<The Importance of Cooperation with the North American Region, Which Shares Fundamental Values and Principles>

The security environment in the region and the international community is becoming increasingly severe at a rapid pace due to Russia’s aggression against Ukraine, North Korea’s repeated ballistic missile launches with an unprecedented frequency and in unprecedented manners, and the continuation and strengthening of unilateral attempts to change the status quo by force in the East China Sea and the South China Sea. 2022 was a year in which the international community reached a great historic turning point. As the international order is facing challenges and gravely shaken now, there has never been a time when it has been more necessary to have cooperation with our allies and like-minded countries.

The United States is Japan’s sole ally. The strong Japan-U.S. Alliance is the linchpin of Japan’s foreign and security policy, and the foundation of peace and stability in the Indo-Pacific region. It is also essential to have cooperation with Canada, a member of the G7 and Japan’s important partner in the Indo-Pacific region that shares universal values.

<The Diplomatic Strategies of the U.S. and Canada>

In light of the increasingly severe international situation, 2022 was a year of changes in the diplomatic strategies of the U.S. and Canada. The U.S. announced its Indo-Pacific Strategy in February and its National Security Strategy in October. In the Indo-Pacific Strategy, the U.S. positions itself as an Indo-Pacific nation, states its determination to strengthen its long-term position and commitment to the Indo-Pacific, and pledged to achieve an “Indo-Pacific that is free and open, connected, prosperous, secure, and resilient.” Furthermore, in October, the first National Security Strategy under the administration of President Joseph Biden was released. The Strategy outlines how the U.S. will respond to strategic competition and other challenges facing the international community in cooperation with its allies and like-minded countries, including Japan, while taking a leadership role. Furthermore, the Strategy clearly specifies promotion of Free and Open Indo-Pacific (FOIP) and reaffirms unwavering commitment to the defense of Japan, including the Senkaku Islands.

Canada also released its first-ever Indo-Pacific Strategy in November. The Strategy is positioned as a comprehensive road map for deepening Canada’s engagement in the Indo-Pacific region over the next decade, and is based on a strategy of strengthening the free, open, sustainable, and inclusive order in the region. This was a move that symbolized Canada’s growing engagement in the region, in addition to the fields it has conventionally emphasized.

<Japan’s Diplomatic Relations with North America>

Against the abovementioned backdrop, 2022 was a year of deepening relations between Japan and the U.S. and Canada. Amid signs of the resumption of people-to-people exchanges in various fields toward the post-COVID-19 era, there was frequent high-level policy coordination between Japan and the U.S. in 2022, such as eight summit meetings (including one video teleconference meeting and two telephone calls) and 13 foreign ministers’ meetings (including six telephone calls). In particular, the Japan-U.S. Alliance has been increasingly strengthened under the deep relationships of trust between the leaders and foreign ministers, including the Japan-U.S. Summit Video Teleconference Meeting in January, the Japan-U.S. Summit Meeting during President Biden’s visit to Japan in May, and the Japan-U.S. Foreign Ministers’ Meeting during Foreign Minister Hayashi’s visit to the U.S. in July. The two countries are closely cooperating in responding to regional situations in Ukraine, North
Korea, and China, as well as global challenges such as COVID-19 pandemic, climate change, nuclear disarmament, and non-proliferation.

In particular, during President Biden's visit to Japan in May, the Japan-U.S. Joint Leaders' Statement “Strengthening the Free and Open International Order” was released as the outcome of the summit meeting. This Statement indicates the joint Japan-U.S. strategy aiming for the maintenance and development of the free and open international order based on the rule of law, taking into account the current international affairs and the strategic importance of the Indo-Pacific region. Based on the direction indicated at the summit meeting, the Japan-U.S. Alliance was strengthened in all fields, including politics, security, economic, and people-to-people exchanges, including the visit to the U.S. by Foreign Minister Hayashi in July and the visit to Japan by Vice President Kamala Harris to attend the state funeral of the late Prime Minister ABE Shinzo.

Furthermore, Japan and Canada held three summit meetings (including two telephone calls) and four foreign ministers’ meetings in 2022. Amidst the severe security environment, cooperation between the two countries is essential for regional peace and prosperity. In October, Foreign Minister Hayashi and Foreign Minister Mélanie Joly, who visited Japan as a guest of honor of MOFA, announced the “Japan-Canada Action Plan for contributing to a free and open Indo-Pacific region.” The Action Plan summarizes specific initiatives in six priority areas of cooperation shared by Japan and Canada, and will serve as a compass for concrete steps forward in Japan-Canada cooperation toward realizing FOIP.

2 United States

(1) Situation in the U.S.
A Politics

With regard to U.S. domestic affairs in 2022, from the perspective of predicting trends for the November midterm elections, attention was focused on whether the Biden administration would be able to stably manage the political situation by steadily implementing measures to combat COVID-19 and achieve economic recovery. Furthermore, as many hold the opinion that the U.S. public is becoming increasingly divided and partisan, attention was also focused on whether President Biden would be able to make progress in his efforts to achieve national reconciliation.

In January 2022 at a time when new COVID-19 infections surpassed one million per day in the U.S., President Biden held a press conference on January 19, which was the first anniversary of his inauguration. In the press conference, he emphasized the success of the COVID-19 countermeasures and appealed for support for the Build Back Better Act, citing the urgent need for recovery of the economy, which had been hit hard by COVID-19, and inflation countermeasures. While promoting consideration of the Build Back Better Act, a major spending bill that included social security, climate change measures, and other items, President Biden also needed to demonstrate his leadership to bring together the Democratic and Republican parties as well as those within the Democratic Party in order to pass the 2022 spending bill. Meanwhile, the Freedom to Vote Act, which was debated in the Senate to protect voting rights, including the expansion of voting by mail, was rejected with opposition from some Democrats. The act, which was initiated by the Biden administration in response to former President Donald Trump’s rejection of the electoral system in the 2020 presidential election and his refusal to admit his own defeat, was an attempt led by the Biden administration to counter movements by the Republican Party to amend state laws, including making stricter voting systems, mainly in states where the Republican Party is strong. This act ultimately revealed how difficult it is to coordinate within the Democratic Party.

Following Russia’s aggression against Ukraine that began in February, the U.S. swiftly imposed large-scale economic sanctions and military pressure on Russia, while at the same time deciding to provide 13.6 billion US dollars in new assistance to Ukraine in its FY2022 budget, in an effort to strengthen unity among...
like-minded countries. On March 1, President Biden delivered his State of the Union address to Congress, in which he strongly condemned President Vladimir Putin for the situation in Ukraine and emphasized cooperation with other countries. Furthermore, with regard to economic issues, he placed the highest priority on fighting inflation, while emphasizing the need to increase investment and employment. The Ukrainian Ambassador to the U.S., who sat beside the First Lady of Ukraine, was cheered by the Congress members in attendance. In May, President Biden decided to provide an additional 40 billion US dollars in assistance to Ukraine, and emphasized both domestically and internationally that he would continue this support.

