

Partnerships Challenged by Changing Global Governance – a Report on JEF Activity in FY 2019



Author Naoyuki Haraoka

By Naoyuki Haraoka

Introduction

During the 1990s and 2000s, globalization was considered a positive phenomenon that would create growth and jobs through the free flow of goods, capital and human resources achieved by free trade and investment. It was believed that market mechanisms would always optimize resource allocation and maximize economic welfare. In this light, all policies ensuring free trade and investment were considered good, and the WTO or any regional free trade agreement (FTA) was highlighted as a necessary tool to achieve such optimal economic outcomes. JEF's activities were focused on examining FTAs, such as what specific negotiations would be necessary or what kind of tariff reduction schedules and issues they would cover. The WTO, even then, was considered too large to achieve a quick consensus among its large number of members.

Above all, the United States was still supporting free trade and investment as vehicles of globalization, in the belief that globalization would be the source of growth and jobs. Global governance was driven by US leadership.

As the 2010s progressed, the global political economy shifted into a paradigm change, largely brought about by emerging economies such as China and by digital technology. Digital innovation has enabled developing nations, in particular the emerging economies such as China, to easily catch up with developed nations in industrialization, as knowledge – the most important driving force behind economic development – has been diffused more equally among the developed and developing nations through this technology. There has been a significant decrease in the income gap between wealthy states and poor states as a result (Chart 1).

Developed nations encountered the unexpected rise of highly competitive rivals among the emerging economies. The surge in exports from those countries, particularly China, grew into a threat to economic growth and jobs for developed nations, and so globalization has come to be considered less of an opportunity than a threat. It is not only trade but also immigration from developing nations that has posed a threat to jobs in developed nations.

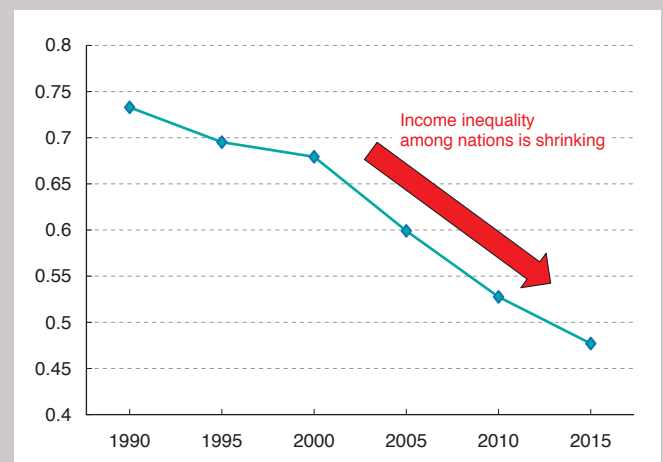
Reflecting this significant change in the implications of globalization, the US has become reluctant to take any leading initiative in promoting international rules to support it. Instead it has been attempting to protect its domestic interests and industries

against emerging countries, particularly China. The US is not the only country to see a rise in nationalism. In China, President Xi Jinping is nostalgic for the Communist China of the 1960s, when President Mao Zedong had complete power as a nationalist leader, and this is reflected in Chinese foreign and economic policy today. For example, the “One Belt, One Road” initiative promoting infrastructure projects in Asian and East European nations and even in Africa may be appreciated by these developing nations, but at the same time it attempts to force them to become China's allies. These two brands of nationalism collided in 2018 and 2019, resulting in the outbreak of the US-China trade war, with tariffs raised on both sides.

This trade war should not be interpreted simply as trade friction but as a cold war for global hegemony. Digital technology again plays a key role in this. The US concern about the possible theft of sensitive technologies by Chinese companies engaged in trade with the US and other developed nations' companies, and the risk of cyberattacks by those Chinese companies on the US, leads to further concerns about its national security. Digital technology has thus combined with trade friction on the issue of national security. Policy practitioners today in the US and other developed nations share this concern and argue that we are entering an age in which economics

