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**STRATEGIC POLITICAL AND ECONOMIC GOALS OF JAPAN  
FROM 21<sup>ST</sup> CENTURY PERSPECTIVE**

**Abstract**

The article presents strategic, political and economic goals of Japan formulated by the government and supported by huge economic organizations from the perspective of the 21<sup>st</sup> century. The key element of the political goal is to become a permanent member of U.N. Security Council. On the economical front, Japan promotes an idea of creating a new supranational organization: The Economic Zone of the Eastern Asia (EZEZ) as a rival to the European Union and NAFTA. The creation and development of the EZEZ is crucial for the increase of the economic strength of that part of the world and, consequently, will secure Japan's position as one of the most important economical powers on the globe.

**Introduction**

In the globalization process of the world, firmly established in the economic sphere and participating in the creation of new political situation, Japan is strongly pronouncing her hopes and fears concerning the position of the "Country of the Rising Sun" on the political and economic scene of the globe from the perspective of the 21<sup>st</sup> century.

Paradoxically, in the context of the economic globalization of the world, which is marked for instance by the creation of new, economically very strong and

vital multinational organizations (especially the European Union and NAFTA), Japan feels more and more endangered as the second-largest economic power of the world. Her anxiety is based both on the high dynamic of growth and the increasing international competitiveness of the countries which are members of those organizations and other powerful and independent states which, however, are not involved in any economic organizations.

The greatest danger for Japan, both regionally and globally, is posed by a very dynamic growth of the Chinese economy. This development is even more alarming for Japan due to the fact that her economy has at present entered a recession phase, whereas China has achieved the highest growth of the GDP in the world on the average level of 10% (in the period 1990-2003).

In the present situation one of the most realistic ways for Japan not only to maintain her role as a leading economy, but also to increase the strength of the whole region in view of the 21<sup>st</sup> century is a creation of new supranational organization – “The Economic Zone of Eastern Asia” (EZE). The EZE will consist of the ASEAN countries augmented by Japan, China and South Korea (ASEAN+3).

On the other hand, the Japanese government and its Prime Minister Koizumi Junichiro, who is very active on international forum, are intensifying their efforts to also turn Japan into a strong political power, seriously involved in creation of the political scene of the world, to a degree corresponding to her position in the world's economic system.

The key element which would help Japan to evolve into a meaningful political force and to have an impact on the global community would be to become a permanent member of the United Nations Security Council. That would allow Japan to participate more widely and contribute in the matter of the world disarmament, peace, security, human rights, economic growth and development. A great opportunity for Japan to increase her presence and activity in that field was the UN 60<sup>th</sup> anniversary when in March 2005 the UN Secretary General Kofi Annan announced the report containing basic principles of the UN reform with a proposal of increasing the number of the Security Council permanent members.

### **A Strategic Political Goal: Becoming a Permanent Member of the United Nations Security Council**

Being the second biggest world economy, during last few years Japan has been trying to become a more active member of the international community. Being recognised as a meaningful political force would allow Japan to have a more profound impact both on the regional and the global level. At present Japan has a minor or even no influence on the strategic international decision-making process, which remains in contradiction to the economical power of the country.

The government and the Prime Minister Koizumi Junichiro are trying to achieve that position by making Japan a permanent member of United Nations Security Council. In September 2004 during the 59<sup>th</sup> Session of the General Assembly the

Japanese Prime Minister warmly supported that idea, convincing all the members about the value of that decision. The issue was brought up again during the UN 60<sup>th</sup> anniversary together with the delivery in March 2005 of the report of the UN Secretary General Kofi Annan, which stressed the necessity of reforms.

Japan has long been promoting her efforts and successes among the international community and many others regional and global organizations as a UN member. All these efforts are fully supported by the citizens and politicians. Japan contributes a significant amount of money to the economic and social growth of developing countries (mostly within the ODA), finances a major part of the UN budget and expenses of peacekeeping forces of this organisation in different regions of the world. Due to the huge potential of her economy, currently (2005) Japan covers 19.5% of the total UN budget, being second only to the United States (22%). Its worth mentioning that, beside the US, all the other four permanent members of the Security Council: Great Britain, France, China and Russia together cover only 15.3% of the UN budget, significantly less than Japan alone. Japan is also the second after the United States most important contributor to the peacekeeping forces budget (around 20% of the total budget). Apart from such a significant financial support, Japan very actively participates in the UN peacekeeping missions bestowing experts, watchers and other personnel.

