CHAPTER 3
Japan’s Foreign Policy in Major Diplomatic Fields

1. Efforts toAchieve Peace and Stability in the International Community

(a) Japan-US security arrangements

The Japan-US security arrangements have effectively functioned as the fundamental framework supporting stability and development in the Asia-Pacific region and brought peace and prosperity to Japan and the Far East since the end of World War II. At the same time, North Korea’s ballistic missiles and nuclear issues demonstrate that elements of instability still exist in the Asia-Pacific region even after the end of the Cold War, including regional conflicts and the proliferation of weapons of mass destruction and missiles, among others. In order to ensure the peace and stability of Japan and the region, under such circumstances, it is critical that Japan further reinforce the Japan-US security arrangements and its relationship with its ally the United States.

The governments of Japan and the United States continue to hold a full range of consultations so as to further strengthen the Japan-US security arrangements, including the realignment of US forces, Japan. Furthermore, the fact that the United States has an unwavering commitment to carrying out its defense obligations towards Japan has been reaffirmed on repeated occasions. For example, immediately after the announcement of the conducting of a nuclear test by North Korea in 2006, President Bush stated that the United States will meet the full range of its security commitments to Japan. In addition, at the Japan-U.S. Security Consultative Committee (2+2 Meeting) held in May 2007, the US reaffirmed that the full range of US military capabilities forms the core of extended deterrence, which also provides US deterrent force to Japan, while supporting US commitments to the defense of Japan.

Moreover, during talks between Minister for Foreign Affairs Masahiko Koumura and US Secretary of Defense Robert Gates, who visited Japan in November 2007, both sides reaffirmed the importance of the Japan-US alliance, with the Japan-US security arrangements at its core, as well as their commitment to reinforcing the Japan-US alliance into the future. At this meeting, Minister Koumura expressed his appreciation that US Forces, Japan do their utmost around the clock at the risk of their own lives in order to maintain the peace and security of Japan, and Secretary Gates stated his desire to further strengthen defense cooperation between Japan and the US.

(b) Efforts to Counter Terrorism

Since the terrorist attacks in the United States on September 11, 2001, the international community has placed countering terrorism as among its highest priorities. In various fora such as the United Nations, the G8, and other multilateral frameworks, ASEAN, APEC, ASEM, and other regional cooperation bodies, as well as through bilateral cooperation, the need for strengthening counter-terrorism measures has been reaffirmed, and thus, substantial cooperation as well as strengthening of political will have been making steady progress.

Although the leadership and the number of combatants of the international terrorist organization “Al-Qaeda” and other related groups have declined, their strength still cannot be underestimated. The year 2007 saw terrorist incidents occur all around the world. Japanese nationals traveling and living abroad as well as Japanese companies have also been affect-
ed by the threat of international terrorism. Terrorism is an issue affecting more than the safety of the nation and its citizens. Through its impact on investment, tourism, trade, among others, it is an issue that can have an enormous impact on the economy of a nation. Terrorism can be neither justified nor tolerated for any reason. The activities Japan had been conducting based on the Anti-Terrorism Special Measures Law (2001) were temporarily suspended upon the expiry of the Law, but activities were resumed upon the enactment of the Replenishment Support Special Measures Law in January 2008. Moreover, Japan considers counter-terrorism as its own security issue. Making use of a broad range of approaches, such as providing assistance to other countries and strengthening international legal frameworks, Japan will continue to actively strengthen its counter-terrorism efforts in cooperation with the international community.

(c) Measures to Counter International Organized Crime

Human trafficking, drug-related crime, cyber crime, money laundering, and other cross-border organized crimes (international organized crime) are escalating further as a result of globalization, the sophistication of communications networks, and an expansion in the movements of people. The United Nations, the G8, and the Financial Action Task Force (FATF), among others, are engaged in intensive efforts to appropriately respond to these issues, Japan is actively involved in such international efforts to combat international organized crime, recognizing that international organized crime directly affects the safety and security of its nationals, and that there is a need for Japan to respond to it in concert with the international community.