CHART 1

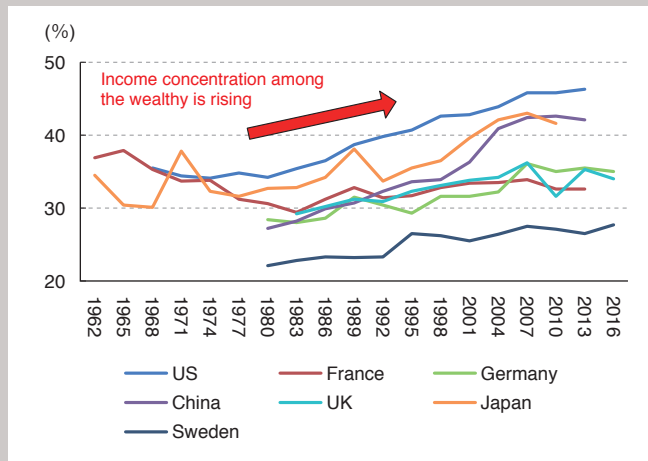
Trend of GINI coefficient among nations



Source: METI based on Francois Bourguignon (2015)

CHART 2

Percentage of income concentrated in top 10% of wealthy



Source: METI based on world inequality database

and national security must be discussed together.

Another factor complicating trade policy issues is the impact on domestic politics of more nationalistic approaches. If nationalism today can be largely interpreted as anti-globalization, it could be strengthened by the increasing income gaps in developed nations (Chart 2). Poor people in developed nations tend to believe that the increasing income gaps between the wealthy and the poor are caused by globalization, as they are exposed to the risk of unemployment due to immigrant labor, as well as rising imports from emerging economies. But this may not be wholly true, as in many cases new technology could create a greater income gap between those people who adjust to innovation and those who fail to adjust. Nonetheless, the perception of such consequences of globalization would spur further anti-globalist sentiment and work to constrain it.

Thus, we need to pursue “better globalization” while recognizing these two constraints – national security concerns stemming from geopolitical risks, and more nationalistic domestic politics. What makes this more challenging is the decline in US leadership and China’s emergence as a superpower. We will need to take a holistic approach in pursuing “better globalization” by not focusing solely on trade policy issues but also on all issues related to trade including geopolitics and domestic politics.

Our JEF policy forums in FY 2019 were based on this conceptual framework and conducted with each of our partner countries and regions, namely the US, the European Union, the Asia-Pacific region and East Asia (China and South Korea).

Japan-US Forum 2019

The Japan-US Forum 2019 was held on May 17, 2019 in Washington, D.C. in collaboration with the Paul H. Nitze School of Advanced International Studies (SAIS) of Johns Hopkins University.

The title of the forum was “The United States and Japan in a Globalizing World”. It highlighted changes in global politics and in domestic politics in developed nations, in line with the changing nature of globalization and its impacts. Based on observations about these changes, we studied the possibility of solid rules-based global governance in dealing with them in the last panel. Notable remarks in the panel’s discussions were as follows:

There is a consensus that the multilateral global governance system has started to deteriorate. The lack of strong US support for it is obviously behind this, but there are also some other reasons. One of the main ones is the speed of technological progress in the digital field. Existing WTO rules have become obsolete with these emerging digital technologies. We will need to have new or strengthened rules on e-commerce or intellectual property rights (IPRs). The emergence of China has also provided a need for new rules on state enterprises, as the main sources of Chinese industrial competitiveness are government-subsidized state enterprises. We will need rules for fair competition between Chinese state enterprises and private companies in the rest of the world. International harmonization of competition policy is another goal to be achieved by new multilateral rules. The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), a mega-regional FTA in the Asia-Pacific, is a rather ambitious attempt at rule-making on data flows, reflecting the consequences of the digital technology revolution, while the US-Mexico-Canada Agreement (USMCA), a new NAFTA, does not have such rules.

It should be noted that the WTO has been functioning as a venue not only for multilateral rule-making but also for dispute settlement. Thus its role has been rapidly declining in everyday trade and investment business transactions, and this has provoked serious complaints among its member countries. This is truly a warning sign for global trade. The continuing US-China trade war could erode the WTO system further and lead to a significant slowdown in global trade growth, which could bring about a global recession.

