



JAPAN FUTURES INITIATIVE

日本の未来プロジェクト

Hosted by the University of Waterloo・ウオーターラー大学主催

SPRING SYMPOSIUM 2012

EVENT REPORT

DISASTER MANAGEMENT, ENERGY SECURITY AND MULTI-LATERAL COOPERATION: THE TOHOKU DISASTER AND ITS REGIONAL AND GLOBAL IMPLICATIONS

By Madeline Koch, Seung Hyok Lee and David A. Welch

The Japan Futures Initiative (JFI) held its first official symposium on March 14-15, 2012, at the Balsillie School of International Affairs (BSIA) in Waterloo, Ontario. The event was co-hosted by the BSIA, The Centre for International Governance Innovation (CIGI), Renison University College, the University of Waterloo, the Japan Foundation Toronto and the Shibusawa Eiichi Memorial Foundation. With over 30 participants (presenters, discussants, observers and guests), the symposium consisted of three panels — on energy security, the socio-political dimensions of disaster management and the role of entrepreneurs in disaster relief in the context of the Great East Japan Earthquake and tsunami of March 11, 2011. Panellists included scholars and businessmen from Japan, Canada and the United States, and the goal of the discussions was to generate policy-relevant insights, both for practice and for future research. Professor John Kirton of the University of Toronto opened the symposium with a keynote address on Japan's contribution to global governance, which was webcast live by CIGI.

For a video of John Kirton's keynote address, visit www.cigionline.org/videos/signature-lecture-japans-contribution-global-governance-0.

KEYNOTE ADDRESS

John Kirton, Associate Professor of Political Science, Director of the G8 Research Group and Co-director of the G20 Research Group, the Health Diplomacy Program and the BRICS Research Group based at Trinity College at the Munk School at the University of Toronto gave a keynote address at the public event held the evening before the symposium. He contended that Japan is going through a time of trouble and challenges. For over a decade, Japan has seen a decline in population, GDP and political leadership, as well as declines in trade and public spending and worsening fiscal deficits. With the Great East Japan Earthquake and tsunami of March 11, 2011, Japan was additionally hit by a triple (natural, nuclear and economic) disaster. These are unprecedented crises not only for Japan, but for global governance in general.

Despite these challenges, we must not overlook the fact that Japan's involvement and leadership in global governance has grown. In both the Group of Eight (G8) and the Group of Twenty (G20), Japan has already proven itself to be a loyal American ally, a mediating party in international negotiations, a provider of global public goods and a leader that shapes a world order reflecting its own values.

Japan has been a full-fledged member of the G8 from the beginning. It has always been at the core of the institution's mandate of taking a responsible role to promote open democracy, individual liberty and social advancement in the global community. Also, Japan actively shaped the agenda of summits that it hosted to reflect the importance of newly

THE JAPAN FUTURES INITIATIVE SPRING SYMPOSIUM 2012

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emerging issues for global governance, especially energy security and regimes for climate change and global health.

Within the G20, Japan has actively sought to involve more Asian states to promote a diverse multicultural character of the institution. At the same time, Japan has shown its leadership in vetoing bad ideas and in providing financial security in global governance, as well as its adeptness in securing its national interest when called for, as we can see from Japan securing exemptions from the requirement for all G20 member states to cut their national deficits, which was agreed at the 2010 Toronto summit. Japan's compliance for commitments made in G20 meetings is also higher than the average rate of the other member states.

For a video of Session I, visit www.cigionline.org/videos/japan-futures-initiative-spring-symposium-2012-energy-security-challenges-japan-and-world.

SESSION I: ENERGY SECURITY



From left to right: John Kirton, James Manicom, Akira Igata.

Akira Igata, Ph.D. student in the Graduate School of Law, Keio University, Tokyo, Japan, and Working Group Member, Independent Investigation Commission on the Fukushima Daiichi Nuclear Accident, spoke about the Independent Investigation Commission on the Fukushima Daiichi Nuclear Accident, an initiative of the Rebuild Japan Initiative Foundation. Primarily academics and journalists, the commission was fully independent from the Japanese government and the Tokyo Electric Power Company (TEPCO), unlike other bodies investigating the aftermath of the tsunami and nuclear disaster (often referred to as “3/11”). For this reason, the commission and its findings have received significant media attention both in Japan and around the world.

