

Stanford Japan Program at S-APARC

The Stanford Japan Program was formally established in November 2011, renewing the Walter H. Shorenstein Asia-Pacific Research Center's commitment to this important field. As an integral component of the Center, SJP facilitates multidisciplinary, social science-oriented research on contemporary Japan, emphasizing both academic scholarship and policy-relevant research. The program aims to become a central platform for Stanford students and the broader community for understanding and engaging with Japan.

Research and Program Activities

Program activities include the Japan Colloquium Series, conferences to further cutting-edge research and address critical contemporary policy issues, and public seminars. The goal of Japan Program is to become an eminent platform to foster intellectual exchange among scholars, experts, top-tier professionals, politicians, and students.

Message from the Director



October was a busy month for the Stanford Japan Program. Mr. Hideichi Okada, the inaugural Sasakawa Fellow, gave a talk on Japan's energy challenges on October 8. The talk was attended by many and followed by active discussion (more details on page 2). Then, Mr. Okada immediately started working on the concept of the U.S.-Japan Dialogue on the energy issues, which will be held on February 13, 2014. He traveled to Japan in the late October to invite Japanese participants to the dialogue.

I also traveled to Tokyo in October. A highlight of my Tokyo trip this time was my meeting with leaders at the Japan Stanford Association, the alumni association for Stanford graduates who are in Japan. We had lunch at Ark Hills Club (see the picture). I was impressed with their support for Stanford University in general and their willingness to help our efforts to rebuild the Japan Program here. I look forward to working with them very much.

I had a chance to talk with Professor Kenichi Imai, who was the inaugural director of the Stanford Japan Center that started in Kyoto when Stanford had a very active program on Japan. The educational part of the program that Professor Imai started still lives on as a part of the Bing Overseas Program that meets at Doshisha University in Kyoto. Professor Imai joined me as a panelist after the public lecture on Abenomics that I gave in the KKE Vision event on October 18 in Tokyo. You can find more about the event that both Professor Imai and I appeared on <http://kkevision.kke.co.jp/kv2013/>.

In addition to Professor Imai, I also saw other people who were active at the Stanford Japan Center. Professor Ichiya Nakamura, who is now at Keio University, was the director of the center in the mid-2000s. Ms. Maya Wazumi, CEO of Polaris, also worked for the center and more recently helped the S-APARC with the Kyoto Dialogue, which has just concluded this year. I was very much encouraged by their willingness to continue to help us.

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On September 25th, 10 of China's top business leaders visited Japan and met with Japanese government and industry leaders to deepen ties and improve relations between Asia's two largest economies. Masahiko Aoki (Senior Fellow at Freeman Spogli Institute for International Studies) was instrumental in organizing the meeting, which was covered by *Nihon Keizai Shinbun* (Sept 26, p.3).



A journal article "Public Private Interplay for Next Generation Access Networks: Lessons and Warnings from Japan's Broadband Success" by Kenji E. Kushida (Takahashi Research Associate in Japanese Studies) was published in *Communications & Strategies*, Vol. 91. The paper contributes to the discussion of how Public Private Interplay (PPI) can be used to foster Next Generation Access (NGA) buildouts in Europe by introducing the experience of Japan. The paper is available at: <http://docs.google.com/file/d/08Pzhz9Tk4DOeTBMlpMbU1LS28/edit?usp=sharing>



Finally, I have interviewed Mr. Hirofumi Takinami, a former corporate fellow at S-APARC and now a Japanese Diet member, during the trip. It was a very enjoyable meeting. He told me that his experience at Stanford three years ago was very helpful and instrumental in his decision to run for a Diet seat. You can find the interview on page 3. I hope Mr. Takinami will provide a political leadership, which Japan needs. This issue of our report also includes the introduction of this year's corporate fellows from Japan, who will follow Mr. Takinami to be future leaders of Japan (page 4).



Japan's Energy Challenge - Hideichi Okada



Japan Program at Shorenstein Asia-Pacific Research Center received a grant from Sasakawa Peace Foundation in Japan for the New Channels project. Hideichi Okada, Senior Advisor at NTT Data Institute of Management and Consulting has joined the Japan Studies Program at APARC as the 2013-14 Sasakawa Peace Fellow to play a leading role in organizing the annual New Channels Dialogue.

On October 8th, Hideichi Okada spoke on "Japan's Energy Challenge" at a Shorenstein APARC seminar in the Philippines Conference Room at Encina Hall. As the world watches with great interest on how Japan will overcome its energy challenges, Okada highlighted the importance of formulating a new energy policy and reducing the cost of renewable and imported hydrocarbon. He also pointed out the challenges of decommissioning damaged nuclear power plants and cleaning contaminated soil and water, which would require a new technology as well as an international cooperation. The talk was followed by active discussion with the participants.

Interview with Hirofumi Takinami

Takeo Hoshi: Congratulations on winning the upper house election in Fukui District. So what made you decide to change your career from the Ministry of Finance?

Hirofumi Takinami: I was asked by my predecessor Ryuji Matsumura prior to his retirement. I also received a strong backing of business community at Fukui. But one of the real turning points goes back to my experience when I was an APARC corporate fellow at Stanford.

Takeo Hoshi: Interesting, how so?

Hirofumi Takinami: When I was at Stanford as a corporate fellow, I was invited to give a talk in my hometown in Fukui, and people liked my views and perspectives that I developed through my stay at Stanford. They found something different in me than incumbent policy makers. That is how I started to meet and got to interact with important people in Fukui.