The crucial question is where are we now in facing such a significant challenge? It will be an intellectual struggle to analyze all the risks and challenges we face and interpret them, but in doing so



Japan-US Forum 2019

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Japan-US Forum 2019

The United States and Japan in a Globalizing World

Date: Friday, May 17, 2019

Venue: Johns Hopkins University School of Advanced International Studies (SAIS), Washington, D.C.

Session I: Domestic and International Transformations

Panel I: Emerging Geopolitical Risks

Moderator: Kent E. Calder, Vice Dean, Johns Hopkins University (SAIS)

Speakers on US Side:

- David Shear, McLarty Associates. Recent US Assistant Secretary of Defense for East Asian and Pacific Affairs, as well as US Ambassador to Vietnam.
- Hal Brands, Henry A. Kissinger Distinguished Professor of Global Affairs at the Johns Hopkins School of Advanced International Studies (SAIS). Former Special Assistant to the Secretary of Defense for Strategic Planning

Speaker on Japan Side:

- Yoriko Kawaguchi, Visiting Professor, Musashino University, Distinguished Fellow, the Tokyo Foundation for Policy Research; and former Minister for Foreign Affairs, Japan

Panel II: Domestic Transformations

Moderator: Naoyuki Haraoka, Executive Managing Director, JEF

Speakers on US Side:

- Yascha Mounk, SAIS/Johns Hopkins University. Formerly Lecturer on Government, Harvard University; and Commentator, the Wall Street Journal.
- Daniel Bob, Senior Fellow, Reischauer Center, SAIS; and former Legislative Assistant to Senator William Roth, Chairman, US Senate Finance Committee.

Speaker on Japan Side:

- Naoyuki Yoshino, Dean, Asian Development Bank Institute; and Professor Emeritus, Keio University

Luncheon Speaker

“The AI context of Future US-Japan Relations”

James Shinn, former Assistant Secretary of Defense for East Asian and Pacific Affairs; and Technological Entrepreneur

Session II: Toward Stronger, Rule-Based Globalization

Moderator: Joshua White, Associate Professor, SAIS/Johns Hopkins University; and former Director for South Asian Affairs, US National Security Council

Speakers on US Side:

- Jacob M. Schlesinger, Senior Correspondent in the Wall Street Journal Washington bureau, covering trade and globalization
- Kenneth I. Levinson, Executive Director, Washington International Trade Association

Speaker on Japan Side:

- Soichiro Sakuma, Senior Advisor to CEO, Nippon Steel Corporation

Closing Session.

- Kazumasa Kusaka, Chairman and Chief Executive Officer, JEF
- Kent Calder, Vice Dean, Johns Hopkins University (SAIS)

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we should take note that they contain a mixture of economics and national security issues, as represented by cyber risks or sensitive technologies. This means that in discussing new rules on national security, we cannot differentiate anymore between security experts and private business, since the latter could become involved at any

time in national security incidents.

Another crucial and fundamental question is what kind of “better globalization” to pursue. The answer could differ depending upon the nation. The US, China and Japan surely have different dreams. How can we find a consensus among them? This will be a task for experts used to an interdisciplinary approach and knowledgeable about economics and national security. A silo-approach would not work anymore ([Agenda](#)).

Japan-Europe Forum 2019

The Japan-Europe Forum 2019 was held on July 2, 2019 in Paris in collaboration with The Aspen Institute France. Under the title “Japan and Europe: Enduring Partnerships Amid Global Changes”, participants discussed the issues emerging in pursuing a permanent partnership between Japan and the EU in light of a rise in nationalism in the major economies, the Fourth Industrial Revolution, a decline in US leadership and the emergence of China as a superpower in global governance.

The issue which made a significant difference between this forum and the forum with the US was the focus on economic growth both in Japan and the EU as a goal to be achieved for sustainable global prosperity, and thus exchange of information on growth strategies was considered mutually beneficial. Both economies are facing the same challenge – declining growth potential due to aging – making growth potential somewhat lower than in the US. With increasing constraints to fiscal and monetary policy due to snowballing government debt and continuing low interest rates on both sides, structural economic reforms to raise labor productivity will be key to growth strategies. The decline in population due to an aging society is another challenge for economic growth in Japan and the EU nations. The introduction of AI and robots to complement human labor, more foreign workers, and more female labor were examined as possible solutions.