In terms of domestic affairs, the movement for gun control also attracted attention. In May, the shootings at a grocery store in Buffalo, New York and at an elementary school in Uvalde, Texas, which were both committed by 18-year-old boys, increased public opinion calling for gun control and led to demonstrations across the U.S. President Biden called for action in Congress, and in June, the Senate and House of Representatives passed the first major gun control bill in 28 years on a bipartisan basis. Upon signing the bill, President Biden stated, “I know there’s much more work to do, and I’m never going to give up,” emphasizing the need for further action. Meanwhile, in the same month, the U.S. Supreme Court issued a ruling declaring New York State’s gun control law restricting concealed carry of handguns outside the home to be unconstitutional, to which President Biden issued a statement that he was “deeply disappointed.”

The year 2022 was also a year of heightened debate over the ethics of abortion. In June, the U.S. Supreme Court issued a ruling in a case over the constitutionality of a Mississippi law restricting abortion, overturning the 1973 Roe v. Wade decision which recognized the right of women to abortion under the U.S. Constitution. While the side that advocates for abortion rights (known as “pro-choice,” which respects a woman’s right to choose) strongly opposed the ruling and held protests across the U.S., the anti-abortion side (known as “pro-life,” which respects the life of the unborn) held rallies to celebrate the decision, thus revealing the division in the country. The composition of the Supreme Court justices is generally considered to be conservative as former President Trump nominated three justices who are considered conservative when he was in office, although Justice Ketanji Brown Jackson, a liberal nominated by President Biden, was confirmed by the U.S. Senate in April.

On the economic front, inflation had been rising in part due to various economic measures that had begun to take effect after the COVID-19 pandemic, as well as factors such as supply chain disruptions following the recovery in demand. However, inflation was further spurred by rising energy and food prices worldwide due to the situation in Ukraine. In June, the price of regular gasoline remained above 5 US dollars per gallon, and the Biden administration responded to the sharp price rise by releasing the U.S. Strategic Petroleum Reserve to the market. But due to dissatisfaction with inflation and other factors, President Biden’s approval rating, which had been in the 50% range when he took office in 2021, dropped to the low 40% range in 2022. In July, it dropped below 40%. Inflation has had a serious impact on the household finances of the American people, and was expected to be a major issue in the midterm elections. In response to this situation, President Biden himself made efforts to coordinate with Congress. August saw the passage of the CHIPS and Science Act (CHIPS stands for “Creating Helpful Incentives to Produce Semiconductors”), which had been under discussion for the purpose of strengthening domestic industrial competitiveness in view of competition with China, as well as the Inflation Reduction Act, which reduced the scale of spending based on the Build Back Better Act mentioned before. The American people responded favorably to these economic policies, and there was a turnaround in President Biden’s approval rating, which had been on a downward trend until then.

On the other hand, with regard to the Republican Party, former President Trump’s actions were believed to be key to the party’s success in the November midterm elections and the 2024 presidential election. In January 2021, supporters of former President Trump attacked the U.S. Capitol, alleging fraud in the 2020 presidential election. With the allegation that former President Trump incited the attack, the House Select Committee was established under the leadership of the Democrats and conducted various investigations to learn the truth of the matter. Public hearings were
held from June 2022, in which many former Trump administration officials and others testified. In August, the Federal Bureau of Investigation (FBI) conducted a search of former President Trump's private residence named Mar-a-Lago in Florida on charges that he illegally removed documents from the White House when he left office, and concealed and hid official documents. The former President claimed that the search was an attack by radical leftists who wanted to prevent him from running in the 2024 presidential election, and he continued to be backed by many Republican supporters, including for his policy stances. With his popularity, the former President stepped up his political activities, denouncing at political rallies members of Congress who were critical of him and supporting his favored candidates in the Republican primaries for the midterm elections.

On November 8, the midterm elections were held amidst talk on a variety of issues, including inflation, abortion, public safety and gun control, and the debate over election fraud involving former President Trump. Historically, the party of presidents in their first term has often fared poorly in U.S. midterm elections. Additionally, with the severe inflation situation facing the entire country, there were expectations immediately before the election of a “red wave” (red is the symbolic color of the Republican Party), with the Republicans winning both the Senate and the House of Representatives. However, although the Republicans acquired a narrow majority in the House of Representatives with 222 out of 435 seats, the Democrats maintained their majority in the Senate with 51 seats. In the gubernatorial elections, the Democrats gained two more states, with the Democrats and Republicans each winning 18 of the 36 states that were up for election. Overall, it is generally believed that the “red wave” predicted before the election did not occur, and that the aforementioned backlash against the abortion ban and the rejection of those who denied the 2020 presidential election expanded among younger people, women, independents, and some Republican supporters more than previously expected. In particular, there was a high percentage of young people who voted for Democrats in four states (Arizona, Georgia, Nevada, and Pennsylvania), where close Senate races were predicted in advance, and it is strongly believed that the Democrats put up a good fight. In fact, in these four states, all of the Republican candidates who were supported by former President Trump were defeated, indicating a decline in the former President’s popularity.

As a result of the midterm elections, the Democrats maintained their majority in the Senate, but lost their majority in the House of Representatives to the Republicans, leading to debate in the administration, Senate, and House with a “divided Congress” in 2023. This has led some to believe that President Biden will utilize executive orders to realize his policies. On November 15, the week following the midterm elections, moves toward the presidential election had already begun, including former President Trump announcing his candidacy for the 2024 presidential election. On the other hand, it has been pointed out that the aforementioned election results indicate a decline in the former President’s influence. Amidst attention going to the movements of Republican Governor Ron DeSantis, who won the Florida gubernatorial election by a landslide, developments toward the presidential election are expected to be increasingly active. Attention will be focused on the leadership of the Biden administration under the “divided Congress” in 2023 as well as the future movements of both parties for the 2024 presidential election.

**B Economy**

(A) Current Economic Situation

2022 was a year of economic challenges for the Biden administration, including persistent inflation and concerns of a recession due to tighter monetary policy. Continuing on from 2021, there was accelerated inflation due to supply shortages caused by global supply chain disruptions and labor shortages that arose during the COVID-19 pandemic. Although growth gradually slowed through the second half of 2022, at one point the U.S. consumer price index (CPI) rose at a 9% rate year-on-year (June 2022, 9.1%) for the first time in nearly 40 years. Persistent inflation threatened the daily lives of the American people and was the primary concern of voters in the midterm elections held in November 2022.

