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Speech by Prime Minister of Japan Junichiro Koizumi

Japan and ASEAN in East Asia - A Sincere and Open Partnership -

January 14, 2002 Singapore

Your Excellency, Prime Minister Goh Chok Tong, Your Excellency, Deputy Prime Minister and Minister for Defence Tony Tan, Ladies and Gentlemen,

I am greatly honored to give this speech here in Singapore, the final stop on my schedule of visits to the countries of ASEAN.

Singapore is a remarkable nation with remarkable people. Bursting through the constraints of size and resources, Singapore through sheer energy and willpower has created a tremendous place for itself in the world. Through its economic and diplomatic vitality, it contributes to the international community far in excess of what size alone would warrant. And so to the government and people of Singapore, let me express my admiration and respect for your achievements.

I am told that Singapore is called the "Lion City." Maybe it has something to do with my hairstyle, but in Japan I am known as the "Lion Prime Minister." Perhaps that is why I am so delighted to be here in the Lion City.

Today I would like to speak about cooperation between Japan and ASEAN and my concept of how this cooperation can contribute to all of East Asia.

Let me begin by defining what cooperation truly is. Cooperation is working in common purpose with others in order to accomplish more. In

the simplest terms, this is what I would like to see Japan and ASEAN accomplish—more prosperity, more peace, more understanding, more trust. This cooperation requires an exchange of ideas, opinions and people.

Exchanges between Japan and the countries of Southeast Asia have a long history. As early as the 14th century, the Kingdom of the Ryukyu, which ruled the islands of Okinawa, traded with Thailand. In the 16th century, the sea-borne trade in vermilion seals* was active in the waters that connect East Asia, and a thousand Japanese lived in Ayuthaya, the Thai capital of the period.

* The name derives from the fact in those days foreign trade was authorized by a special seal in vermilion color.

One recent anecdote in particular demonstrates to me how fate has destined exchange between Japan and Southeast Asia. In 1989, a child living on the southern Japanese island of Tanegashima placed a "letter of friendship" in a bottle and set it adrift in the sea. That very same bottle traversed the seas that our ancestors had themselves traveled in trade—and ten years later in 1999 it washed up on the shores of Malaysia. The Malaysian citizen who found the message invited the Japanese child to come to Malaysia, which resulted in both a real and a symbolic exchange.

Today, many kinds of bottles travel between Japan and Singapore—economic, political, diplomatic and cultural. At present, Japan's pop culture has become a part of Singapore's pop culture, and the young people of Singapore are teaching English to young Japanese people. In such ways and many others, our mutual exchanges are passed to the younger generation.

The exchanges between Japan and Southeast Asia, of course, also include more formal and diplomatic exchanges. Twenty-five years ago in 1977, then-Prime Minister Takeo Fukuda made a speech in Manila, citing "equal partnership" and "heart-to-heart understanding" between Japan and ASEAN. Based on the fundamental concepts of the "Fukuda Speech," Japan's ASEAN policies have been passed on from that time to each subsequent Cabinet. I, too, am eager to promote such policies.

In the quarter-century since the "Fukuda Speech," the global situation has undergone tremendous change. In Southeast Asia, peace has progressed with the resolution of conflicts in Indochina, resulting in the expansion of ASEAN to ten countries. Democratization and a market economy are also progressing in Asia. The People's Republic of China and Taiwan have joined the WTO. Furthermore, as a result of the terrorist attacks on the United States, we've seen a paradigm shift in security concepts, making patently clear the importance of working together for the sake of peace and stability.

In the 21st century, the changes confronting Japan and ASEAN will be even more swift and momentous. We must face such changes with unflinching resolve and courage. And we must face them together.

Despite enduring difficult trials in the midst of economic globalization, despite living in different stages of economic development, despite a diversity of backgrounds, all of the ASEAN countries increasingly share the basic values of democracy and market economy. Efforts to harmonize the region's diverse histories, societies, cultures and religions have reaped a greater good for all.

I believe that Japan has made a contribution in strengthening the countries of ASEAN. True to the old adage, "A friend in need is a friend indeed," Japan at the time of Asia's financial crisis played a role in easing that crisis. We viewed the situation not just as your challenge but as our own. I believe that Japan-ASEAN relations have reached a new level of maturity and understanding. In the 21st century, as sincere and open partners, Japan and ASEAN should strengthen their cooperation under the basic concept of "acting together--advancing together."

So, what are the areas where we should focus our cooperation as we "act together--advance together?"

First, by undertaking reforms in our respective countries, we will advance individually and jointly toward increased prosperity.