In the case of Japan, in particular, there was concern about external trade as a drag factor on growth due to the current trade war between the US and China. This could force Japanese businesses to



Japan-Europe Forum 2019

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Japan-Europe Forum 2019

Japan and Europe: Enduring Partnerships Amid Global Changes

Date: Tuesday, July 2, 2019

Venue: Fondation Del Duca, 10 rue Alfred de Vigny, Paris

Welcome Remarks & Introduction

Jean-Luc Allavena, Chairman of the Board, Institut Aspen France
Kazumasa Kusaka, Chairman and CEO, Japan Economic Foundation

Keynote Address

Bruno Le Maire, French Minister of the Economy and Finance

Session 1: Strategies for growth amid world economic slowdown

Moderator: Philippe Manière, Member of the Executive Committee, Institut Aspen France

Speakers:

- Takatoshi Ito, Ph.D., Professor, Columbia University, USA, and Senior Professor, National Graduate Institute for Policy Studies, Japan
- Aspen France: Thierry Bolloré, Managing Director, Groupe Renault

Session 2: The rise of populism and its impact on domestic political options, social stability, and globalization

Moderator: Naoyuki Haraoka, Executive Managing Director, JEF

Speakers:

- Sota Kato, Ph.D., Executive Director and Research Director, Tokyo Foundation for Policy Research and Professor, International University of Japan
- Aspen France: Anne Lauvergeon, Former CEO, Areva; President, ALP SA

Session 3: The emerging new order in a globalized world

Moderator: Philippe Manière, Member of the Executive Committee, Institut Aspen France

Speakers:

- Maurice Gourdault-Montagne, Secretary General, Ministry of Europe and Foreign Affairs, France
- Hideo Suzuki, Managing Executive Officer, Nippon Steel Corporation
- Masahiko Yamamoto, Acting General Manager, Global Research Team Leader, Global Strategy and Regional Management Department, Mitsubishi Corporation

Closing remarks

- Jean-Luc Allavena, Chairman of the Board, Institut Aspen France
- Kazumasa Kusaka, Chairman and CEO, Japan Economic Foundation (JEF)

trade war and also checking the superpowers' unilateralism. With WTO reform, we could expect the establishment of a transparent and effective trade policy surveillance system, and a more functional dispute-settlement mechanism and multilateral rule-making mechanism. However, EU-Japan cooperation on new rule-making in the future on state enterprises, industrial subsidies, technology transfer, e-commerce and IPR protection could also contribute to achieving a new global order. With such cooperation, the conclusion of the Regional Comprehensive Economic Partnership (RCEP) as well as a possible expansion of membership of the CPTPP including China would lead to deepening cooperation between China, Japan and the EU. In combination with bilateral cooperation with the US, this could help create a new global order eventually (*Agenda*).

Asia-Pacific Forum 2019

The Asia-Pacific Forum 2019 was hosted by Malaysia on Oct. 16 in Kuala Lumpur in collaboration with a Malaysian think tank – the Institute of Strategic and International Studies (ISIS) – that has expertise on political security. The title of the forum was “The Future of the Asia-Pacific Economies Beyond 2020”. With 17 participating countries and regions in the Asia-Pacific area, we focused on the discussion on how this region can achieve better globalization in coping with the challenges from more inward-looking policies and rising digital technologies.

Inclusive growth and equal distribution was considered a key policy goal for the region in achieving better and sustainable globalization. Sufficient structural reforms will be necessary to lessen inequalities and at the same time achieve a resilient and robust economy. Structural reforms will also be imperative for this region to enjoy the benefits of free trade to a maximum extent. There was concern that rising populist politics could hamper and retard meaningful structural reforms and eventually exacerbate inequality. In the Asian economies, expanded inequality could lead to the middle-income trap, meaning the lack of a robust middle-income class with massive consumption capacity. This would be a drag on their economic growth.

reform their supply chains in Asia in future decades, and this would affect European businesses as well in the future.