FATF: An international framework that was created at 1989 G8 “Summit of Arch” as a measure to fight money laundering. A total of 32 countries and territories, especially those who are Organization for Economic Co-operation and Development (OECD) member countries, and two international organizations are members. Currently, the FATF is also playing a leading role as standard setter with regard to measures against the financing terrorism.

(d) Regional Security

In the Asia-Pacific region, no multilateral collective defense security mechanism similar to the North Atlantic Treaty Organization (NATO) in Europe has developed, due to such factors as the rich diversity of political and economic systems, cultures, and ethnicities. Instead, regional stability has been maintained primarily through the building up of bilateral security arrangements centered on the United States.

Japan regards the improvement and strengthening of multilayer frameworks for bilateral and multilateral dialogue while securing the presence and engagement of the US in the Asia-Pacific region to be a realistic and appropriate way to develop a stable security environment surrounding Japan and to ensure peace and stability in the region.

The Government of Japan has engaged in security dialogues and defense exchanges through bilateral frameworks with neighboring countries and others. In this way, Japan has been making efforts to enhance mutual trust and foster cooperation in the security area.

As a multilateral approach, Japan has been making use of the ASEAN Regional Forum (ARF), a political and security framework for the entire region in which major Asia-Pacific countries participate.

(e) The United Nations

As the only universal, comprehensive international organization, the United Nations (UN), through the activities of its various organs such as the General Assembly and the Security Council, aims to maintain international peace and security to develop friendly relations among nations, and to achieve international cooperation in solving economic, social, cultural, and humanitarian issues as well as promoting human rights. Today’s international community faces many challenges which cannot be dealt with by individual countries or regions alone, such as climate change, terrorism, proliferation of weapons of mass destruction, poverty, and infectious diseases. This has led the UN to assume an increasingly important role. In
Armed conflicts bring tremendous scourge to nations and people. Peacebuilding that is, seamless efforts ranging from promotion of the peace process and recovery of security to reconstruction and development, with a view to prevent the recurrence of conflict is a critical issue that the world faces today, along with the fight against terrorism and the prevention of the proliferation of weapons of mass destruction.

Against this backdrop, both the quality and quantity of the efforts by the international community, including the UN Security Council and the Peacebuilding Commission, have been intensified in the areas of conflict prevention, peace mediation, peacekeeping operations, humanitarian assistance, development of administrative institutions and reconstruction assistance. Recently, G8 has also been addressing peace-
building as one of the major themes at the summits every year.

Peace and stability of the international community is indispensable for Japan's further development. Based on this recognition, Prime Minister Fukuda stated in his January 2008 policy speech to the 169th session of the Diet that Japan will play a responsible role in the international community as a “Peace Fostering Nation” which contributes to peace and development in the world. Japan considers peace-building to be among its diplomatic priorities and has been making tangible efforts on the three pillars: efforts on the ground through the contribution to such activities as UN peacekeeping operations (PKO) and the provision of Official Development Assistance (ODA), intellectual contribution and human resource development.

Disarmament and non-proliferation are the issues that Japan should properly address as a member of the international community in order to develop a favorable security environment and create a peaceful world. Moreover, achieving a peaceful world is also indispensable to ensure the security of both Japan and Japanese citizens.

As the only country to have ever suffered the devastation of atomic bombings, Japan has consistently called for the maintenance and strengthening of the international disarmament and non-proliferation regime, aiming to bring about a peaceful world free of conflicts and nuclear weapons.

The year 2007 was a year in which consistent and cooperative action was called for by the international community in order to address various types of challenges to the international nuclear disarmament and non-proliferation regime, including the nuclear issues of North Korea and Iran. Japan made proactive efforts in maintaining and strengthening the international nuclear disarmament and non-proliferation regime. The nuclear disarmament resolution that Japan submitted to the United Nations General Assembly was adopted with the overwhelming support of the member states.

Japan also made efforts towards the strengthening of Biological Weapons Convention and Chemical Weapons Convention as well as towards disarmament of conventional weapons.