During the mid-19th century, Japan underwent major reforms for modernization known as the Meiji Restoration. At the end of World War II, Japan conducted major reforms based on democracy. Now, in order to adapt to radical changes in the international community of the 21st century, I am convinced that Japan must undergo a "third major reform." Since my appointment as Prime Minister, I have been tackling such reform under the banner of "structural reform without sanctuaries." I know that no great reform is accomplished without pain and resistance. I also know that the countries of ASEAN are awaiting Japan's structural reform and the subsequent return of a dynamic Japanese economy. I realize that when it comes to the global economy, rain does not fall on one roof alone.

The reason that the Japanese economy stagnated for such a long period in the 1990s is clear. Japan's previous success had made us complacent. Despite the significant changes taking place in the global economy, Japan failed to respond by reforming its political and economic structures. Information and communications technologies have rapidly created a single, unified global market. Competition has become much more severe. To succeed under such conditions, a country needs a free and efficient market that can be trusted by global investors and consumers alike. It needs a strong and healthy financial market.

These challenges are as important for the countries of ASEAN as they are for Japan. The Asian financial crisis showed us that the ASEAN countries also required new economic structures. Change is not easy for individuals or for countries. Someone once said that courage is the power to let go of the familiar—and that is what we must do. As I mentioned a moment ago, reform will inevitably be accompanied by pain, which eventually will be succeeded by sustainable prosperity.

Japan is ready to support ASEAN's serious efforts of reform. Specifically, Japan offers its cooperation to improve legislation, administrative capabilities and nation-building measures. We offer our help to improve the capabilities of each country to compete economically and to participate in a multilateral trading system based on the WTO. We also offer our cooperation in developing a healthy financial system, which is to a country what the circulatory system is to the human body.

Japan will continue to cooperate in such areas as Mekong Subregion Development so that Cambodia, Laos, Myanmar and Vietnam may accelerate their economic development. It is also important that we continue to cooperate in information and communications technology, which contributes to the integration of ASEAN. Through the swift realization of an ASEAN Free Trade Area and an ASEAN Investment Area, ASEAN should continue to be an attractive place of investment for Japanese companies. To this end, the promotion of supporting industries is also an important part of our cooperation.

The second point is to continue and strengthen our cooperation for the sake of stability.

Instability is not always elsewhere. Sometimes it is at home. Factors for instability are also in the region. Japan for many years now has been the largest contributor of foreign aid in the world. In Southeast Asia, Japan would like to actively cooperate in reducing poverty and preventing conflicts, in such cases as Mindanao, Aceh and East Timor. In particular, by the spring of this year Japan will dispatch a Self Defense Force Engineer Unit to Peace-Keeping Operations in East Timor.

In recent years, Japan has begun to fulfill its international obligations, such as peace-keeping missions. We have dispatched Self Defence Forces to help in Cambodia, Mozambique, Zaire and the Golan Heights. And, in cooperation with the countries of ASEAN, we intend to make an even more active contribution to ensure regional stability here in Southeast Asia. The ASEAN Regional Forum has made steady progress in building confidence and trust on security matters. Now is the time to aim for a higher degree of cooperation. Japan is eager to consider how together we can develop this forum for the future.

Efforts towards democratization in Myanmar must also be accelerated, and this is an endeavor that we fully support.

Together, Japan and ASEAN must also tackle a variety of transnational issues such as terrorism, piracy, energy security, infectious diseases, the environment, narcotics and trafficking in people. These ancient and

modern ills represent a major challenge to us all.

Japan-ASEAN cooperation must extend its reach globally. I believe we should increase our cooperation on such issues as peace and reconstruction assistance to Afghanistan, measures for disarmament and non-proliferation and reform of the United Nations. We have a role to play in the world, and we should play it. In particular, I hope to see active participation on the part of the countries of ASEAN at the Ministerial Conference on Reconstruction Assistance to Afghanistan to be held in Tokyo on 21 and 22 January. In the recent past, the people of Southeast Asia have suffered from war and violence; so they well understand the hardship that the people of Afghanistan have endured for so many years.

A third area of cooperation between Japan and the countries of ASEAN relates to the future. I would like to propose initiatives in five areas.

One, we must focus on education and human resources development, which form the foundation for national development. I would like to dispatch a governmental mission to ASEAN countries to promote exchange and cooperation between universities. Some Japanese universities have already opened courses in English as well as Japanese language courses for students in ASEAN by utilizing the Internet. Through such efforts I expect that university exchanges will develop. I would also like to continue the training of information and communications technology engineers in both Japan and ASEAN in order to enhance practical opportunities in the region. In addition, I emphasize the importance of the institution building and capacity building in governance, as well as the promotion of supporting industries.

Two, I propose that 2003 be designated as the Year of Japan-ASEAN Exchange. We should present a number of ideas to stimulate exchanges in all areas, including intellectual and cultural. I also believe it would be useful to strengthen the network that links research institutions in Japan and ASEAN countries.