On the issue of rising anti-globalization sentiment in the US and Europe which would hinder rules-based globalization, it was noted that in Japan such sentiment has never been apparent. This could be considered a political success of the current Japanese administration which is promoting the positive economic aspects of free trade, such as TPP11, among the nation. In this regard Japan is free from political constraints on trade and investment and is still freely able to advocate for the merits of free trade for economic growth.

This forum also highlighted the need for a new global order to take precedence over the two superpowers' cold war for global hegemony and how to achieve it. The recently signed EU-Japan FTA was expected to play a key role in mitigating the negative impacts of the



Asia-Pacific Forum 2019

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Asia-Pacific Forum 2019

The Future of the Asia-Pacific Economies Beyond 2020

Date: Wednesday, October 16, 2019

Venue: Westin Hotel Kuala Lumpur

Welcoming Remarks

Tan Sri Rastam Mohd Isa, Chairman and Chief Executive, Institute of Strategic and International Studies (ISIS) Malaysia

Welcome Remarks

Kazumasa Kusaka, Chairman and Chief Executive Officer, Japan Economic Foundation (JEF)

Keynote Address by

YB Dr Ong Kian Ming, Deputy Minister, International Trade and Industry (MITI) Malaysia

Panel Session 1: Prospects and Issues for the Future Sustainable and Inclusive Growth in the Asia-Pacific Region

Moderator: Dr Josef T Yap, Senior Technical Advisor, ASEP-CELLs Project, Ateneo School of Government

Panelists:

- Prof Shujiro Urata, Professor of Economics, Graduate School of Asia Pacific Studies Waseda University
- Dr Man-jung Mignonne Chan, Co-Founder and Chief Strategy Officer, Forum on Humanities
- Prof Gary Hawke, Emeritus Professor, Victoria University of Wellington
- Dr Wisam Pupphavesa, Senior Advisor, Thailand Development Research Institute (TDRI)
- Dr Vo Tri Thanh, Chairman, Vietnam National Committee for Pacific Economic Cooperation (VNCPEC)
- Alizan Mahadi, Senior Fellow, Technology, Innovation, Environment and Sustainability (TIES), Institute of Strategic and International Studies (ISIS) Malaysia

Panel Session 2: Progress of Regional Integration in the Asia-Pacific Region and Its Outlook

Moderator: Prof Tham Siew Yean, Senior Fellow, ISEAS-Yusof Ishak Institute

Panelists:

- Dr Zhong Feiteng, Head and Professor, National Institute of International Strategy, Chinese Academy of Social Sciences (CASS)
- Amb Murray McLean AO, Chairman, Dunmore McLean Pty Ltd
- Datuk Seri Jayasiri Jayasena, Former Secretary-General, Ministry of International Trade and Industry (MITI), Malaysia
- Dr Khin Maung Nyunt, Senior Research Fellow, Myanmar Development Institute (MDI)
- Anita Prakash, Director of Policy Relations, Economic Research Institute for ASEAN and East Asia (ERIA)
- Dr Juita Mohamad, Fellow, Economics, Trade and Regional Integration (ETRI), Institute of Strategic and International Studies (ISIS) Malaysia

Panel Session 3: New Challenges for Achieving Economic Prosperity

Moderator: Naoyuki Haraoka, Executive Managing Director, Japan Economic Foundation (JEF)

Panelists:

- Dr Ahn Choong-yong, Distinguished Professor, Graduate School of International Studies, Chung-Ang University
- Dr Yose Rizal Damuri, Head of Department of Economics, Centre for Strategic and International Studies (CSIS)
- Dr Josef T Yap, Senior Technical Advisor, ASEP-CELLs Project, Ateneo School of Government
- Assoc Prof Simon SC Tay, Chairman, Singapore Institute of International Affairs (SIIA)
- Dr Priyadarshi Dash, Assistant Professor, Research and Information System for Developing Countries (RIS)
- Farlina Said, Analyst, Foreign Policy and Security Studies (FPSS), Institute of Strategic and International Studies (ISIS) Malaysia

Closing Remarks:

- Tan Sri Rastam Mohd Isa, Chairman and Chief Executive, Institute of Strategic and International Studies (ISIS) Malaysia

Meanwhile, the new digital technologies of the Fourth Industrial Revolution have a disruptive nature and whether Asian countries can take full advantage of new technologies will depend upon their readiness to adapt to such changes. Again, in this context as well, populism could negatively affect the willingness to react to such disruptions. Human resources development as well as infrastructure development will be important prerequisites for these nations to allay the negative reactions to these disruptive changes.