Real GDP grew 5.7% year-on-year in 2021, the highest level in almost 40 years. Although real GDP...
growth rate was negative from January to March and from April to June in 2022, it turned positive from July to September at a year-on-year rate of 3.2%, and there was also a 2.3% increase in consumer spending, which accounts for 70% of GDP.

In terms of employment, the unemployment rate remained stable at the 3% level throughout the year, and the number of employed people increased steadily. However, the labor force participation rate (the ratio of the labor force (either working or actively looking for work) to the working-age population (population aged 16 and over)) remained at 62.2% (as of October 2022), compared to 63.4% before the COVID-19 pandemic (in February 2020), and was still on the road to recovery. While labor demand has stabilized, the pressure on the labor market is still a challenge due to the labor shortage.

(B) Economic Policy

In 2021, the Biden administration passed large-scale fiscal laws such as the American Rescue Plan as a COVID-19-related economic measure and the Infrastructure Investment and Jobs Act that focused on investment in the infrastructure sector. These acts faced opposition not only from Republicans but also from within the Democrats, and the passage of bills incorporating climate change measures and human investment was stalled. However, as a result of continued intra-party coordination, the parties agreed to reduce the scale of spending from the Build Back Better Act announced in 2021, and on August 16, 2022, the Inflation Reduction Act was enacted with an emphasis on climate change measures.

The Inflation Reduction Act includes a total of 499 billion US dollars in spending, including 391 billion US dollars in climate change investments, such as tax credits for the introduction of clean energy. It also aims to contribute to inflation control by including more revenue than expenditure, with a 15% minimum corporate tax rate for large corporations, the right for the government to negotiate prescription drug prices with pharmaceutical companies, and a 1% tax on stock buybacks. Agreement was also reached on a bill involving funding for the semiconductor industry, and the CHIPS and Science Act was passed on August 9. In response to this act that allocates 52.7 billion US dollars in the budget for the semiconductor industry, many companies in the U.S. and abroad have announced investment plans, such as the construction of semiconductor manufacturing plants in the country.

With regard to monetary policy, the Federal Open Market Committee (FOMC) decided to raise interest rates sharply by 0.5% to 0.75% at each subsequent meeting, beginning with a 0.25% increase at its March 2022 meeting, in order to normalize the high inflation that has persisted since 2021. In May, the Federal Reserve Board (FRB) also made a decision on monetary tightening by reducing its asset holdings, and is further strengthening monetary tightening.

(2) Japan-U.S. Political Relations

From January 2022 to the end of January 2023, frequent policy coordination at high levels has continued between Japan and the U.S., including nine summit meetings (of which two were telephone calls and one was a teleconference meeting) and 14 foreign ministers’ meetings (of which six were telephone calls), as mutual visits by dignitaries resumed in earnest toward the post-COVID-19 era. Under the deep relationship of trust between the leaders and foreign ministers, the Japan-U.S. Alliance is stronger than ever before. The two countries are closely cooperating on regional affairs, including China, North Korea, and Ukraine, and in addressing global challenges such as COVID-19, climate change, nuclear disarmament, and nonproliferation.

On January 6, Foreign Minister Hayashi held a Japan-U.S. foreign ministers’ telephone call with Secretary of State Antony Blinken. The two ministers reaffirmed that Japan and the U.S. would work together to strengthen the Japan-U.S. Alliance and to realize FOIP. They also exchanged views on the COVID-19 situation of the U.S. Forces in Japan as well as the regional issues in North Korea, Russia, and Ukraine.

On January 21, Prime Minister Kishida held a Japan-U.S. Summit Video Teleconference Meeting with President Biden. The two leaders shared the intention to coordinate closely under the strong Japan-U.S. Alliance and to deepen cooperation with like-minded countries such as Australia, India, ASEAN countries, and European countries, toward realizing FOIP. The two leaders also exchanged views on regional issues,
including China, North Korea, Russia, and Ukraine. Furthermore, the two leaders shared the intention to further strengthen the deterrence and response capabilities of the Japan-U.S. Alliance in light of the increasingly severe security environment in the region. Prime Minister Kishida expressed his determination to fundamentally reinforce Japan’s defense capabilities by newly formulating the National Security Strategy, the National Defense Program Guidelines, and the Mid-Term Defense Program, and President Biden expressed his support to it and underscored the importance of sustaining vital investments in defense over time. Prime Minister Kishida explained the idea of a “New Form of Capitalism,” and the two leaders shared the view to deepen discussions on new policy initiatives toward realizing a sustainable and inclusive economy and society. Furthermore, the two leaders concurred on the launch of the ministerial Japan-U.S. Economic Policy Consultative Committee (the Economic “2+2”), and shared the intention to expand and deepen bilateral economic cooperation and mutual exchanges based on the “Japan-U.S. Competitiveness and Resilience (CoRe) Partnership” among others. In addition, the two leaders confirmed their intention to work together toward a world without nuclear weapons, and underscored the significance of the Japan-U.S. Joint Statement on the Nuclear Non-Proliferation Treaty (NPT) released on the same day.

On February 2, Foreign Minister Hayashi held a Japan-U.S. foreign ministers’ telephone call with Secretary of State Blinken. The two Ministers exchanged views on North Korea’s nuclear and missile activities, and concurred that in light of the increasingly severe regional security environment, it is essential to strengthen the deterrence and response capabilities of the Japan-U.S. Alliance and to continue close coordination between Japan and the U.S. The two Ministers also exchanged views on the situation in Russia and Ukraine.

On February 11, Foreign Minister Hayashi, who was visiting Australia, to attend the Japan-Australia-India-U.S. Foreign Ministers’ Meeting, held a Japan-U.S. Foreign Ministers’ Meeting with Secretary of State Blinken. The two Ministers concurred to continue close coordination between Japan and the U.S. and to deepen cooperation with like-minded countries such as Australia, India, ASEAN countries, and European countries toward realizing FOIP. They also exchanged views on regional issues, including China, North Korea, Russia, and Ukraine. In light of the increasingly severe regional security environment, they concurred that it is essential to strengthen the deterrence and response capabilities of the Japan-U.S. Alliance and to continue close coordination between Japan and the U.S. Furthermore, they exchanged views on “New Form of Capitalism” and “Build Back Better” that Prime Minister Kishida and President Biden promote respectively, and concurred that they will deepen discussion on economic policies of both in the future, utilizing the Economic “2+2.” In addition, Foreign Minister Hayashi urged the U.S. to return to the Trans-Pacific Partnership (TPP).

