

Special Lecture by Ambassador Takahashi

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Reiichiro Takahashi

Ambassador, Consul-General of Japan in New York

Reiichiro Takahashi, Ambassador at the Consul-General of Japan in New York, gave a lecture titled Japan in the Changing International Community: Challenges and Opportunities at Columbia Business School on Tuesday, March 20th, 2018. His lecture title well reflected major international issues that Japan faces, and how Japan might deal with them. As a lifelong diplomat, the ambassador has a unique perspective on these issues, and offered his insights at this off-the-record lunchtime seminar.

Ambassador Takahashi's view of Japan's economic status in 2018 is very favorable. He noted how the economy has improved under Prime Minister Shinzo Abe's "Abenomics" program, with Japan's GDP increasing 10%. The unemployment rate has fallen significantly since 2013, and the country has seen record numbers of tourists in recent years. Together, all of these factors indicate that Japan's economy is secure and growing.

However, several challenges exist that may temper this stability and growth in the near future. The first challenge is demographic. Japan's declining fertility rate means that its population will be less than 100 million people by 2050. Conversely, its population of elderly citizens is skyrocketing. The potential lack of workers to assume necessary jobs in the future is extremely worrisome, and is the primary reason for Ambassador Takahashi's exhortation that Japan lead the world in terms of innovation and discovery.

The ambassador noted that he has yet to see a really credible report about the potential for A.I. to disrupt the world economy. Nonetheless, Japan's need for robotic technology to adapt to its aging society may outweigh its potential danger. Ambassador Takahashi also discussed how Japan is working on bringing in more qualified and skilled foreign professionals to fill gaps in its workforce.

He also called for increased employment of women and the elderly, who are currently an underutilized source of labor in Japan. He used the story of Masako Wakamiya, an 82-year-old Japanese woman who taught herself to code and create iPhone applications, to illustrate this point. Ms. Wakamiya's goal was



to create apps that would be accessible to senior citizens, because in her personal experience none really existed. She is now one of the oldest app developers in the world, proving that age and gender do not limit anyone's potential for contributing to the workforce.

Ambassador Takahashi discussed the challenges facing Japan in the international community, especially economically. The Trans-Pacific Partnership (TPP) faced a big setback when the United States decided to pull out of the 12-member free trade agreement. However, Prime

Minister Abe was able to successfully finalize TPP-11 on March 8, bringing with it the strongest worker and environmental protections of any trade agreement in the world. One of TPP's goals is that its rules become the standard for all future agreements.

Sanctions and potential trade wars are a big concern. While China and the European Union have threatened retaliation for the new tariffs the U.S. has recently placed on imports, Japan has chosen to take a milder approach, believing that the issue should be solved through the established rules of the World Trade Organization. Additionally, Japanese companies are interested in aiding U.S. infrastructure projects; therefore, they must protect their own interests.

The most imminent security threat to Japan is North Korea, whose unprecedented, breakneck speed with weapons testing has caused worldwide anxiety. While Japan welcomes dialogue with North Korea, it also understands that diplomacy is not so easy to achieve.

China is also proving to be a threat, as evidenced by its encroachment with land reclamation in the South China Sea. With China, Japan faces a balancing act. On the one hand, China promotes the world economy and contributes to growth in Japan. However, China continually disrespects international norms because its position of power has made it increasingly confident and brazen. Ambassador Takahashi argued that it is the world's responsibility to help China respect the rule of law.

Finally, Ambassador Takahashi concluded by impressively stating that the United States should commit to helping Japan and the Indo-Pacific region as a whole through trade, security, and international cooperation, because that region is where the future of the world economy lies.