Lastly, the participants surveyed the progress of regional integration. ASEAN integration is under progress. The CPTPP has been realized and the RCEP agreement is close to realization. It was also noted that these trade liberalization measures had promoted the establishment of intra-regional supply chains. Maintaining and developing free trade beyond 2020 and eventually achieving regional integration in the midst of anti-globalization sentiment and protectionist measures, as well as the recent US-China trade war, would lead to institutional solutions relevant to the challenge of having no rules-based global governance ([Agenda](#)).

CJK Cooperation Dialogue 2019

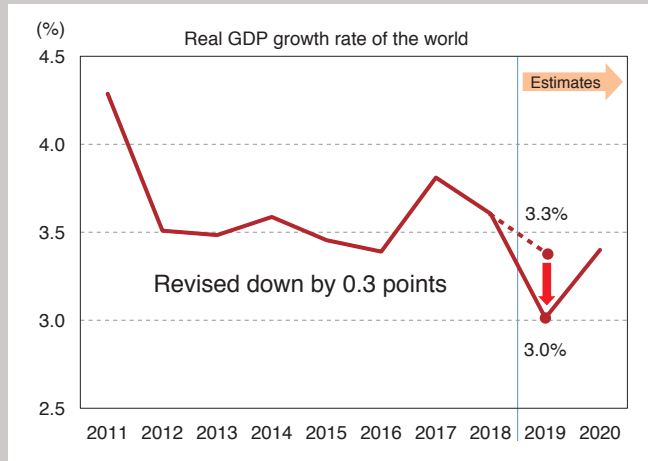
The 6th Cooperation Dialogue among China, Japan and South Korea (CJK), core countries in Asia-Pacific cooperation but occasionally embroiled in political confrontations with each other, was held on Dec. 6 in Tokyo in collaboration with the China Institute for Reform and Development (CIRD) and China Foreign Affairs University, and South Korea's East Asia Foundation. How we can realize sustainable and inclusive growth amid the risks to the global economy was the theme of the dialogue, quite similar to the one in the Asia-Pacific Forum 2019.

A significant slowdown in global economic growth as well as world trade was noted in a keynote address by Chairman and CEO of JETRO Nobuhiko Sasaki ([Charts 3 & 4](#)). He also noted a rapid deterioration of business sentiment among Japanese companies in Northeast Asia, possibly due to the slowdown in global trade ([Chart 5](#)). These negative findings could be evidence of the emerging negative impact of the US-China trade war or of rising protectionism.

The first crucial question discussed in this dialogue was how the

CHART 3

Downward revision of economic growth



Source: IMF "World Economic Outlook (October 2019)"

Presented by Nobuhiko Sasaki, chairman and CEO, Japan External Trade Organization (JETRO) at the Keynote Address at the 6th CJK Cooperation Dialogue

three countries could mitigate this negative impact and turn trade and investment into opportunities for inclusive growth. The CPTPP was considered as a platform to achieve it and it was noted that the participation of China and South Korea could be effective in forming a countervailing power against protectionism. Another solution might be to create a new supply chain through the three countries' cooperation in technology, assuming that existing supply chains could be damaged by the US-China trade war. The RCEP was another mega-regional FTA expected to work well and was considered a stepping stone to Asian regional economic integration, as the CJK

CHART 4

Downward revision of world trade

World trade in goods (in real terms) (YOY)

(Unit: %, point)

		2017	2018	2019 (Forecast)	Difference from April forecast	2020 (Forecast)	Difference from April forecast
World Total		4.6	3.0	1.2	△1.4	2.7	△0.3
Export	Developed	3.6	2.1	0.4	△1.7	2.2	△0.3
	Developing	5.6	3.5	2.1	△1.3	3.4	△0.3
	North America	4.2	4.3	1.5	△1.2	3.6	△0.1
	Europe	3.7	1.6	0.6	△1.2	1.7	△0.3
Import	Asia	6.8	3.8	1.8	△1.9	3.8	△0.3
	Developed	3.3	2.5	1.6	△0.3	1.2	△0.7
	Developing	6.8	4.1	1.1	△2.5	4.3	0.4
	North America	4.0	5.0	2.9	△0.7	2.1	△0.4
	Europe	2.9	1.1	0.4	△0.6	0.9	△1.2
	Asia	8.3	5.0	1.3	△3.3	3.9	0.2