Following one of the clauses of the Japanese constitution, Japan Self Defense Forces (JSDF) are allowed to participate only in strictly selected peace missions. For example in 1992-1993 about 1300 of the Japanese members of personnel, officers, engineers and watchers took part in a mission of the UN peacekeeping forces in Cambodia (these called UN Transition Authority in Cambodia). Between approximately May 1993 and January 1995 160 members of the personnel of JSDF were sent to Mozambique to secure and supervise the transportation to the United Nations operation (the UN Operation in Mozambique). In response to the request of the High Commissioner for Refugees, in 1994 almost 400 JSDF members participated in the operation of rescuing Rwandan refugees (finally finding a shelter for them in Zaire and Mozambique). Since 1996 up to the present day more than 800 Japanese have taken part in the UN mission in the Golan Heights, and in the period 1999-2002 around 3000 participated in the mission in East Timor.

As shown above, Japan is very actively engaged in the question of world peace, human rights and global security. A wide array of actions have been undertaken by Japan during the UN peacekeeping activities. They mostly consist in securing transportation, providing the UN personnel and funding food aid for refugees. The best proof of this involvement would be the position of Ogata Sadako, who was the High Commissioner for Refugees (1991-2000). Japan as well as the UN also actively assists other international organizations in the process of the social and economic recovery of countries destroyed by war and natural disasters. Currently they are seriously involved in the socio-economic recovery in Afghanistan and Iraq (rescuing refugees, medical aid, rebuilding of the infrastructure, education). Major funding has been transferred for this cause as a part of the Official Development Assistance (ODA).

The ODA is another field which allows Japan to have an impact on the global community. In the group of 22 countries contributing to the social growth of the developing countries Japan is the second biggest (after the United States) contributor (around 15% of the total value). It is worth mentioning that in the years 1991-2000 Japan was the biggest contributor, but due to the economic recession the country has lost this position in favor of the United States. The primary goal of Japanese government is to increase the amount of money transferred to the ODA from 0.19% GNP to 0.70% GNP in 2015.

Japanese aid as a part of the ODA is transferred either directly or by some international organization to the developing countries. Naturally, due to their very tight bonds (cultural and economic ones) 60.4% of all the ODA funds (6.7 billions US dollars) have been addressed to Asian countries (2002, Tab. 1, p. 122). The ASEAN countries have received 25.9% of the total budget with China gathering 12.3%. On the regional scale Latin America has received 8.8% and Africa 8.7%, thus clearly outpacing the Near East 3.15 and Europe 1.8%.

The ODA funds are directed mainly to the development of infrastructure, education and medical aid. Primarily, they are supposed to boost up the economic growth and social education in the developing countries of Eastern Asia. Lately an opinion has been formed that the ODA funds used for the development of the socio-economic infrastructure in China are one of the crucial factors of the extremely dynamic economical growth of this country.

The most recent example of Japan's involvement in the international community projects directed to aid the countries destroyed as a result of a military conflict under the supervision of the UN is her mission in Iraq. The Japanese contribution to the rebuilding of the country is bidirectional and consists in the financial support from the ODA funds for the infrastructure and also the maintenance of the JSDF personnel. The financial aid from the ODA funds has exceeded 1.5 billion USD and have mainly been assigned to the restoration of basic electrical and water-sewage infrastructure as well as education and medical aid. The JSDF specialists are present on the site to assure the correct fund utilization and supervise all technical issues.

At the moment, around 30 thousand of specialists, instructors, experts and volunteers are supporting the financial aid mainly in the developing countries.

Another proof of Japan's active involvement in the creation of the political and economic reality of our world is the organization of and participation in international conferences on both the regional and global level. In December 1997 Japan organized the Kyoto conference concerning the climate global changes. An agreement (the Kyoto Protocol) of 160 nations to reduce the emission of the greenhouse gases which concluded the conference may be considered one of the Japan's greatest successes.

