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In the Global Community

—Its Role and Contribution On the Eve of the 21st Century—

By Harumi Sakamoto

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The Round Table Discussion on Japan in the Global Community, convened by Vice Minister Keiichi Konaga of the Ministry of International Trade and Industry (MITI), published a report on April 18, 1986, on the discussions it had conducted since September last year. Dr. Yasusuke Murakami of the University of Tokyo served as chairman of the round table discussion and Dr. Yutaka Kosai of the Tokyo Institute of Technology served as deputy chairman.

The round table discussion was inaugurated to conduct an exhaustive discussion of the role Japan should play as a member of the global community and of the contributions it should make to that community in the years leading up to the 21st century. The basic thinking was that cooperation and collaboration among nations is essential if the global community is to enjoy peace and prosperity in the future. In order to examine a wide range of problems from a long-range perspective, it was believed essential for the round table to discuss not simply the economy but a wide range of fields, from international politics to social and cultural matters, and to do so using an interdisciplinary approach. In line with this thinking, 26 members, including 10 foreign nationals, were selected from among specialists and scholars working in various areas.

It was an unprecedented undertaking, not only for MITI but also for the entire Japanese government. The fact that a basic agreement was reached through the discussions amply justified this pro-



gram. The report was voluminous, its Japanese-language original running to 112 pages and its English-language version to 69 pages. It set out the ideal future of Japan and indicated the course to follow in order to attain it. Consequently, the report deals heavily in conceptual matters. Ongoing discussions are needed on ways to implement the aims set forth in the report.

It is sincerely hoped that individuals, corporations and government agencies will conduct their own discussions in a broader context based on this document. It is also hoped that, within an international society in which interdependence can only increase, Japan, together with the rest of the world, will continue to address the task of contributing to the global community.

Summary of the report

Historical perspectives on Japan in the global community (part I)
—Why consider Japan in the global community now?—

Society has achieved remarkable progress since the Industrial Revolution of the 18th century. Now, however, we face an age of radical change triggered mainly by advances in information-related technology. A new industrial revolution is about to take place, and the birth of a new industrial society is imminent. Not only the global economic structure but also political and social systems will be affected.

Amid such environmental shifts, the system of global management itself is expected to change greatly. The overwhelming supremacy of the United States and the Soviet Union as based on their nuclear arsenals will not change drastically and the dual dominance of the U.S. and the U.S.S.R. is expected to continue. In the international economy, however, the United States is finding it



increasingly difficult to shoulder the responsibility of stabilizing the international economic system. Under the postwar free economic system, interdependence among nations has increased concomitantly with the expansion of industry and trade. As a result, although mutual understanding among nations has deepened, the number of parties involved in international exchanges has increased, thus aggravating possible friction.

To be fair, every nation should be required to share the costs of international public goods and to collaborate in managing the world economy. Under the new global management system, every country must not only give top priority to its own national interests but also be flexible in coordinating domestic and international interests. At the same time, it is important for people in each country to become more fully aware of the need for international collaboration and solidarity and to cultivate a consciousness of being part of the global community.

Based on this awareness, Japan, which has made rapid progress under the postwar free economic structure and which is now taking on the fresh challenges of technical innovation and reform of its industrial structure, must reconsider its role in and contribution to the global community from the standpoint of promoting global peace and prosperity. Moreover, Japan must make positive efforts toward increased international involvement, while maintaining its cultural uniqueness.

Japan's role in and contribution to the global community (part II)
—Basic thinking and direction of future efforts (seven-point proposal)—

There are three basic courses which Japan must follow.

First, Japan should change its passive role as a small nation and, on its own initiative, participate in the global management system. As one of the principal supporters of this system, Japan should willingly shoulder the cost of supplying international public goods. In order to do this, Japan should cultivate an awareness of the global community and endeavor to harmonize its domestic and international interests.