Three, I would like to propose an Initiative for Japan-ASEAN Comprehensive Economic Partnership. Of course, we will cooperate in the new round of multilateral trade negotiations under the WTO. At the same time, we must strengthen broad ranged economic partnership by stretching further than trade and investment--to such areas as science and technology, human resource development and tourism. The Japan-Singapore Economic Agreement for a New Age Partnership, which was signed yesterday, is an example of such economic partnership. I would like to see us generate concrete proposals for endorsement at the Japan-ASEAN Summit Meeting.

Four, in order to pursue development in a new era, I propose the convening of an Initiative for Development in East Asia meeting. Based on East Asia's development experiences to date, my hope is that such a meeting would provide an opportunity for us to reexamine where we are and to consider together future models for development—thus raising the standard of living for the peoples of the region.

Five, I propose that Japan and ASEAN security cooperation, including transnational issues such as terrorism, be drastically intensified. Now, more than ever, we realize that one's own security is at stake when a neighbor's wall is ablaze. I believe we need an agreement for regional cooperation on piracy, and I will promote consultation to achieve that end. We must band together to eradicate the plague of piracy. In addition, I would like to strengthen cooperation between the Coast Guard of Japan and ASEAN counterparts. I also wish to promote regional cooperation in strengthening energy security, in light of the gap between rapid increase of energy demand and lagging energy supply within Asia.

Finally, let me turn to how cooperation between Japan and ASEAN should be linked to cooperation with all of East Asia. I believe that East Asia's whole can be greater than the sum of its parts.

Ladies and gentlemen, if you took a poll of the world's economists and asked them what region of the world they believe to have the greatest potential in the immediate future, I have no doubt of their answer. They would say East Asia. By cooperating, I believe we can gain the critical mass to advance this potential.

Our goal should be the creation of a "community that acts together and advances together." And we should achieve this through expanding East Asia cooperation founded upon the Japan-ASEAN relationship. While recognizing our historical, cultural, ethnic and traditional diversity, I would like to see countries in the region become a group that works together in harmony. Our pasts may be varied and divergent, but our futures can be united and supportive of each other. The realization of such a group needs strategic considerations in order to produce positive consequences. And in order to contribute to global challenges, we must play a role in linking our region to the world.

Certainly, such an objective cannot be achieved overnight.

The first step is to make the best use of the framework of ASEAN+3. We should promote cooperation on the broad range of areas that I have been discussing today, in order to secure prosperity and stability in our region.

The deepening of Japan's cooperation with China and the Republic of Korea will also be a significant force in propelling this community. The Trilateral Meeting of the leaders of Japan, China and the Republic of Korea set some wonderful precedents. I would like to highly praise the active role China is willing to play in regional cooperation. With its wealth of human resources and huge economic potential, China will surely make an enormous contribution to regional development. In addition, I would like to express my respect for the Republic of Korea's dynamic initiatives in promoting regional cooperation. I can confirm that the three leaders of Japan, China and the Republic of Korea are resolved to cooperate with each other; because we all know that our trilateral cooperation will make great contribution to prosperity of the region.

An important challenge is strengthening economic partnership in the region. The Initiative for Japan-ASEAN Comprehensive Economic Partnership that I mentioned earlier will be an important platform for this purpose. I expect that the ASEAN-China Free Trade Area and moves toward economic partnership between ASEAN and Australia and New Zealand will make similar contributions.

If one considers the specific challenges to be tackled in the region, it is

only natural that these countries will deepen their partnerships with each other.

Through accumulation of these concrete cooperation, I expect that the countries of ASEAN, Japan, China, the Republic of Korea, Australia and New Zealand will be core members of such a community.

The community I am proposing should be by no means an exclusive entity. Indeed, practical cooperation in the region would be founded on close partnership with those outside the region. In particular, the role to be played by the United States is indispensable because of its contribution to regional security and the scale of its economic interdependence with the region. Japan will continue to enhance its alliance with the United States. Cooperation with Southwest Asia, including India, is also of importance, as is cooperation with the Pacific nations through APEC, the Asia-Pacific Economic Cooperation group, and with Europe through ASEM, the Asia-Europe Meeting. APEC and ASEM are important tools to link our region to other regions.

Through such efforts, the community I have described can take meaningful actions for regional cooperation. I believe that this in turn will benefit global stability and prosperity.

Let me summarize by using an analogy. I am a great fan of opera. To me, the appeal of opera lies in the fact that a myriad of singers and instruments, each possessed of different qualities of voice and sound, against the backdrop of a grand stage and beautiful costumes, come together in one complete and impressive drama. The community that I have outlined today is exactly such a creation. As we "act together and advance together," let us in concert compose a harmonious community of many voices raised for the greater good.

As was the case with the "letter of friendship" sent in a bottle by the child from Tanegashima, I sincerely hope that my words today will reach each of your hearts and prompt you to join me in creating such a community in this region. Thank you for inviting me, and thank you for your kind hospitality.