With regard to science and technology, Japan is working towards the prosperity of the international community through bilateral cooperation in the field of nuclear energy, and multilateral cooperation in fields such as nuclear energy, space, and nuclear fusion.
2. Japan’s Efforts to Address Global Issues and International Cooperation

(a) Climate Change and the Environment

As global environmental problems such as climate change and the loss of biodiversity become increasingly serious, Japan has come to recognize these as threats to human existence and has called on the international community to address them in solidarity. The year 2007 was one in which unequivocality of global warming was acknowledged, with climate change attracting significant international interest at such meetings as the United Nations High-Level Event on Climate Change in September and the 13th Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP13), held in December. In particular, discussions on the framework after the Kyoto Protocol’s first commitment period, which ends in 2012, have been the major focus.

In this context, with a view to asserting leadership in the discussions on the framework beyond 2012, in May Prime Minister Abe announced the “Cool Earth 50” which addresses climate change, emphasizing the need to set a long-term goal of reducing global emissions by half from the current level by 2050 as a global goal. Prime Minister Abe then introduced the proposal at the G8 Heiligendamm Summit in June to the other G8 leaders, and participated proactively in the G8 discussions on climate change. Furthermore, at COP13 in December, Japan took a leading role in international discussions by putting forth a proposal to establish a negotiating process in which all major emitters participate and discuss the long-term goal, mitigation measures, and so forth, thereby paving the way to a decision to launch a new Ad Hoc Working Group.

(b) Human Rights

As the Vienna Declaration and Programme of Action of June 1993 states, democracy, development, and respect for human rights and fundamental freedoms are interdependent and mutually reinforcing. The sufficient development of human rights and democratic foundations is directly tied to the creation of a peaceful and prosperous society and therefore to the peace and security of international society.

In the UN, the importance of the area of human rights was reconfirmed at the World Summit held in September 2005 as part of a movement towards the mainstreaming of human rights. In March 2006, the General Assembly decided to establish the Human Rights Council in replacement of the Commission on Human Rights as a subsidiary organ of the General Assembly. The Human Rights Council consists of 47 member states, and Japan is serving as a member of the Council until May of 2008, having been selected in the elections held in May 2006.

In the realm of promoting democracy, Japan contributed US$10 million to the United Nations Democracy Fund (UNDEF) in March 2007, insofar as it would promote Japan’s diplomatic policy of emphasizing fundamental values. In addition, Representative of the Government of Japan Tatsuo Arima attended the Community of Democracies Fourth Ministerial Conference in Mali in November, stating that based on Japan’s experiences, democracy is critical for engendering peace and prosperity. He introduced Japan’s efforts to support democracy that respect the ownership of the recipient countries.

Japan will strengthen its diplomacy in a comprehensive manner for enhancing human rights and democracy through the development of human rights and democratic foundations by means of development assistance. It will do this by establishing mutual linkages between its efforts related to human rights and democracy in the multilateral fora, such as in the UN, and in bilateral efforts, conducted through human rights dialogues and development assistance.

(c) The “Rule of Law” in the International Community

The establishment of the “rule of law” in the international community brings stability to relations between nations and is extremely important for the peaceful settlement of conflicts. As part of its diplomatic policy, Japan emphasizes the promotion of the rule of law in the international community and has been actively engaged in various efforts for this end.

The prevalence of the rule of law in the internation-
Japan's Foreign Policy in Major Diplomatic Fields

CHAPTER 3

-al community contributes to effective coordination and smooth negotiations with other countries. As Japan endeavors to secure its national interests related to its territory and maritime interests. In addition, the promotion of the rule of law is essential in fostering a favorable environment for private and corporate activities, including those in economic affairs, thereby protecting relevant interests.

The rule of law in the international community has a rule-making aspect, involving participation in the formulation and development of a new order of international law, and a dispute-settlement aspect, in which disputes between states are settled peacefully based on international law.

Regarding rule-making, Japan is contributing actively to the codification of international law in various international fora, such as the International Law Commission (ILC), which has a Japanese member, and is playing a major role in the creation of global rules across a broad range of fields. More specifically, Japan is proactively engaged in the World Trade Organization (WTO) Doha Round negotiations in the field of economy as well as the establishment of a framework beyond 2012 to address the climate change issue.