In June 2000 Japan was an organizer of the G8 Summit. In January 2002 Tokyo organized the International Conference on Assistance in the Reconstruction of Afghanistan. The participants: the United States, EU representatives, Saudi Arabia and Japan declared 4.5 billion USD for this purpose. Beginning with 1993 Japan has been an organizer and the host of the cyclical (every 5 years) Tokyo International

Conference on African Development (TICAD). At the last meeting (2003 TICAD III) Japan proposed a new, three pillar approach crucial for development of African countries. It consists of the “consolidation of peace”, “poverty reduction through economic growth” and a “human-centered development”, and declares to double the funding by 2008 (mainly from the ODA funds).

Traditionally, Japan acts as an advocate of the world disarmament, the reduction and nonproliferation of nuclear weapons, and she actively prevents illegal trade and the distribution of conventional weapons.

In the light of Japan’s historical experience the country once destroyed during the Second World War now becoming one of the strongest, fully democratic economies – her permanent UN Security Council membership would allow Japan to have an even more profound impact on the global political and economical picture thereby making it possible for her to contribute even more efficiently to the world community. Japan would also achieve a position corresponding to her great economic power next to US, Great Britain, France, China and Russia.

### **A Strategic Economic Goal: the Creation of a Regional Economic Organization “The Economic Zone of Eastern Asia”**

In the circumstances of the economic globalization of the world, which is represented, for instance, by the creation of new, economically very strong and vital multinational organizations (especially the European Union and NAFTA), Japan not only wants to become one of the biggest world economies but also to increase the strength of the whole East Asia region. From the perspective of the 21<sup>st</sup> century, the creation of a new supranational economic organization “The Economic Zone of Eastern Asia” (EZE) has become a key element in this strategy. The EZE consists of 10 ASEAN countries (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Vietnam) and three biggest economies of the region: China, Japan and South Korea (ASEAN +3).

The EZE organization as a geographical area forms the biggest demographical region of the world (2003), with the number of inhabitants of above 2 billion, representing 31.8% of the total world population. The combined economical force of EZE countries (measured as percentage share of the total world GDP) would create the third economic power of the world with 19.9% of the world GDP. The integration of these countries in the EZE organization would also create the second biggest (after the United States) participant in the total world trade value (22.6% of the total value). Taking all above statistics under consideration it becomes clear that about 85% of world GDP and 80% of the world trade value belongs to these three economic organizations (EU, NAFTA, EZE).

These data also indicate the present and future leaders of the world economy, and consequently, to the countries which have the strongest impact on creation of the socio-economic scene in view of the second half of the 21<sup>st</sup> century. This confirms also an urgent need and justifies all the necessary efforts to create the EZE, which

will probably become the most dynamically developing supranational organization, creating respectively one of the three most important and biggest socio-economic centers of the world.

The huge demographic potential of the EZEА, at present and from the perspective of the 21<sup>st</sup> century, is another advantage which cannot be underestimated. It creates the world's biggest work market of very cheap and lately increasingly better educated labor. For years Japan has been investing in education in order to prepare a highly qualified personnel for the future EZEА members. The best example of this action could be the presence of over 100 thousands foreign students educated at Japanese universities. The majority of them come from China (64.7% of total number) and South Korea (14.5%), but also a significant number of them come from the ASEAN countries (Malaysia – 1.8%, Thailand – 1.5%, Indonesia – 1.4%, Vietnam – 1.2% of the total foreign students). Another EZEА advantage, especially in the context of the very advanced aging process in the EU, is the demographical youth. Currently, 25.1% of the total number of their inhabitants are people between 0-14 years old, whereas the ageing population (65 years old or more) represents only 7.4% of the total.

Paradoxically, a relatively low economic potential and outworn infrastructure are some of the most important factors responsible for the huge possibilities of dynamic growth. A direct confirmation of that is the fact that 45.9% of the economically active population is employed in sector I of the economy, which is responsible for only 5.4% of the total GDP. The Chinese economy is basically responsible for this situation, having undergone an extensive reform in last decade of the 20<sup>th</sup> century it shows the highest growth dynamic in the world (9.7% on average in 1990-2003), thus becoming a symbolic bandwagon of growth and development in the region. All these circumstances have triggered an increasing rivalry for the regional supremacy between Japan and China in the 21<sup>st</sup> century.

The huge demographic potential of the EZEА, rich resources, reasonably inexpensive and increasingly well qualified and disciplined labor, the general understanding of the need of modernization of the economic structure are the most important factors influencing the economic growth of the region and giving it a chance to compete against the EU and the NAFTA on the global market.

