



**Opening Remarks by KUSAKA Kazumasa
Chairman and CEO of the Japan Economic Foundation (JEF)**

Mr. Ro-myung Gong, Chairman of East Asia Foundation, Dr. Zhang Yunling, Chinese Academy of Social Science, everyone from the Korean, Chinese, and Japanese delegation, and to the audience, it is with great honor to have this opportunity to greet you all to today's symposium. As was kindly introduced, my name is Kazumasa Kusaka, Chairman of the Japan Economic Foundation.

First and foremost, I would like to thank everyone at the East Asia Foundation in convening the 1st CJK Cooperation Dialogue. The symposium of this size and grandeur would not have been made possible if it were not for your hard work, and I am truly grateful to you all. I would also like to acknowledge the kind support from the National Research Council for Economics, Humanities, and Social Sciences in hosting the Dialogue in Seoul.

Japan Economic Foundation has been hosting international conferences every year in Asia Pacific, the U.S., and in European countries to promote mutual understanding between Japan and overseas. Last November when we convened the JEF Asia-Pacific Forum in Canberra, Australia, after the official engagements had concluded, I met with the Korean and Chinese friends to discuss whether there was a possibility for the three countries to engage in a trilateral dialogue. With the hard work by the East Asia Foundation, our discussions led to the preparatory meeting in Seoul this March and then to this magnificent symposium here today. I am overwhelmed and delighted.

We have invited experts from Japan with a breadth of knowledge for each of the sessions at today's symposium. For Session 1 on Political Economy of FTA, we have Mr. Naokazu Takemoto, the ruling Liberal Democratic Party Member of the House of Representatives; Dr. Shujiro Urata of Waseda University, an expert in FTA studies; and Professor Yukiko Fukagawa, an expert in East Asian economies and trade. Dr. Fukagawa is Professor of Waseda University, but is currently with Cambridge University. Mr. Makoto Shioda served as Senior Official to the APEC Meeting in Yokohama, and has played a key role in promoting regional FTAs, and has also supported the small and medium sized enterprises (SMEs) and their responses to regional FTAs, where SMEs are at the core of Japanese economy and local communities. Mr. Shioda serves as the President of the Organization for Small & Medium Enterprises and Regional Innovation, and continues to support businesses of SMEs.

In Session 2 on Emerging Environmental Concerns and Trilateral Cooperation, we have Mr. Shigehito Ibuka, who is both Executive Director of Japan Environmental Management Association for Industry (JEMAI), and Division Manager of the Environment and Safety, Quality

Management Center at HORIBA, a major analytical and processing machinery manufacturer whose diverse businesses also include conservation; and Professor Mitsutsune Yamaguchi of Tokyo University, who specializes in the field of global environment issues. Professor Yamaguchi contributed to the Working Group of the Intergovernmental Panel on Climate Change (IPCC) as its member, and has also played a big role in the policy formulation process of the Japanese government's responses towards global warming. I am certain that the Japanese delegation will all have important and informative contributions to today's discussions.

Countries around the world, however far and remote, are all connected with each other via diplomatic relationships. The same with our three countries, but our relationship extends far beyond such a diplomatic relationship, and as neighbors, we share a wide range of affinity and connectedness. It is worrying, however, that we rely too much on the depth of our affinity and connectedness, and just as our lawn requires care and attention to keep the weeds from growing before permanently damaging our lawn, our relationship also requires effort to maintain and nurture it, or we may fall into complacency.

I look to experts in the field of trade, investment, economics, technology, energy, environment, and others to be more involved in our region. I also see value in bringing together people from the private, public, and academic sector who make diverse contributions to society from different footings. In Japan, diversity, such as empowering women, is seen as key to support revitalization of the Japanese society and economy. Similarly it is ever more important for as many people with diverse expertise as possible, not just limited to those in the region, to engage in the process.

The different aspect of diversity is generational one. Japan is known to be a society of longevity and respect for the elderly, but if the senior generation crowds out the younger generation, we are not sowing the seeds for the future. The role of the senior generation is to help the younger generation be more active. The same applies to our dialogue, and I think it is important that there should be a balanced representation amongst the generations to the dialogue, not only in terms of transferring, but also so that the diversified interests amongst the different generations are reflected. As we gather more interest from the younger generation in thinking about the challenges of this region, there will be more momentum for creating dynamism in this region.

On this year's theme of trade and investment, how economies, societies, local communities, and SMEs have responded to the liberalization process, and learn from the successes and failures is an important and necessary process in moving the economic integration of this region forward. If we are too focused on the mindset of the negotiation process between the inter-government negotiators, and too engrossed with the conflicting issues in the negotiations, we end up only looking at the tip of the iceberg above water. We need to understand the dynamism of how actual

politics took in the resistance of the stakeholders, and of how FTA was utilized to promote structural reform, so that a nation can achieve its vision of a good society. This will lead to a successful growth strategy of this region. We will then often find cases where present concerns are unfounded.

On the theme of environment, I myself have long been involved in the COP negotiations for global warming, and have taken part in the domestic coordination among various stakeholders. Here as well, we cannot just look at environmental issue alone, but we need to look at energy, economics, and technological innovation which allow policy objectives that are often in trade-off relationships to materialize. Solutions cannot be achieved without a comprehensive view and approaches to the issue. For this year, we will not be focusing on CO2, but will be looking at traditional pollution issues like air pollution and water pollution. All of the three countries have each addressed pollution issues and have lessons learned, and I hope that by sharing these lessons and cooperating together, experts in the field and experts in each of the countries, who thus far have been divided, can come together and work towards resolving the issue.

I would like to conclude my remarks by expressing my sincere hope that the bond between Japan, Korea, and China will become stronger through today's symposium.

Thank you very much for your attention.