As for the aspect of peaceful settlement of disputes, Japan has long valued the role of international institutions such as the International Court of Justice (ICJ) and has strongly supported the activities of these bodies, including through contribution of human resources. Japan is also making efforts toward active utilization of international tribunals in its diplomacy, such as its applications at the International Tribunal for the Law of the Sea (ITLOS) in July for the prompt release of Japanese fishing vessels seized by Russia. Japan invited Judge Rosalyn Higgins, the President of the ICJ, in April and Judge Rüdiger Wolfrum, the President of the ITLOS in November, and through the exchanges with members of the Japanese Diet and eminent persons, aimed to deepen understanding both in Japan and in the international community of the roles of these judicial organs as well as Japan’s efforts in this policy area. Japan became a member of the International Criminal Court (ICC) in October, and a Japanese candidate was elected as a judge shortly after. Work on a review of the Rome Statute of the ICC is under progress, and in the future it is expected that Japan will make further contributions through this work to the development of international criminal and humanitarian law.

In addition, Japan continues to strengthen its support for the development and improvement of legal systems in developing countries.

(d) Promotion of International Cooperation

Since the establishment of the International Cooperation Bureau of the Ministry of Foreign Affairs in August 2006, the government of Japan has worked to reinforce the strategic nature of its international cooperation and enhance the effectiveness of its implementation under a new framework.

Specifically, the International Cooperation Planning Headquarters within the Ministry of Foreign Affairs now sets forth policies for extending assistance for each region, sector, or issue, in keeping with basic strategies of overseas economic cooperation deliberated by the Overseas Economic Cooperation Council under the chairmanship of the Prime Minister, and taking into account directions of an overall diplomatic policy. In 2007 the Headquarters formulated for the first time a set of “Priority Policy and Regional Priority Issues for International Cooperation.” This set out the following five areas as priorities in promoting international cooperation: (i) to address environmental issues and climate change (utilizing economic cooperation towards the establishment of a framework beyond 2012 based on “Cool Earth 50”); (ii) to realize economic growth in developing countries and economic prosperity in Japan (improving the trade and investment climate, promoting economic partnerships, securing natural resources and energy); (iii) to consolidate democracy and assist market-oriented economic reforms within the context of Japan’s expanding diplomatic horizons, placing emphasis on universal values (assisting in legal and judicial system development frameworks, supporting human resource development, placing an emphasis on human rights, etc.); (iv) peacebuilding and the fight against terrorism; and (v) ensuring human security (contributing to the achievement of the Millennium Development Goals, etc.). In addition, the Advisory Council on International Cooperation was launched in March in order to reflect into public policy the views of well-informed persons having depth of knowledge about international cooperation. This council discusses and gives recommendations regarding basic poli-
3. Efforts to Enhance Prosperity in Japan and the International Community

In 2007, the global economy saw a growing presence of China, India, Russia and other emerging economies amidst an expansion in trade and investment as globalization advances. It also experienced a greater uncertainty due to the turmoil in the financial markets stemming from the sub-prime mortgage loan problem in the US and drastic increase in crude oil price. As for the Japanese economy, the corporate sector enjoyed a sustained economic growth as the economy continued to rebound, but it is necessary to pay due attention to risk factors in the trends of the global economy. Under these circumstances, Japan has developed comprehensive policies to promote the sustainable growth both for the Japanese and the global economies, by setting up the pillars of the following major issues.

(a) Formulating Rules for a Multilateral Free Trading System

The World Trade Organization (WTO) is a major component of the global economic infrastructure. It is of tremendous significance that the international community learned lessons from the block economies of the pre-World War II years and has been formulating global rules first through the General Agreement on Tariffs and Trade (GATT) and now through the WTO framework. The WTO system covers not only trade in goods but also a broad range of areas including services and intellectual property rights. Japan considers it important to consolidate this system and has been giving due consideration to the concerns of developing countries as it works actively to promote the WTO Doha Round negotiations.