Takeo Hoshi: We are glad that your experience at Stanford was useful.

Hirofumi Takinami: Yes, interesting enough, visiting Stanford brought me closer to my hometown than when I was working in Tokyo.

The experience at S-APARC also gave me the opportunity to re-evaluate Japan's position as well as my role from a fresh perspective. I realized how much the focus in the US had shifted away from Japan, motivating me to strive to promote Japan to the world.

Takeo Hoshi: What do you think is the most important thing Japan needs to do to promote Japan to the world?

Hirofumi Takinami: I feel that Fukui people encapsulate "model" Japanese characteristics because we are quiet, modest and not very good at putting ourselves out there—just as Japanese are portrayed from abroad. The traditional Japanese way was to wait patiently for others to follow, but the world no longer operates that way. We have to put ourselves out there; otherwise, we won't be recognized. My research at Stanford on Political Economy of the financial crises in Japan and its implications to the financial crisis in the United States was a small attempt to "put Japan out there".

Takeo Hoshi: What particular issues in Japan would you like to promote to the world now?

Hirofumi Takinami: I believe our main focus now must be energy, especially after the 3/11/2011 nuclear disaster. Having been at the Ministry of Finance, I see a resemblance between the energy and fiscal reform. When the DPJ came to power in 2009, they claimed that eliminating unnecessary government expenditures could allow Japan to close a fiscal gap without a tax increase. However, the two amounts were on a totally different scale; 0.1 billions of yen from unnecessary government



expenditures versus 10 Trillions i.e. 10,000 billions of yen of fiscal gap —so we immediately knew that it would not work. I see the same thing in the nuclear power debate. Many contend that renewable energy can replace nuclear energy. However, a nuclear plant can generate 1 Billion i.e. 1,000 million watt stably, while even the biggest solar/wind energy plant in Japan can make only several 10 million watt. Moreover, these renewable energy plants do not work in case of no sun/wind, drawing down seriously the amount generated. We really need to pay attention and be responsible to these differences in scale. When describing this situation in Fukui, actually the biggest gathering place of nuclear power plants in Japan with 14 plans located, I use the phrase "Fiscal deficit, nuclear power, and B-29," comparing the issue with Japanese during World War II who were training to fight B-29 bombers with bamboo spears.

Takeo Hoshi: Of course the use of renewable energy is important, but you are saying that we can't solely depend on that. In the end, thermal power is used to substitute the nuclear energy, but it could be a cause of air pollution in the near future.

Hirofumi Takinami: Yes, before March 11th, it was the DPJ that expressed the urgent need for increasing nuclear power to fight global warming, but after the incident they suddenly reversed their position. Also, we must know Japan lacks fossil fuel resource. At this moment, it is clear that we cannot go without nuclear energy as the fundamental electric source.

I am now a member of both Committee on Economy and Industry and Special Committee on Nuclear Power Issues at our upper house, and I plan to rebuild Japan's energy policy from inside and show Japan's success in countering the challenges to the rest of the world.

Takeo Hoshi: That is very encouraging.

Lastly, do you have any messages to current corporate fellows at S-APARC?

Hirofumi Takinami: You can have fun at S-APARC, but please do not forget that you are there to represent your country. Study hard, interact with people, and use the resources while you are there.

Takeo Hoshi: Thank you for your time and wishing you all the best with your new role.

New Corporate Affiliates from Japan

Corporate Affiliates Program welcomes 2013-14 fellows to Stanford

Established in 1982 to introduce Asia-based fellows to American life and institutions, the Corporate Affiliates Visiting Fellows Program is Shorenstein APARC's longest running program. It enables organizations that have joined the Center as corporate affiliates to nominate personnel to spend one academic year at Shorenstein APARC.

As the new academic year gets underway, S-APARC's Corporate Affiliates Program welcomed six fellows from Japan to Stanford University:

- Tetsuo Ishiai, Mitsubishi Electric
- Kensuke Itoh, Sumitoto Corporation
- Katsunori Komeda, Sumitomo Corporation
- Satoshi Ogawa, Japan Patent Office
- Toshihiko Takeda, Shizuoka Prefectural Government
- Keiichi Uruga, Ministry of Economy, Trade, and Industry
- Kenji Yanada, Ministry of Finance

During their stay at Stanford University, the fellows will audit classes, work on English skills, and conduct individual research projects; at the end of the year they will make a formal presentation on the findings from their research. During their stay at the center, they will have the opportunity to consult with Shorenstein APARC's scholars and attend events featuring visiting experts from around the world. The fellows will also participate in special events and site visits to gain a firsthand understanding of business, society, and culture in the United States.

Recent Events

• November 13 - S-APARC Japan Panel Discussion

“Towards a More Open Japan? TPP, RCEP, and Abenomics”

Panelists: Glen S. Fukushima - Senior Fellow at Center for American Progress

Hideichi Okada - Sasakawa Fellow at S-APARC, Stanford University

Phillip Lipsy - Thomas Rohlen Center Fellow, Stanford University

Moderator: Takeo Hoshi - Director of Japan Program at S-APARC, Stanford University

• November 13 - S-APARC Japan Seminar Series

“The Stabilizing State: State Capitalism as a Response to Financial Globalization in East Asia”

Speaker: Richard W. Carney - Fellow, Department of International Relations at Australian National University

* Please register for our events at Japan Program website at jsp.stanford.edu *

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