In February 2012, the commission published a 400-page report after interviewing more than 300 people, including top government officials. The report has four parts: Overview;

Responses to the Accident by Various Actors; Medium- and Long-Term Historical/Institutional Factors; and Global Implications. The report's two most significant contributions are its detailed exploration of a worst-case scenario (a “demonic chain reaction,” which would have resulted in 30 million evacuees) that was played down by the government, and the analysis of the accident's historical/institutional background, which highlighted human error as the primary cause (the “myth of absolute safety” and the “state-planned, private-operated” management structure).

John Kirton suggested that energy security in global governance is influenced by three kinds of “shocks.” The first kind of shock is political, exemplified by the oil shocks, the two Gulf Wars, and the current issue of Iran. The second is civilian nuclear accidents, such as Three Mile Island, Chernobyl and Tokaimura. The first two understandably have profound long-range global energy security effects. The third type of shock is caused by natural disasters (such as 3/11), which damage regional or national energy infrastructures. What we witnessed in Fukushima is unprecedented in its global energy implications, as it was a classic political/civilian crisis caused by a natural disaster — or, put another way, all three shocks rolled into one.

In the immediate aftermath of 3/11, unilateral responses for helping Japan were impressive, especially the United States' immediate disaster relief measures. On the multi-lateral response side, the G8 did equally well, but the G20 and the United Nations, comparatively, were slow in coordinating at the top level for disaster relief in energy security. What emerges as the lesson of 3/11 from the global governance perspective is that more comprehensive and integrated world energy and environmental organizations are needed.

James Manicom, Social Sciences and Humanities Research Council of Canada Post-doctoral Fellow at the BSIA, noted that Japan has long had a sense of insecurity in energy. For this reason, Japan's energy security has revolved around the diversification of energy sources and energy imports, domestic industrial adjustment and the rationalization of the domestic energy industry (by granting local regional monopolies for energy transmission and distribution).

As a result of the Fukushima accident, all nuclear plants were scheduled to be shut down as of May 2012 and will require local governments' consent for reopening. Based on public opinion towards nuclear energy, which has grown worse since the exposure of links between TEPCO and past Liberal Democratic Party governments, any reopening would not be an easy task. Focusing on potential renewable sources (such as wind and hot springs) is one alternative, but the cost of constructing new infrastructure, concerns over cost-efficiency and resistance from local electricity companies, still make traditional fossil fuels a cheaper means of power-generation in the absence of nuclear energy.

Citizen activism has certainly changed the future of nuclear energy in Japan. Japan completely moving away from nuclear energy — as public opinion seems to desire — will, however, ultimately depend on Japanese society’s willingness to accept tremendous costs and a fundamental change of lifestyle.

Discussion

Julia Kulik from the University of Toronto’s G20 Research Group suggested that what we see both in Japan and Canada as a result of 3/11 is the rising influence of civil society and the public’s pursuit of information on nuclear energy. The independent investigation commission can be understood in this context.

As in Japan, Canada relies heavily on nuclear power, which in the case of Ontario accounts for 52 percent of electricity generation. The Fukushima accident provoked an already-active civil society in Canada to respond quickly, and the government was pushed to immediately launch a thorough assessment of nuclear plants in Ontario. Although the Canadian Nuclear Safety Commission declared facilities to be safe, public opinion was not convinced; polls three months after 3/11 showed that 56 percent of Canadians opposed nuclear energy.

In both Japan and Canada, community-driven anti-nuclear movements have been facilitated by psychological and physiological trauma caused by media exposure to the “human face of the disaster.” Under the current social demand for greater transparency, it would be fruitful to see how this social factor affects government investment in refurbishment of nuclear energy and whether it will be successful in mitigating fears of the public. Comparative analyses of Japan and Canada, as well as other G8 countries, would be desirable.