On February 26, Foreign Minister Hayashi held a Japan-U.S. foreign ministers’ telephone call with Secretary of State Blinken. The two Ministers exchanged views on the situation in Russia and Ukraine, and concurred to continue close coordination between Japan and the U.S. as well as with the international community, including the G7. Furthermore, the two Ministers reaffirmed the necessity to strengthen the deterrence and response capabilities of the Japan-U.S. Alliance and concurred to continue close coordination toward realizing FOIP.

On March 24, Prime Minister Kishida, who was visiting Belgium to attend the G7 Summit Meeting, held a meeting with President Biden. The two leaders exchanged views on the situation in Russia and Ukraine, condemned North Korea’s nuclear and missile activities, and confirmed to continue close coordination between Japan and the U.S. on the response to North Korea. Furthermore, the two leaders concurred to continue discussion about further strengthening the Japan-U.S. Alliance.

On March 24, in response to the ballistic missile launch by North Korea, Foreign Minister Hayashi held a Japan-U.S. foreign ministers’ telephone call with Secretary of State Blinken and exchanged views on North Korea’s nuclear and missile activities. The two Ministers concurred that they must not allow North Korea to be misled into believing that a window of opportunity has opened to proceed with provocative actions, especially as the international community
focuses its attention on responding to Russia’s aggression against Ukraine. In this way, in light of such an increasingly severe regional security environment, they reaffirmed the necessity to strengthen the deterrence and response capabilities of the Japan-U.S. Alliance, and concurred to continue close coordination between Japan and the U.S.

On April 7, Foreign Minister Hayashi, who was visiting Belgium to attend the NATO Foreign Ministers’ Meeting and the G7 Foreign Ministers’ Meeting, held a Japan-U.S. Foreign Ministers’ Meeting with Secretary of State Blinken. The two Ministers exchanged views on international affairs, including Russia, Ukraine, China, and North Korea. Furthermore, in light of the increasingly severe regional security environment, the two Ministers confirmed that it is essential to strengthen the deterrence and response capabilities of the Japan-U.S. Alliance, and that Japan and the U.S. would strengthen their commitment to the region in all aspects, including politics, security, and economics. Furthermore, the two Ministers exchanged views on ensuring stable energy supply.

From May 22 to 24, President Biden visited Japan for the first time since assuming the presidency and held a Japan-U.S. Summit Meeting with Prime Minister Kishida. The two leaders reaffirmed the need to resolutely defend the free and open international order based on the rule of law, amidst Russia’s aggression against Ukraine that shakes the very foundation of the international order. Additionally, under the recognition that the Indo-Pacific is a region of vital importance to global peace, security and prosperity, the two leaders concurred that Japan and the U.S. will continue to lead the international community and closely cooperate with like-minded countries toward the realization of FOIP. The two leaders also exchanged views on the regional issues in Russia, Ukraine, and North Korea. In addressing various issues related to China, the two leaders concurred to continue to work closely together. Furthermore, the two leaders confirmed that their basic position on Taiwan remains unchanged, reiterated the importance of peace and stability across the Taiwan Strait, and encouraged the peaceful resolution of cross-Strait issues. President Biden reiterated the U.S. commitment to the defense of Japan, and the two leaders concurred to communicate more closely between Japan and the U.S. to ensure that extended deterrence remains unwavering, including at the ministerial level. Furthermore, sharing the recognition that the U.S. engagement in the regional economic order is becoming increasingly important, President Biden announced the launch of the Indo-Pacific Economic Framework for Prosperity (IPEF), and Prime Minister Kishida appreciated the IPEF as well as President Biden’s leadership on its launch, and stated that Japan would participate in and cooperate on the initiative. Prime Minister Kishida also urged the U.S. to return to the TPP from a strategic perspective. In addition, in order to enhance the competitiveness and resilience of Japan and the U.S., the two leaders concurred to continue to work together under the CoRe Partnership, in areas such as cancer research and the space domain, to strengthen the competitiveness and resilience of both countries, and to strengthen cooperation in ensuring economic security. The two leaders also exchanged views on global challenges such as energy and food issues, reform and strengthening of the United Nations (UN), nuclear disarmament and non-proliferation,
global health, and climate change. In addition, the two leaders concurred to resume various exchange programs, looking ahead to the post-COVID-19 era, and to promote multi-layered people-to-people exchanges. As the outcome of the Summit Meeting, the two leaders issued the “Japan-U.S. Joint Leaders’ Statement: Strengthening the Free and Open International Order.”

On May 23, Foreign Minister Hayashi held a Japan-U.S. Foreign Ministers’ Meeting with Secretary of State Blinken, who was also visiting Japan. The two ministers exchanged views on international affairs including Russia, Ukraine, China, and North Korea, and concurred to swiftly strengthen the deterrence and response capabilities of the Japan-U.S. Alliance in the face of the increasingly severe security environment in the region. The two ministers also exchanged views on the Economic “2+2,” and concurred to accelerate concrete discussions toward its July.

On May 25, in response to North Korea’s ballistic missile launch immediately following the Japan-U.S. Summit Meeting, the U.S.-Republic of Korea (ROK) Summit Meeting, and the Japan-Australia-India-U.S. (Quad) Leaders’ Meeting, Foreign Minister Hayashi held a Japan-U.S. foreign ministers’ telephone call with Secretary of State Blinken. The two ministers exchanged views on North Korea’s nuclear and missile activities.

On June 27, Prime Minister Kishida, who was visiting Germany to attend the G7 Elmau Summit, held a Japan-U.S. Summit Meeting with President Biden. The two leaders confirmed their commitment to continue close coordination toward further strengthening the Japan-U.S. Alliance and realizing FOIP. They also exchanged views on the Economic “2+2” and the situation in Russia and Ukraine.

On July 9, Prime Minister Kishida held a Japan-U.S. Summit telephone meeting with President Biden following the passing of former Prime Minister Abe. President Biden expressed condolences on the passing of late Prime Minister Abe, and stated that he stands with the Prime Minister and the people of Japan. In response, Prime Minister Kishida expressed his gratitude for President Biden’s remarks and stated that the despicable act that took place in the midst of an election, the very foundation of democracy, is absolutely unacceptable. Prime Minister Kishida also stated that as the incumbent Prime Minister, he would not give in to violence and would defend democracy, and strive to further strengthen the Japan-U.S. Alliance, carrying on the legacy of former Prime Minister Abe who lifted the Japan-U.S. Alliance to new heights.