Secondly, Japan should pursue future development in such a way that while achieving sufficient economic growth, it can use its economic vitality to contribute to the development of the global community, not only in an economic sense, but in other senses, including cultural, as well.

Thirdly, Japan as an Asian country should make major contributions to the region's stability and economic development. In other words, Japan should channel Asia's economic vitality into development of the entire world, while forging well-balanced relationships of mutual interdependence in economy, culture and personnel exchange and promoting an open system of regional cooperation, including cooperation in energy and information orientation.

With these basic aims in mind, the round table discussion made the following seven-point proposal regarding Japan's role in and contribution to the global community.

(1) Further expansion of free trade

- Japan should make the benefits of free trade available equally to all nations. In this context, the liberalization of imports of currently restricted products should be accelerated, and the domestic market made more accessible to foreign products, providing export opportunities to developing countries.

- As regards emergency industrial adjustment measures for declining industries and steps to foster high-tech industries, Japan should push for the establishment of a much-needed new international order. While maintaining the system of international competition, it should take care that this will not adversely affect trade.

(2) Toward structural policy coordination

- In order to stabilize international currencies and rectify macroeconomic imbalances, Japan should aggressively promote international policy coordination through fiscal and financial measures and seek to improve conditions for facilitating international economic policy coordination.

(3) Encouraging mutually beneficial direct investment

- In order to utilize its savings surplus and business management resources to contribute positively to the global community, Japan should vigorously promote direct investment overseas as an excellent way of transferring technology and skills through human contact.

- In order to make direct investment a welcome and significant contribution to the development of the host country, it is important for Japan not only to distribute

the returns of investment appropriately but also to train local engineers and to employ and promote local people to higher positions.

(4) Japanese corporations and internationalization

- Japanese corporations must realize that some institutional systems inherent to Japan, such as the lifetime employment system, will undergo gradual change as the international convergence of management progresses in the future.

- Even as they promote institutional restructuring and international activities, it is important for Japanese corporations to remember the principle that people are the most fundamental source of a firm's economic activity.

(5) Human, scientific and technological exchange

- In promoting well-balanced mutual interchange on a day-to-day level to deepen mutual understanding, it is vital that Japan make itself an arena for human, scientific, technological and educational exchanges.

- Japan should carry out a sweeping reform of its system for accommodating foreign students and trainees by instituting student and human resources exchange programs and allowing flexibility in the school term system. At the same time, Japan should strengthen its system for training engineers from developing countries, open up national research institutes to foreign researchers, expand the "working holiday" system, and improve Japanese language training institutions both inside and outside Japan.

(6) Positive response to North-South problems

- In order to support the self-help development of countries in the South, Japan should provide economic and technical cooperation, both official and private, while striving on its own initiative to open up the markets of advanced coun-

tries and to minimize foreign exchange rate fluctuations.

- In dealing with the problem of poverty and famine, Japan should focus on the population problem and actively provide needed support. Moreover, Japan should promote afforestation and other land-use programs.

(7) Efforts for security and world peace

- Japan should improve its defense capability in line with its basic principle of a defense-oriented posture, while contributing to regional security, particularly through economic cooperation in Asia. This will also help stabilize the international political situation. At the same time, Japan should work through international organizations to achieve peace and settle disputes.

The Japanese in the global community (part III)
—Natural behavior and social conditions for international compatibility

If Japan is to develop stronger ties among nations the Japanese people must first enjoy balanced affluence at home and accept part of the burden of contributing to the global community. Secondly, the Japanese must learn to accept disparate value systems and to coexist with people of different lifestyles. Thirdly, the Japanese must foster in themselves a "sense of belonging to the global community" which transcends language barriers.

In order for each Japanese to change his or her awareness in the ways indicated above, Japanese society should not wait for international pressure or the rise of a new generation. Rather, it should try now to improve the living environment, including housing and the social infrastructure, and endeavor to bring about change in various fields, including social systems, customs, education and, particularly, English-language education. ●