

June 30, 2005

Japan's Beneficent Potential (1)

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During my 7 1/2 years of service in the 1990s as deputy secretary general of the Organization for Economic Cooperation and Development, I initiated a research project that produced, in 1997, a report titled "The World in 2020: Toward a New Global Age." In the course of this research I assumed that the 21st-century world economy would evolve into a tripolar structure comprising an enlarging European Union, an expanding North American free-trade area and a dynamically developing Asian economic zone.

On that premise, I came to believe that an East Asian Community must be established if Japan and Asia are to develop a mutually beneficent relationship with the EU and NAFTA. Since returning to Japan in 1997, I have talked and written on this subject extensively, but the responses have not necessarily been keen until quite recently.

The initiative for regional integration in East Asia came from the 10-member Association of Southeast Asian Nations, which had been hard hit by the 1997 Asian currency crisis. To prevent a similar bout of financial turmoil, ASEAN created a formula for regional integration known as ASEAN-plus-Three (Japan, China and South Korea).

It is China, however, that took the initiative in expanding this circle of regional cooperation to include free-trade agreements and economic partnership agreements. China has already decided to conclude a broader EPA (including an FTA) with ASEAN by 2010. Japan and South Korea also plan to sign an FTA and EPA separately with ASEAN by 2012 and 2009, respectively.

These moves are welcomed as the first step toward creating an East Asian Community. But the problem is that Japan, China and South Korea, the three top economic players in East Asia, are lagging considerably in their efforts toward concluding FTAs and EPAs among themselves. Japan and South Korea are negotiating to sign agreements by yearend, but the prospects are not favorable. As for China, there is no sign yet that talks will get started soon.

ASEAN has a vital role to play in the integration of East Asia. Still, the cooperation of Japan, China and South Korea is essential for creating a truly effective East Asian Community. We cannot ignore the fact that the three nations account for more than 90 percent of the combined gross national income of ASEAN-plus-Three.

What is causing the discord among the three nations? Strained political relations between Japan and the other two, particularly China, are making it difficult to foster mutual understanding and a "sense of community." It is regrettable that 60 years after the end of World War II, disputes between Japan and both China and South Korea over issues of history remain unsettled.

What is particularly worrying is, that at least for the moment, Japanese and Chinese leaders are not in the political environment to hold heart-to-heart talks through reciprocal visits. This is a matter of grave concern not only for Japan and China but for the rest of Asia as well.

The lack of a common historical perspective among the three neighbors is collectively responsible for the political stalemate. Nevertheless Japan, which started wars of aggression in the last century, should move first to break the deadlock. It should make positive efforts to build mutual confidence by honestly reviewing its past doings.

Joint studies on historical issues by researchers from the three nations could help narrow the gaps in historical perception, and dialogue between the governments should be promoted based on the results of these studies.

It is also essential to build mutual understanding and confidence among the young generations. Through my teaching experiences at a number of universities both in Japan and China, I got the impression that people who are too young to have experienced the last war were less willing than older people to understand the other country.

To promote mutual understanding among the young generations it is vitally important that they know more about the other country. Attending schools in the other country helps a great deal. For many Chinese youths studying in Japan at their own expense, though, the reality is harsh, in part because of expensive tuition, high living costs and the poor availability of affordable housing. It is not surprising that these students, upon finishing their studies, leave Japan with an unfavorable impression.

I propose that the Japanese government give scholarships to a greater number of promising Chinese students as part of official development assistance.

Although the U.S. government does not provide such aid to China, exchange programs are promoted at private levels, with well-established foundations sending scholars to top Chinese universities or granting scholarships to Chinese students at U.S. universities. We should note that the younger Chinese generations responsible for the future of China are more inclined to study in the United States than in Japan.

(This is the text of an article by Mr. TANIGUCHI Makoto, President of the Iwate

Prefectural University and Member of the Council on East Asian Community, which was originally posted in “The Japan Times” on June 14, 2005.)