The WTO Doha Round negotiations, which were suspended in July 2006, resumed in earnest in January 2007. In July, the chairs of the agriculture and non-agricultural market access (NAMA) negotiating groups circulated draft texts on modalities as a basis for discussions. Since September, intensive negotiations have been underway in individual negotiating areas and Japan has been proactively engaged in these.

(b) Promoting Negotiations on Economic Partnership Agreements (EPAs) and Free Trade Agreements (FTAs)

The reinforcement and development of the multilateral free trading system, with the WTO at its center, is the fundamental core of Japan’s external economic policy. In order to supplement this, Japan has also been promoting Economic Partnership Agreements (EPAs) and Free Trade Agreements for international cooperation based on a broad range of viewpoints, in an advisory capacity to the Foreign Minister. This council presented its interim report to the Foreign Minister in January 2008, which addressed such topics as aid to Africa, public-private partnerships, and challenges in preparation and implementation of ODA projects.

In addition to strengthening the strategic nature of international cooperation in this way, Japan has been working to implement assistance more effectively by speeding up the progression of yen loan projects from the proposal formulation stage to the implementation stage, as this had been an issue in the past. In October 2008, the Japan International Cooperation Agency (JICA) and the Overseas Economic Cooperation Operations (OECOs) of the Japan Bank for International Cooperation (JBIC) will be integrated to form the new JICA. The new JICA will be a comprehensive aid agency conducting integrated implementation of the three types of aid instruments, namely technical cooperation, yen loans, and grant aid, and preparations towards this more effective and efficient implementation of assistance are already underway. In addition, coordination with the private sector and NGOs is being advanced further and steps are being taken to strengthen public relations both within Japan and abroad regarding efforts by the government of Japan.

The year 2008 marks the mid-point to the Millennium Development Goals (MDGs) which are the international commitments towards 2015. It is also an important year for Japan, as it will host the G8 Development Ministers’ Meeting, the Fourth Tokyo International Conference on African Development (TICAD IV), and the G8 Hokkaido Toyako Summit. Japan is determined to exercise its leadership, particularly on such topics as climate change, African development, and global cooperation.
(FTAs). EPAs / FTAs accommodate the various types of global economic relationships, going beyond trade liberalization to cover investment liberalization and the formulation of rules in various sectors. These agreements can also be expected to foster closer ties with the partner countries. Japan considers the conclusion of EPAs with the countries of East Asia, with which it has close relations, to be a priority issue. To date, Japan has concluded and signed EPAs / FTAs with eight countries and has concluded the negotiations with ASEAN as a whole. Negotiations are currently underway with six countries and regions, including those that are important in the areas of natural resources and energy.

(c) Addressing Globalization

In the new international environment that has emerged since the 2001 terrorist attacks in the United States, responding to global issues such as sustainable development, poverty, counter-terrorism, and non-proliferation of weapons of mass destruction requires urgent attention, necessitating aid to developing nations and the creation of rules. The interest of the international community in energy issues and climate change issues rose dramatically in 2007, and there was also a focus on various challenges that have arisen along with the development of emerging countries such as China and India. Japan is addressing these issues through its active contributions as an advanced nation to policy coordination and the formulation of basic rules through the G8 Summit, the Organisation for Economic Co-operation and Development (OECD), and other diplomatic occasions.

(d) Economic Security

Japan is dependent on imports for not only fundamental resources and products for a stable economy and society such as crude oil, natural gas, coal, and other energy resources, mineral resources, fishery resources, and agricultural products, but also many other resources. Moreover, the price of crude oil that had hovered between US$10 and US$30 throughout the 1990s, began a continuous sharp climb in around 2002. Influenced in particular by a dramatic surge in demand in emerging countries and influx of speculative funds into the market these past few years, it continued to escalate and briefly on January 2, 2008 exceeded US$100 / barrel (closed at US$99.62/barrel) for the first time in history (all price data is for WTI, a benchmark crude oil on the New York futures market). Metal prices have also continued to rise steeply due to spiraling demand in emerging countries, and the sharp escalation in crude oil price has impacted on metal and food prices. Amidst such changes, reinforcing Japan’s economic security through using finite resources sustainably and ensuring stable supplies of resources is one of the extremely important diplomatic policy agenda.