On July 11, Secretary of State Blinken, who was visiting Southeast Asia, made an impromptu visit to Japan and paid a courtesy call to Prime Minister Kishida. Secretary of State Blinken expressed condolences on the passing of former Prime Minister Abe. He also noted that the late Prime Minister was an unswerving champion of the Japan-U.S. Alliance and made great achievements in strengthening ties with the U.S. and other like-minded countries, promoting the foresighted vision of FOIP. In response, Prime Minister Kishida expressed his gratitude for the warm feelings from the U.S. and reiterated his desire to further strengthen the Japan-U.S. Alliance, carrying on the legacy of former Prime Minister Abe who lifted the Japan-U.S. Alliance to new heights.

From July 28 to 31, Foreign Minister Hayashi visited Washington D.C. to attend the Economic “2+2.” He also held a Japan-U.S. Foreign Ministers’ Meeting with Secretary of State Blinken. The two ministers reconfirmed their commitment to expand and deepen security and defense cooperation between Japan and the U.S., and to further strengthen the deterrence and response capabilities of the Japan-U.S. Alliance. The two ministers also welcomed the recent Japan-U.S. Extended Deterrence Dialogue and concurred to continue close communication at various levels, from the perspective of ensuring that U.S. extended deterrence remains credible and resilient. The two ministers also exchanged views on the realignment plan of the U.S. Forces in Japan and regional issues in Russia, Ukraine, China, and North Korea. Furthermore, the two ministers shared the recognition that engagement of the U.S. in the economic order of the Indo-Pacific region is becoming increasingly important, and Minister Hayashi urged the U.S. to return to the TPP at an early time, while also expressing support for the IPEF.

On August 4, Foreign Minister Hayashi, who was visiting Cambodia for the ASEAN-related Foreign Ministers’ Meetings, held an informal talk with Secretary of State Blinken. The two ministers strongly condemned the ballistic missile launch by China that...
In May, President Joseph Biden of the U.S. visited Japan, and a Japan-U.S. Summit Meeting and other events were held. This was the first visit to Japan by a U.S. President in three years, since President Trump’s visit in May 2019. It was President Biden’s first visit to Japan since becoming President.

In welcoming President Biden, MOFA officials of course focused on achieving the maximum outcomes of the summit meeting, but also considered how to make the visit deeply memorable for President Biden. In order to build strong Japan-U.S. relations, it was extremely important to make this visit to Japan filled with good memories for President Biden, with the two leaders spending close time together and building a personal relationship of trust.

The informal dinner was held at a historic facility famous for its beautiful Japanese garden, and followed the Japan-U.S. Summit Meeting held at the State Guest House. It was truly the ideal opportunity for the two leaders to deepen their friendship.

Prior to the dinner, Mrs. KISHIDA Yuko, spouse of the Prime Minister, arranged a tea ceremony serving usucha (matcha green tea) which she had personally prepared to welcome President Biden to Japan. The tokonoma (alcove) was decorated with a kakejiku (hanging scroll) that read “Senri Dofu” (which means that the same winds blow and there is harmony even in distant lands). There was also a vase with wildflowers, including mountain laurels (the state flower of Pennsylvania, the home state of President Biden), Japanese maple (the prefectural flower of Hiroshima Prefecture, the home prefecture of Prime Minister Kishida), and sasayuri (yuri, the Japanese word for lilies, which incorporate the desire for the thoughts of both countries be in harmony). Furthermore, a tea bowl with a phoenix pattern was chosen for President Biden, which is considered auspicious as the phoenix is said to only appear in a peaceful world. As President Biden relished the matcha tea, it looked like this spirit of hospitality had been well conveyed to him.

For the dinner that followed, a carefully-considered meal was prepared based on President Biden’s preferences. The menu featured special dishes that incorporated Western cuisine elements into traditional Japanese cuisine. In fact, the dessert was the only dish on the menu that was decided from the very beginning: gelato, President Biden’s favorite dessert. However, this gelato was not ordinary one. In fact, President Biden visited Japan in August 2011 just after the Great East Japan Earthquake, and went to Natori City in Miyagi Prefecture, which was affected by the disaster. President Biden, who was Vice President at the time, gave a thoughtful speech at Sendai Airport praising the reconstruction efforts in the disaster-affected areas and describing the supportive stance of the U.S. toward Japan. He personally visited temporary housing facilities and directly interacted with the residents.

For the dinner, MOFA ordered gelato from Natori City. Details could not be provided in advance for security reasons, so the store could only be told the date and amount of gelato to prepare. However, the gelato store, which was suddenly contacted, did its utmost to send freshly made gelato. The warm hospitality of the store must have been conveyed to President Biden, as he savored the gelato down to the last spoonful.

Over the meal, the two leaders talked candidly about not only Japan-U.S. relations, but also about their own personal histories, their political careers, and their families. It was an evening that further deepened the bond between Japan and the U.S.
On the occasion of the state funeral for the late Prime Minister ABE Shinzo, the U.S. delegation headed by Vice President Harris visited Japan to attend the funeral. On September 26, Prime Minister Kishida received a courtesy call from Vice President Harris, who once again offered her condolences on the passing of the former Prime Minister Abe. In response, Prime Minister Kishida expressed his gratitude for the sympathies from Vice President Harris, including her attendance to the state funeral. The two sides concurred to continue close cooperation between Japan and the U.S. toward further strengthening the Japan-U.S. Alliance and realizing FOIP. They also exchanged views on regional affairs, including Russia, Ukraine, China, and North Korea, and agreed on Japan-U.S. cooperation and coordination in various fields, including the IPEF, the space field, UN Security Council reform, and the G7 Hiroshima Summit.

On October 4, Prime Minister Kishida held a telephone meeting with President Biden, and Foreign Minister Hayashi held a telephone meeting with Secretary of State Blinken following North Korea’s missile launch, that flew over Japan for the first time in approximately five years, which took place in the wake of an unprecedented frequency of four launches in a week the previous week. During both telephone meetings, the two leaders strongly condemned North Korea’s actions and concurred to continue close coordination between Japan and the U.S. as well as among Japan, the U.S. and the ROK toward the complete denuclearization of North Korea in accordance with the UN Security Council resolutions, including further responses in the UN Security Council.

On November 3, in response to the series of ballistic missile launches by North Korea on November 2 and 3, Foreign Minister Hayashi, who was visiting Münster, Germany to attend the G7 Foreign Ministers’ Meeting, held an informal talk with Secretary of State Blinken. The Ministers strongly condemned North Korea’s actions and exchanged views on nuclear and missile activities.

On November 4 the following day, Foreign Minister Hayashi held a Japan-U.S. Foreign Ministers’ Meeting with Secretary of State Blinken. Foreign Minister Hayashi expressed his high appreciation for the U.S. National Security Strategy, which reiterated the promotion of FOIP and the unwavering U.S. commitment to the defense of Japan, including the Senkaku Islands. In response, Secretary of State Blinken stated that the U.S. would continue close coordination with its allies and partners to defend the free and open international order. The two Ministers also exchanged views on regional issues, including China, North Korea, Russia, and Ukraine.

