Support for Practical Skills Training for Young Religious Leaders

This project provides training in practical skills, such as facilitation and non-violent communication, to young religious leaders in four main religions, who will play a leadership role in Sri Lanka in the future. It also aims to help improve these leaders’ ability to use what they learn in everyday situations.

Young participants were selected by a committee of senior religious leaders in each region, and workshops were held for the thirty who were selected in February and March 2010. Eighteen young religious leaders conducted activities at the Manic Farm IOP camp aimed at promoting religious and ethnic reconciliation. Thirty young religious leaders visited southern Thailand November 8–19, 2009 and exchanged ideas with Buddhists and Muslims in conflict zones regarding policies for rebuilding divided communities.

Providence of a Wealth of Information on Cross-Border Economic Activities

Chulalongkorn University, as well as four cooperating institutions in China, Laos, Vietnam, and Myanmar, participated in this project. They have conducted surveys of the relevant literature as well as on-site surveys, including interviews with households, governments, and private corporations in 24 locations where cross-border traffic is most active. The study analyzed the flow of people, goods, and money in the Greater Mekong Sub-Region, as well as the economic and social impacts of efforts to promote regional cooperation, such as tariff and infrastructure investment policies and the East-West and North-South Economic Corridors. While the economic growth of the border regions has been confirmed, other factors that can promote or impede economic exchange have also been identified, such as high land prices and social instability associated with the transformation of farmers into immigrant workers in some areas.

At an international conference held in Bangkok in February 2010, as many as 60 representatives of industrial, government, and private institutions, as well as NGOs, gathered to hear about the results of this study. A report was compiled, serving as a useful resource and an important portal site for information on cross-border economic activities in the Mekong region.

Assistance in Establishing an Intellectual Foundation for Contemporary Japanese Studies in India

The project aims to build the intellectual foundations for contemporary Japanese studies in India by establishing research programs covering such topics as contemporary Japanese politics, economics, and society at the Indian Council for Research on International Economic Relations (ICRIER), a well-known research institution. Within the scope of three years, the project held 10 seminars, workshops, and conferences; published the outcomes through a web site and newsletters; and presented six research papers.

In the final year of this project, an international conference was held on the theme of “India-Japan-China Dialogue on the East Asia Summit Process: The Leadership Conundrum.” In the three years of activities, ICRIER has become established as a center for the dissemination of research on Japan and has contributed to efforts to promote a better understanding of Japan within India. The dedicated website (http://www.icrier.org/indojapan/index.html) has become an important portal site for information on research and exchange activities between Japan and India.
In her speech at the inaugural reception, Hon. Yuriko Koike, member of Japan’s House of Representatives, said, “I hope the Middle East Islam Fund will be a driving force to strengthen relations between the Middle East and Japan.”

SMEIF has launched a website featuring information in Arabic on Japan (www.alyaban.net). In addition to the latest news in Japan, the website also provides commentary on current topics and posts on the views and opinions of the Japanese people. This is the first fully devoted Arabic language website to be constructed and launched in Japan. In the past, people in Middle Eastern Islamic countries have depended on the Western media for information regarding Japan, information that has been filtered through a Western bias. The website therefore plays a valuable role in giving people in Middle Eastern Islamic countries the ability to obtain first-hand information on Japan in Arabic.

The Fund has hosted seminars designed to introduce Japan to Middle Easterners both in and overseas. The seminar for 20 diplomats from Middle Eastern Islamic countries resident in Japan featured a lecture on trends in Japanese politics by Nobuaki Hanaoka, professor at Takushoku University. The seminar gave the diplomats a deeper understanding of Japan.

SMEIF has also hosted seminars featuring specialists from the Middle East (see photos below) speaking on a range of topics related to the region. Symposia giving updates on Iraq and Iran, and on the day-to-day lives of people in Egypt, have helped further the knowledge and understanding of Japanese specialists and journalists with an interest in the Middle East.