The EU seems to be an model for the future EZEА countries showing them a way to overcome national interests in the name of a greater good. Most of the problems which constitute an obstacle on the way to create this supranational organization are political and based on the historical conflict between Japan, China and South Korea. Although there are still many very painful memories of the military aggression of Japan in the first half of the 20<sup>th</sup> century, all these countries need to reconcile over them and show a strong political will to cooperate on the political and economic field. The creation of the EZEА would also be a milestone, on the one hand ending the tragic past of the Japanese military aggression and, on the other, opening new possibilities of socio-economic growth for the whole region. The establishment of the EZEА would create a platform on which to increase the importance of whole region on the political scene.

The two briefly described strategic political and economic goals of the Japanese government for the 21<sup>st</sup> century would make it possible for Japan to become one of the most influential political powers of the globe, simultaneously allowing her to preserve the leading economical position. The way to achieve the former is to become a permanent member of UN Security Council, whereas the latter would be pursued by means of the creation of the new economic organization called EZEА, based mostly on the ASEAN countries, China and South Korea (ASEAN+3).

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## Annex

Ogata Sadako, UN High Commissioner for Refugees from 1991 to 2000, at a refugee camp in Bukavu, Zaire in February 1995



Sources: Japan Echo, vol. 32, Special Issue 2005, Tokyo, p. 4.

Table 1. Contribution to UN budget of the permanent members of the UN Security Council, Japan and Germany

US*	22,00%
Japan	19,47%
Germany	8,66%
Great Britain*	6,13%
France*	6,03%
China*	2,05%
Russia*	1,10%
Other members of UN	34,56%

\* Permanent UNSC members.



Table 2. Value (USD millions) and geographical distribution of Japan's Official Development Assistance (ODA) within the category of bilateral assistance (2002)

Region / Organization /Country	Value of assistance (USD millions)	% of the total value
<b>ASIA</b>	<b>4 067</b>	<b>60.5</b>
ASEAN	1 748	25.9
China	829	12.3
Indonesia	538	8.0
India	494	7.3
Vietnam	375	5.6
Philippines	318	4.7
<b>MIDDLE EAST</b>	<b>209</b>	<b>3.1</b>
<b>LATIN AMERICA</b>	<b>592</b>	<b>8.8</b>
Peru	120	1.8
Brazil	118	1.8
Honduras	95	1.4
<b>AFRICA</b>	<b>584</b>	<b>8.7</b>
Mozambique	70	1.0
Zambia	68	1.0
Tunisia	63	0.9
Tanzania	58	0.9
Ethiopia	51	0.8
Marocco	41	0.6
Other regions and unclassifiable	<b>1 274</b>	<b>18.9</b>
<b>Total bilateral assistance</b>	<b>6 726</b>	<b>100.0</b>

Sources: enumerated on the basis of *The Japan Statistical Yearbook 2005*.

Table 3. Demographical-economic characteristic of the Economic Zone of the Eastern Asia (EZE) vs. the European Union (EU) and the NAFTA (2002/2003)

Specification	EZE	EU-25	NAFTA
<b>Population</b> (in millions)	2 006,5	455,9	429,0
% of the world population	31.8	7.2	6.8
% population 0–14 years	25.1	17.0	24.1
% population 65 years and above	7.4	15.9	10.5
<b>Labor force</b> (in millions)	1 119,9	216,7	204,7
<b>Employment structure</b> (%)	100.0	100.0	100.0
I sector	45.9	5.7	5.7
II sector	21.2	29.5	23.5
III sector	32.9	64.8	70.8
<b>GDP structure</b> (% of the total value)	100.0	100.0	100.0
I sector	5.4	2.4	1.7
II sector	35.1	29.0	27.2
III sector	59.5	68.6	71.1
<b>Percentage of the world GDP value</b>	19.9	28.3	36.8
<b>% of the world export value</b>	22.6	39.4	18.7
<b>% of the world import value</b>	20.0	37.8	24.9
<b>GDP per capita</b> (in USD)	3 165,0	19 830,0	27 353,0

Sources: enumerated on the basis of *The ASEAN Statistical Yearbook 2004*, *2004 World Development Indicators*, and *Human Development Report 2004*.