On November 13, Prime Minister Kishida, who was visiting Phnom Penh, Cambodia to attend the ASEAN-related Summit Meetings, held a Japan-U.S. Summit Meeting with President Biden. The two leaders shared the recognition that the strong Japan-U.S. relationship has a significant role to play in regional peace and stability and beyond, by further strengthening the deterrence and response capabilities of the Japan-U.S. Alliance. Furthermore, they concurred to promote efforts to realize FOIP and that Japan and the U.S. would closely cooperate to ensure peace and prosperity in the region and the international community.
They also exchanged views on regional issues, including China, North Korea, Russia, and Ukraine, and discussed strengthening Japan’s defense capabilities and the regional economic order.

On January 11, 2023, Foreign Minister Hayashi, who was visiting Washington, D.C. to attend the Japan-U.S. Security Consultative Committee (“2+2”), held a Japan-U.S. Foreign Ministers’ Meeting with Secretary of State Blinken. Building up on the discussions held at the Japan-U.S. “2+2” before this meeting, the two Ministers reaffirmed to further strengthen the deterrence and response capabilities of the Japan-U.S. Alliance as a whole including by linking the reinforcement of Japan’s defense capabilities to making the capabilities of the U.S. more effective. The two Ministers also concurred that Japan and the U.S. will continue to closely cooperate to address issues related to China and to ensure the success of the G7 Hiroshima Summit and the G7 Foreign Ministers’ Meeting.

On January 13, Prime Minister Kishida, who was visiting Washington, D.C., held a Japan-U.S. Summit Meeting with President Biden. As Japan and the U.S. are facing their most severe and complex security environment in recent years, the two leaders welcomed that the national security strategies announced by the two countries in 2022 are aligned with each other, and renewed their determination to further strengthen the deterrence and response capabilities of the Japan-U.S. Alliance, including by seeking to create synergies in the implementation of strategies. The two leaders instructed that concrete consultations regarding Japan-U.S. cooperation on the security front is further deepened. The two leaders also exchanged views on regional affairs, and concurred on continuing to work closely together in addressing issues related to China. Furthermore, the two leaders reiterated the importance of peace and stability across the Taiwan Strait and encouraged the peaceful resolution of cross-Strait issues. Furthermore, they exchanged views on North Korea as well as Russia and Ukraine. Prime Minister Kishida also explained that, at the G7 Hiroshima Summit, he would like to demonstrate the G7’s vision and determination to uphold the international order based on the rule of law, and also discuss the Indo-Pacific substantially. The leaders reaffirmed their commitment that Japan and the U.S. will work closely together toward the success of the G7 Hiroshima Summit. Furthermore, Prime Minister Kishida stated that he will strengthen efforts to realize FOIP, to which President Biden reiterated the unwavering U.S. commitment to the region. The two leaders concurred that Japan and the U.S. will continue to promote endeavors to realize FOIP. The two leaders reconfirmed unprecedented Japan-U.S. cooperation, rooted in the shared vision of a free and open Indo-Pacific and a peaceful and prosperous world, and guided by the shared values and principles including the rule of law, and issued the Joint Statement of the U.S. and Japan.

(3) Japan-U.S. Economic Relations

Japan-U.S. economic relations are one of the three pillars of the Japan-U.S. Alliance, together with security and people-to-people exchanges. For example, Japan has been the world’s largest investor in the U.S. for three consecutive years in terms of outstanding direct investment in the U.S. ($721 billion US dollars in 2021), and helped create approximately 930,000 jobs in 2020 (second only to the United Kingdom). In addition
to such multifaceted efforts to strengthen Japan-U.S. bilateral relations through vigorous investment and employment creation, 2022 was a year of further development of the two countries’ economic relations, as a new framework was launched to expand and deepen cooperation in the economic field, encouraged by the resumption of in-person diplomacy.

With regard to the CoRe launched in April 2021, approximately one year after the launch of the Partnership in May 2022, a fact sheet was issued on the occasion of President Biden’s visit to Japan showing progress on 61 items under the pillars of (1) Competitiveness and Innovation; (2) COVID-19 Response, Global Health, and Health Security, and (3) Climate Change, Clean Energy, and Green Growth and Recovery.

Furthermore, for the Japan-U.S. Economic Policy Consultative Committee (the Economic “2+2”) established in January 2022, a Vice-Ministerial Meeting was held in May. The two sides shared recognition of the strategic environment surrounding Japan and the U.S., and discussed ensuring economic security, strengthening the rules-based economic order of the international community including the Indo-Pacific region, and other such matters. In July, the four ministers held the first in-person meeting of the Economic “2+2,” and held discussions on (1) Realizing Peace and Prosperity through the Rules-Based Economic Order, (2) Countering Economic Coercion and Unfair and Opaque Lending Practices, (3) Promoting and Securing Critical and Emerging Technologies and Critical Infrastructure, and (4) Strengthening Supply Chain Resilience. Furthermore, they released a joint statement containing a concrete action plan, and showed to the international community, including the Indo-Pacific region, a U.S.-Japan Alliance that is both strong and able to flexibly respond to the needs of the times.

In the field of trade, within the Japan-U.S. Partnership on Trade, which was launched in November 2021, there was discussion on matters such as strengthening Japan-U.S. cooperation in the Indo-Pacific region and Japan-U.S. cooperation on the global agenda. The first meeting was held in March 2022 and the second meeting was held in August 2022 to discuss Japan-U.S. cooperation on trade practices in third countries, the digital field, the environment, labor, trade facilitation, multilateral cooperation, and other such issues.

Furthermore, on March 25, following the March 18, 2021 invocation of the safeguard measures on U.S. beef stipulated in the Japan-U.S. Trade Agreement, consultations were begun to modify the conditions for the application of the measures in accordance with the obligations under the exchange of notes prepared in connection with the Agreement. The Protocol Amending the Trade Agreement Between Japan and the United States of America based on the agreement content was signed in Washington D.C. by Japanese Ambassador to the U.S. TOMITA Koji and U.S. Trade Representative Katherine Tai, and entered into force on January 1, 2023.