(e) Reinforcing the Competitiveness of Japanese Companies and the Strength of the Japanese Economy

Support for the activities of Japanese companies engaging in business overseas is important in fostering vitality of the Japanese economy. In particular, proliferation of counterfeit and pirated goods not only prevailing a threat for both sustainable economic growth and the health and safety of consumers, but also negatively impact Japanese companies through the loss of profits in overseas markets. For that reason, in addition to the arrangements and improvements made by Japanese Embassies, Consulates, and Permanent Missions overseas and multilateral efforts, Japan aims, in coordination with other nations concerned, to realize the Anti-Counterfeiting Trade Agreement (ACTA; provisional name), a new international legal framework to strengthen the enforcement of intellectual property rights.

Since 2003, when Japan launched its Invest Japan campaign, the government has been working to promote inward foreign direct investment (FDI). The Ministry of Foreign Affairs has been promoting the active use of its Embassies, Consulates, and Permanent Missions overseas for this purpose, while contributing to public relations and promotion activities to attract FDI through cooperation with various organizations of Japan.
The impact of public opinion on diplomatic policy has been increasing due to the dramatic development of the Internet and mass media. For this reason, in order to promote diplomatic policy successfully, it is critical to attain the understanding of not only foreign governments but also foreign nationals. In particular, as an important part of diplomatic policy, countries are investing significant efforts in ensuring that people in other countries see them in a positive light. The Ministry of Foreign Affairs takes a direct approach towards citizens of foreign countries, comprehensively developing its efforts in public relations overseas and cultural exchange so as to foster favorable and deep understanding of Japan’s diplomatic policies and national circumstances. The Ministry is also working to convey the appeal of Japanese culture and promote exchanges with citizens of other countries.

Generally speaking, images of Japan in other countries are positive. The number of learners of Japanese around the globe is increasing steadily, reaching around 3 million in 2006, and interest in modern Japanese culture is high, as seen in the boom in Japanese pop culture. Taking advantage of this fact, the Ministry of Foreign Affairs established the International MANGA Award in May 2007 in order to promote a deeper understanding of Japanese culture. This award recognizes a manga artist who has been contributing to the spread of manga culture abroad.

In addition, besides holding cultural events, the Ministry is deepening exchanges with other countries by inviting a broad spectrum of foreigners to Japan, from government VIPs to youths and high school students, introducing Japan to them. Furthermore, the Ministry acts in cooperation with the United Nations Educational, Scientific and Cultural Organization (UNESCO) and other international organizations to contribute internationally in the area of culture, such as by preserving cultural heritage. Beyond such exchanges and cooperation, the Ministry disseminates information proactively about such topics as Japan’s policies as well as its society and culture. Furthermore, the ministry invited opinion leaders who have a significant influence on international public opinion to Japan, and support for research at think tanks and universities are provided to ensure that Japan’s views are understood accurately.

The Council on the Movement of People Across Borders, an advisory body to the Foreign Minister, has since March 2006 been assessing measures for advancing various types of efforts more effectively. On February 14, 2008, the Council submitted its report, entitled “Measure and Framework for Strengthening Japan’s Public Diplomacy: To increase the Number of People Understanding Japan and the Number of ‘Japan Fans,’” to Foreign Minister Koizumi.

Even as it implements these activities, in diplomatic anniversary years Japan also conducts intensive exchange activities with other countries as commemorative events designed to increase mutual understanding in an effective way. In 2007, which was the 35th anniversary of the normalization of diplomatic relations between Japan and China, the Japan-China Exchange Year of Culture and Sports was held and exchanges with citizens of China were further developed. The Japan-India Exchange Year also took place in 2007, commemorating the 50th anniversary of the Cultural Agreement between Japan and India. In 2008, the Golden Year of Friendship of Indonesia and Japan and the Japan-Brazil Exchange Year and other commemorative events are planned, and various exchange activities will be held.