s, a change in the Japanese tax system could bring a similar rush to Japan. The approach is simple: I wish I had the time to give you the details. Anyway, the first step is to change tax legislation. If the government were to cut taxes for sectors where Japan needs to be more internationally competitive, Western countries would soon be imitating Japan.

Kurokawa: Here’s another example of an effective change in the tax system: if we were to donate 1% of our income tax to the nonprofit organization(s) of our choice (perhaps a local hospital, school or home for the elderly whose institutions would naturally be keen to obtain some of that money so they would keep their doors open, always ready to show they are essential to society, and become quite transparent. And they would become more active partners in the local community. This new tax measure would play a vital role in ensuring the public good. And because taxpayers would know first-hand where some of their income tax was going, they would become more interested in politics. This would raise the social profile of democracy. It’s important that people in a grass root situation think about how to improve the political situation and society. This is essential for democracy.

Seki: We’ve certainly heard some good ideas here today. Changes have to be made right up to the national government level. And if incentives were introduced to attract more capital to Japan in order to develop new technologies, as mentioned a moment ago, those new technologies could be used as soft power to help reduce world poverty. This is a challenge Japan must succeed in.