Furthermore, Japan and the U.S. are strengthening their cooperation in a wide range of fields together with regional partners with the aim of achieving sustainable and inclusive economic growth in the Indo-Pacific region. On May 23, the summit-level meeting on the launch of the Indo-Pacific Economic Framework for Prosperity (IPEF) was held in Tokyo, and Prime Minister Kishida and President Biden both attended the meeting in-person. At the IPEF Ministerial held in September in Los Angeles, the 14 IPEF member countries discussed four fields: trade, supply chains, clean economy, and fair economy. They issued ministerial statements outlining the target areas for negotiations. Japan will continue to contribute to the concrete implementation of the IPEF from the strategic perspective of maintaining and strengthening the free and open economic order.

Close bilateral cooperation continues in the sectors focused upon in the IPEF. For example, in the digital
sector, there have been efforts to strengthen cooperation through various frameworks concerning the expansion of reliable telecommunications infrastructure and innovative technologies such as 5G. During the fourth expert-level working group meeting of the Japan-U.S. Global Digital Connectivity Partnership (GDCP) held in August as well as the 13th U.S.-Japan Policy Cooperation Dialogue on the Internet Economy (U.S.-Japan IED) held in March 2023, government officials and private sector businesspeople exchanged views on Open RAN, 5G, smart cities, Data Free Flow with Trust (DFFT), AI, cyber security, and other such matters.

Furthermore, with regard to the infrastructure sector, the Fifth Japan-U.S. Infrastructure Investment Forum was held in August in cooperation with the U.S. Department of Transportation and the State of California. During the Forum, the Japanese and U.S. governments and private companies introduced their initiatives in the decarbonization and digital sectors.

In the energy sector, based on the Japan-U.S. Clean Energy Partnership (JUCEP) launched by the two countries in April 2021, ongoing discussions are being conducted on supporting the Indo-Pacific region’s decarbonization and transition to clean, affordable and secure energy sources.

Along with the federal government, building closer ties with the unique individual states of the U.S. will help deepen Japan-U.S. economic ties at an even closer level. In 2022, for the first time in three years, in-person meetings were held for the Japan-Midwest U.S. Association’s annual joint meeting, the Japan-U.S. Southeast Association’s annual joint meeting, and the U.S.-Japan Business Conference. Furthermore, the governors of the states of North Dakota, Maryland, and Nebraska, as well as the mayors of Seattle and Houston, visited Japan while leading an economic and trade delegation. Furthermore, Japan renewed its memorandums of cooperation concerning economic and trade relations with the governments of the states of California, Washington, and Maryland. Furthermore, Japan established a memorandum concerning reciprocal partial exemptions of the examination for driver licenses with the state of Oregon in November.

Moreover, in order to strengthen the foundation of Japan-U.S. economic relations from the grassroots level, the Government of Japan is also working as one on efforts to promote understanding of Japan. Since the launch of the Government Taskforce on Strengthening Japan-U.S. Ties at the Grass Roots in 2017, the Government of Japan has undertaken efforts to build tailor-made relations in accordance with the characteristics of each region and the level of interest in Japan within the target regions. As an example, events and webinars were held to promote Japan-U.S. joint cancer research and to share know-how in the field of disaster risk reduction. Furthermore, efforts have been implemented with the cooperation of various ministries, agencies, and organizations, including holding various seminars to introduce Japanese policies, such as the Vision for a Digital Garden City Nation, and technologies of Japanese companies, as well as networking and business matching events. Going forward, toward further progress in Japan-U.S. economic relations, various initiatives will continue to be carried out in an all-Japan manner, not only on a government-to-government basis, but also at a grassroots level that appeals to each and every individual.

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1 In order to reduce the burden associated with acquiring a driver’s license for local Japanese nationals, Japan promotes establishment of memorandums concerning reciprocal partial exemptions of driver’s license tests with various states. Memorandums have been signed with six states: Maryland, Washington, Hawaii, Virginia, Ohio, and Indiana.
(1) Situation in Canada
As a result of the September 2021 general election for the House of Commons of the Parliament of Canada, all parties, including the ruling Liberal Party led by Prime Minister Justin Trudeau and the largest opposition party, the Conservative Party, won roughly the same number of seats as before the dissolution, and Prime Minister Trudeau stayed in power with a minority government (The Liberal Party had fewer than half the seats, but won the most seats of any party). In March, the ruling Liberal Party and the New Democratic Party (NDP) concluded “A Supply and Confidence Agreement” (non-coalition government) until June 2025, and succeeded in securing a stable power base despite the minority government. On the other hand, the opposition Conservative Party held a party leader election in September following the no-confidence vote on former leader Erin O’Toole. Member of Parliament Pierre Poilievre, who is the successor of former Prime Minister Stephen Harper, won a landslide victory and has shown a stance of accusing the Liberal Party administration, focusing on economic policies.

The Canadian economy was robust in 2022, maintaining the momentum of vigorous GDP growth (6.7%) from October to December 2021, with real GDP growth remaining an annual rate of around 3% through September 2022. According to the Economic Statement issued by the Canadian Department of Finance, real GDP growth in 2022 was 3.2%, the unemployment rate was near a record low of 5.4%, and 400,000 new jobs were created, more than before the COVID-19 pandemic.

On the other hand, the global oil and food price spikes and supply chain disruptions caused by the situation over Ukraine resulted in constant excess demand, and the Consumer Price Index (CPI), which was in the 1% to 4% range in 2021, rose to the 5% to 8% range at the beginning of 2022. In light of this situation, the Bank of Canada raised its policy interest rate seven times. Attention will continue to be focused on inflation trends.

On the diplomatic aspect, at the end of November, the Government of Canada announced the country’s first Indo-Pacific Strategy. In addition to fields that Canada has traditionally attached importance to, including U.S.-Canada relations, the UN, the North Atlantic Treaty Organization (NATO), the G7, the G20, and the Organization of American States, this is a symbolized move that demonstrated Canada’s strengthening engagement in the Indo-Pacific region. The strategy has five strategic objectives: security, including strengthening the presence of Canadian military forces in the region; economy and trade, including building a resilient supply chain and maintaining the high standards of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP); people-to-people exchanges; climate change; and strengthening diplomacy. In response to the situation over Ukraine, Canada actively implemented sanctions against Russia and support for Ukraine, given that Canada has the world’s second largest Ukrainian immigrant population and close ties to Ukraine.

On the economic front, Canada announced an agreement in January to begin preliminary talks on an investment agreement with Taiwan. In March, Canada announced an agreement to begin negotiations on a comprehensive bilateral Free Trade Agreement (FTA) with the UK.

(2) Japan-Canada Relations
From January 2022 to January 2023, four summit meetings (including two telephone calls) and four foreign ministers’ meetings were held between Japan and Canada.