A seminar on Japan was held in November 2009 at the Chamber of Commerce and Industry in Istanbul, Turkey. Kenichiro Hamada, president and CEO of the ANA Strategic Research Institute, and Dr. Takeo Ihara, professor at the Graduate School of Social System Studies at the University of Kitakyushu, addressed the approximately 80 participants on the Japanese tourism industry and overall economy. They also lectured to an audience of 350 at Turkmen State University on the tourism industry and post-war reconstruction in Japan. These and other program activities have disseminated information on Japan and fostered understanding between Japan and Middle Eastern Islamic countries.

The Sasakawa Middle East Islam Fund (SMEIF) has been established to update relations between Middle Eastern countries and Japan so that they better reflect today’s circumstances. The Fund was launched May 28, 2009 with a lecture and inaugural reception.
Japan imports more than 80% of its oil from countries in the Gulf, which makes maritime security extremely important to Japan’s energy security. Even so, Middle Eastern specialists in Japan have shown little interest in the issue of security in the Gulf, and no security experts specialize in this region of the world. As a result, maritime security in the Gulf has not been the subject of any research in Japan to date despite its significance for Japan’s energy supply. Discussion and research on the means for improving security in the region, and Japan’s role in doing so, have been lacking.

Under this project, outside specialists were brought in as lecturers for a research meeting held in Tokyo for specialists and businesspeople working in the security field in the Gulf. Expanding on the results of this research meeting, an international symposium entitled “Japan’s Role in the Gulf Region” was held in Bahrain November 3–4, 2009. The symposium was attended by approximately 20 security guarantee experts from Japan, the US, and countries from the Gulf. This international symposium not only provided an opportunity to establish a network of security specialists from these three areas, but also made public both in and outside of Japan areas in which Japan can help ensure maritime security in the Gulf.

Lack of Research on Gulf Security and Japan’s Role in These Efforts

Network of Security Specialists in Japan, US and the Gulf Region

Review of Investment Environment and SPF’s Financial Position

Fiscal 2009 saw the first signs of recovery from the recent financial crisis. Despite the strength of the yen against the dollar, with declining JGB yields, the Japanese economy has stayed on track to a recovery thanks to robust economic conditions in Asia throughout the fiscal year. Overall gains in SPF’s fixed income portfolio also showed a notable recovery.

Signs of recovery from the recent financial crisis and economic turmoil sparked by the collapse of Lehman Brothers in September 2008 started to emerge in fiscal 2009. Emergency financial stabilization measures and huge fiscal outlays made by the US and European governments, as well as bold fiscal policy enacted by the Chinese government, helped world financial markets begin to regain stability in April of fiscal 2009.

The crisis in September 2008 struck exchange markets hard, sending the yen as high as 87 to the dollar by January 2009. However, as subsequent measures taken by Japan and the US to counter this situation took hold, the dollar rebounded, and the exchange rate stood at roughly 100 yen to the dollar at the beginning of fiscal 2009. Despite this initial recovery, however, ultra-low interest rates in the US and the sluggish economic recovery there have brought the yen back up against the dollar gradually throughout the fiscal year.

The financial crisis also sent the Japanese stock market plunging, with the Nikkei Index falling to ¥7,021 on March 10, 2009. Stocks later recovered, and the Nikkei ultimately recorded a 36.8% rise for the fiscal year.

The JGB yield dropped sharply immediately after the financial crisis, with the 10-year JGB yield at 1.155% to end 2008. For fiscal 2009, however, the 10-year JGB yield hovered in the 1.2–1.45% range. The credit spread also gradually contracted during fiscal 2009.

In terms of real economic activities, recovery in the US and Europe remained extremely feeble despite ultra-low interest rates, as the US and Europe struggled with balance sheet adjustments and massive deleveraging took place. China and other emerging economies in Asia were not limited by the restraints of balance sheets. Therefore, economic stimulus measures were effective in bringing about more vigorous economic recovery. The nil interest rate policy in the US is also indirectly boosting recovery in these countries through dollar-based carry trades.

In early fiscal 2009, it was initially feared that the fledgling Japanese recovery would notably decelerate in the latter half of the fiscal year as stimulus measures faded away. However, the Japanese economy sustained a fundamental recovery throughout the fiscal year boosted by robust exports to Asian countries, in particular China.