Source: Press releases of WTO in April and October 2019

Presented by Nobuhiko Sasaki, chairman and CEO, Japan External Trade Organization (JETRO) at the Keynote Address at the 6th CJK Cooperation Dialogue

could conclude their own FTA within the RCEP as its members. Any other plurilateral FTA on specific sectors like digital technology would be welcome. The CJK should pursue new rules on data flows and work on other new rules not covered by the WTO, such as competition policy, trade and investment, and IPR protection in the digital economy. Future-oriented cooperation among the three countries would maintain the dynamism of free trade and help create better globalization. It was stressed that East Asia should be independent from the US economy.

The environment, digital technology, populism and aging populations were examined as important factors affecting inclusive growth. Environmental cooperation among the CJK to mitigate air pollution and marine plastic waste was raised, and it was also considered important to change existing mindsets to achieve green growth when applying new digital technologies like AI and IoT to local energy supply systems corresponding to the needs of aging local communities suffering from depopulation. Digital technology as such could contribute to the welfare of local communities as well as high-quality care for elderly people. In coping with the negative impact of new technologies, such as labor being replaced by AI or IoT, it was mentioned that the three nations could promote productive cooperation for lifelong human resources development or social safety nets to save people from unemployment.

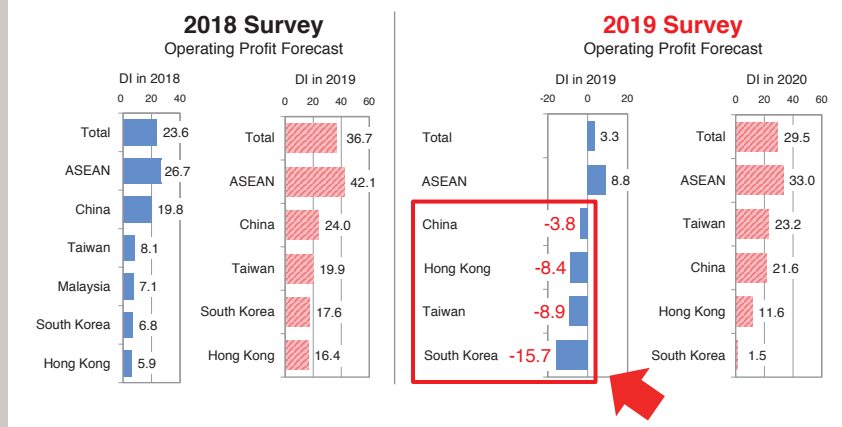
The discussion on aging societies in the last panel was very successful. We noted a

CHART 5

Deterioration of sentiment among Japanese companies in Northeast Asia

All negative, first in 10 years

Rapid deterioration of sentiment of Japanese companies in Northeast Asia



Source: "FY 2019 Business Conditions of Japanese Companies in Asia and Oceania"

Presented by Nobuhiko Sasaki, chairman and CEO, Japan External Trade Organization (JETRO) at the Keynote Address at the 6th CJK Cooperation Dialogue

Agenda

**The 6th CJK Cooperation Dialogue
Toward the Realization of Sustainable and Inclusive Growth –
amid Increasing Risks to the Global Economy**

Date: Friday, Dec. 6, 2019

Venue: Sakura Room, 4th Floor, Main Building, Imperial Hotel, Tokyo

Opening Remarks

- [Japan] KUSAKA Kazumasa, Chairman and CEO, Japan Economic Foundation (JEF)
- [China] Dr. CHI Fulin, President, China Institute for Reform and Development (CIRD)
- [ROK] Amb. GONG Ro-myung, Chairman, East Asia Foundation (EAF)

Keynote Address

SASAKI Nobuhiko, Chairman and CEO, Japan External Trade Organization (JETRO)