In June, Prime Minister Kishida, who was visiting Germany to attend the G7 Elmau Summit, held a meeting with Prime Minister Trudeau. The two leaders welcomed the close cooperation between the two countries, including in responding to Russia’s aggression against Ukraine, and agreed to promote concrete, strong cooperation toward realizing F0IP, and to closely cooperate on the CPTPP. They also agreed to closely cooperate toward the success of the G7 Hiroshima Summit in 2023.

In October, Foreign Minister Hayashi and Foreign Minister Mélanie Joly, who was visiting Japan as a
guest of the Ministry of Foreign Affairs, announced the Japan-Canada Action Plan for contributing to a free and open Indo-Pacific region. The Action Plan compiles specific initiatives in the Six Shared Priorities of Japan and Canada, and includes the start of formal negotiations for a General Security of Information Agreement (GSOIA) and energy cooperation. Canada’s abovementioned Indo-Pacific Strategy also mentions implementation of cooperation with Japan in the Six Shared Priorities, and calls for further Japan-Canada cooperation.

In January 2023, Prime Minister Kishida held a meeting with Prime Minister Trudeau during his visit to Ottawa, the first visit in four years by a Prime Minister of Japan. Prime Minister Kishida spoke about Japan’s new National Security Strategy and cooperation toward the G7 Hiroshima Summit, and received full support. The two leaders also confirmed cooperation toward realizing FOIP through steady implementation of the Japan-Canada Action Plan. Furthermore, they concurred on cooperation for regional affairs, economic fields such as energy and food, the CPTPP, and economic security.

Although trade between Japan and Canada declined in 2020 because of the effects of the COVID-19 pandemic, there has been a steady recovery throughout 2021 and in 2022 as well. Trade and investment relations have further deepened, with the two countries marking four years since the entry into force of the CPTPP, the first economic partnership agreement between Canada and Japan. In December, the 32nd Meeting of the Japan-Canada Joint Economic Committee (JEC) was held in an online format. In addition to exchanges of views on recent international economic developments, such as the CPTPP and the WTO, and the realization of FOIP, among other areas of Japan-Canada cooperation, there were discussions on six priority areas of cooperation, including energy and infrastructure.

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**The 50th Anniversary of the Reversion of Okinawa to Japan**

“Citizens, Okinawa has been reverted to Japan today.” This was the declaration of the reversion made by Prime Minister SATO Eisaku on stage in front of the crowd gathered at the Nippon Budokan at the commemoration ceremony of the reversion of Okinawa to Japan on May 15, 1972. Okinawa experienced fierce ground battles in World War II. It remained under U.S. administration for 27 years following the end of the war, even after the Allied occupation of Japan ended. Overcoming this history of hardship, the reversion of Okinawa to Japan was achieved as the long-cherished wish of the people of Okinawa and all of Japan based on the dedicated efforts of the people of Okinawa and the friendship and trust between Japan and the U.S.

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2 Six Priority Areas of Cooperation: (1) The Rule of Law; (2) Peacekeeping Operations, Peacebuilding, and Humanitarian Assistance and Disaster Relief; (3) Health Security and Responding to COVID-19; (4) Energy Security; (5) Free Trade Promotion and Trade Agreement Implementation; (6) Environment and Climate Change

3 Priority areas of cooperation: (1) Energy; (2) Infrastructure; (3) Science and technology cooperation and innovation; (4) Tourism and youth exchange; (5) Improving the business environment and promoting investment; (6) Agriculture, etc.
The year 2022, which marked the 50th anniversary of the reversion of Okinawa to Japan, was a year in which many people reflected anew on the way Okinawa has come through, and present situation and future possibilities of Okinawa, as the Government of Japan and various organizations conducted commemorative projects and the Diet adopted a resolution on the 50th anniversary of Okinawa’s reversion to Japan.

On May 15, exactly 50 years after the reversion, the ceremony commemorating the 50th anniversary of the reversion of Okinawa to Japan was held. Although the ceremony was held at two venues in Okinawa and Tokyo simultaneously like 50 years ago, it was also held in a manner that reflected the Reiwa era, in part due to the impact of COVID-19, with the two venues being connected in a virtual format and the online attendance by Their Majesties the Emperor and Empress. Furthermore, at the ceremony, President Biden of the U.S. gave a message expressing admiration for the current strong Japan-U.S. relationship built on the foundation of the reversion of Okinawa, stating, “the relationship between the United States and Japan has transformed from one of battlefield foes to allies united in common purpose, now the closest of friends. Reversion represented an end to one chapter of our relationship and the beginning of another.”

In his congratulatory address at the ceremony commemorating the 50th anniversary of the reversion of Okinawa to Japan, Prime Minister Kishida stated, “I would like to again reflect on the history of Okinawa and express my deep respect for the dedicated efforts of the people of Okinawa.” Needless to say, Okinawa’s development to date has been the result of the tireless efforts of the people of Okinawa. Additionally, Okinawa’s geographical characteristics due to its location in the center of East Asia, its rich natural environment, and its mild climate have made it an area where a unique cosmopolitan culture has blossomed and developed to date. The culture and traditions that have been nurtured throughout its history since the era when Okinawa was known as the Ryukyu Kingdom have captivated tourists from around the world, and Okinawa has great potential to continue to develop as a center for international exchange.

MOFA is taking various initiatives to contribute to the internationalization of Okinawa. With regard to the overseas expansion of Okinawa’s specialty products, MOFA is working with the Cabinet Office, Cabinet Secretariat, National Tax Agency, Ministry of Agriculture, Forestry and Fisheries, Japan External Trade Organization (JETRO), and others in the Ryukyu Awamori Overseas Export Project to make the attractiveness of Awamori known to the world through diplomatic missions overseas. MOFA has also sent a number of high school and university students in Okinawa to the U.S. through the “Think of Okinawa’s Future in the U.S.” (TOFU) program. This program aims to develop future leaders of Okinawa, who will also play an active role in the international society, hoping that this will lead to further development of Japan-U.S. relations. Furthermore, in 2022, the Project to Promote Exchanges and Enhance Mutual Understanding between Japan and the U.S. (Youth Exchange Program) was conducted for the first time in Okinawa Prefecture. Held in communities that host facilities and areas of U.S. Forces Japan, this program provides opportunities for local Japanese junior and high school students and American children of U.S. Forces personnel, to deepen mutual understanding through cultural and educational exchanges (see the Column on page 204). The U.S. is also working to strengthen its ties with Okinawa through efforts such as launching an English language scholarship program for high school students in Okinawa, as announced by U.S. Ambassador to Japan Rahm Emanuel at the ceremony commemorating the 50th anniversary of the reversion of Okinawa to Japan. Such human resources development through the promotion of people-to-people exchanges between Okinawa and the U.S. is expected to further solidify the ties between Japan, including Okinawa, and the U.S.