SESSION 1 Mid-and-Long-term Policy Issues for Raising Potential Growth Ability – Opportunities and Risks

Panel 1: Opportunities for Growth – Trade and Investment

Moderator: Prof. ZHANG Yunling, Professor and Academician, Chinese Academy of Social Sciences (CASS)

Speakers:

- [ROK] Dr. AHN Choong-yong, Distinguished Professor, Graduate School of International Studies, Chung-Ang University
- [Japan] Prof. URATA Shujiro, Professor of Economics, Graduate School of Asia Pacific Studies, Waseda University
- [China] Prof. ZHANG Yunling, Professor and Academician, Chinese Academy of Social Sciences (CASS)
- [ROK] Dr. KIM Kyungsoo, Professor of Economics Emeritus at Sungkyunkwan University
- [Japan] Prof. FUKAGAWA Yukiko, Professor, Department of Political Science and Economics, Waseda University
- [China] Dr. JIANG Ruiping, Former Vice President, China Foreign Affairs University

Panel 2: Risks to Inclusive Growth - Populism, Environmental Concerns, and Opportunities and Negative impacts of Industry 4.0 and the Digital Revolution on Society and Employment

Moderator: Dr. AHN Choong-yong, Distinguished Professor, Graduate School of International Studies, Chung-Ang University

Speakers:

- [Japan] Dr. KATO Sota, Executive Director and Research Director, Tokyo

Foundation for Policy Research

- [China] Prof. JIANG Ruiping, Former Vice President, China Foreign Affairs University
- [ROK] Dr. KIM Sang-hyup, Visiting Professor, Graduate School of Green Growth, College of Business, Korea Advanced Institute of Science and Technology (KAIST)
- [Japan] Prof. MATSUSHITA Kazuo, Professor Emeritus, Kyoto University Senior Fellow, Institute for Global Environmental Strategies (IGES)
- [China] Prof. YIN Zhongyi, Advisor to the President and Research Fellow, China Institute for Reform and Development (CIRD)
- [ROK] Dr. KIM Jin Young, Director for Asia, Global Green Growth Institute (GGGI)
- [Japan] Dr. ABE Tsuyoshi, Senior Vice President, Head of Marketing Headquarters, Yokogawa Electric Corporation

Special Speech

The Honorable FUKUDA Yasuo, Former Prime Minister

Session 2 Declining and Aging Populations – Their Socio-economic Impacts and How to Cope with Them

Moderator: HARAOKA Naoyuki, Executive Managing Director, Japan Economic Foundation (JEF)

Introduction of Issues: NISHIKAWA Kazumi, Director, Health Industries Division, Commerce and Service Industries Division, Ministry of Economy, Trade and Industry (METI) of Japan

Moderator:

- [China] Dr. CHI Fulin, President, China Institute for Reform and Development (CIRD)
- [ROK] Dr. YI Insill, Professor, Graduate School of Economics, Sogang University
- [Japan] Dr. YOSHINO Naoyuki, Dean and CEO, Asian Development Bank Institute (ADBI)
- [China] YANG Rui, Vice President, China Institute for Reform and Development (CIRD)
- [ROK] Dr. KIM Jung-sik, Professor Emeritus, School of Economics, Yonsei University
- [Japan] Prof. OGURO Kazumasa, Professor, Faculty of Economics, Hosei University

Closing Remarks

KUSAKA Kazumasa, Chairman and CEO, Japan Economic Foundation (JEF)



The 6th CJK Cooperation Dialogue 2019

high interest in this issue among participants, since all three nations are now facing rapid aging and consequent challenges, such as rising pressure to reduce productivity, increase fiscal expenditure for social welfare, and secure job opportunities for the elderly. This is certainly a challenge to inclusive growth.

We also noted many issues to be explored in future meetings, such as how to prolong healthy lifespans to enable elderly people to work longer and save on welfare expenditure, how to keep high-quality caregivers, and how to raise the birth rate (*Agenda*). JS

Naoyuki Haraoka is editor-in-chief of *Japan SPOTLIGHT* & executive managing director of the Japan Economic Foundation (JEF).