SESSION II: SOCIAL AND POLITICAL RESPONSES TO DISASTER



From left to right: Junetsu Komatsu, Takashi Ishida, Keiko Belair.

Anthony Rausch, Associate Professor at Hirosaki University in Japan gave a presentation that focused on Japanese local newspapers in two northern prefectures, Aomori and

Fukushima. Nuclear-related media coverage and narrative themes had distinctive characteristics and trends. What stands out is the local media’s focus on “human interest” rather than news itself, and this trend is particularly visible through their emphasis on conveying “reader views” (particularly interviews of those who experienced the disaster firsthand).

Understandably, news about the Fukushima nuclear disaster, people’s anxieties and the future of nuclear energy policy dominated media coverage in the immediate aftermath of 3/11, and this trend continued up to June-July of 2011. However, local newspapers in Aomori and Fukushima gradually turned to the theme of post-disaster recovery after that point, as the media became more attentive to the local population’s anxieties about the future, which they conveyed particularly vividly in serial articles (“special theme coverage”).

Colonel Nozomu Yoshitomi of the National Defense Academy of Japan recounted that the Japanese Self-Defense Forces (JSDF) supported the disaster relief effort in the aftermath of 3/11 by taking over public service responsibilities ordinarily provided by prefectural governments. Although the disaster relief function has always been regarded as the primary role of the JSDF by Japanese society, the public nevertheless greatly appreciated its recent civil support as well.

However, the JSDF must balance its disaster-relief function with the more traditional military role of deterring aggression. The JSDF is currently facing a dilemma as to how to prepare for the latter given increasingly stringent resource constraints and growing social expectations for the former. While Japanese society has awoken to the value of the JSDF in natural disaster contingencies, it has yet to offer equal support for JSDF’s full preparation for “manmade disasters” in the form of traditional hard-security threats to Japanese territory or other vital interests. What Japan needs is a “whole of society approach,” in which the military, the public and the private sectors link themselves in mutual support, for both natural and manmade disasters.

Discussion

Andrew Thompson, Adjunct Assistant Professor of Political Science at the University of Waterloo and Program Officer, Global Governance Programs at the BSIA noted that Anthony Rausch’s presentation raised several questions: For example, do local papers in Japan have strong political biases? Do they in any way influence policy making in the central government? And more importantly, what kind of impact do local papers have on social cohesion and democracy? Rausch replied that, compared to those in the West, local papers in Japan do not have strong political biases, and their influence on policy is hard to demonstrate empirically as their primary role is informing and educating local people on issues of public interest. In this regard, newspapers do play a role in social

cohesion by providing a media-rich environment in which the public are aware of a common topic, but it must also be noted that Japanese people in general do not embrace extreme ideas as a result of papers' "educational" and "informing" roles, even on high-profile topics such as nuclear energy.

Thompson expressed skepticism of Colonel Yoshitomi's assertion that Japan's neighbours are potential threats and that the JSDF must be prepared for future aggression. China and North Korea, for example, did not use the opportunity provided by 3/11 to probe Japan's security weaknesses. Also, since Japan is firmly tied to the United States in a security alliance, it is even more unlikely that its neighbours would consider a natural disaster an opportunity for aggression. Colonel Yoshitomi countered that while China aided Japan after 3/11, it also conducted military reconnaissance to probe Japan's border security measures. Since all militaries must prepare for worst-case scenarios, the JSDF, in addition to its current emphasis on disaster relief, must also prepare itself for aggression from neighbouring states.

SESSION III: THE ROLE OF ENTREPRENEURSHIP IN DISASTER RECOVERY



From left to right: Gil Latz, Kazuto Takegami, Ray Tanguay.

Masato Kimura, Director, Research Department, Shibusawa Eiichi Memorial Foundation, Tokyo, Japan said that Shibusawa Eiichi, one of the earliest and the most prominent entrepreneurs in the history of Japan (and a strong promoter of modernization), made great efforts to help Japan's recovery after the Great Kanto Earthquake in 1923, transforming Tokyo from a military stronghold to a commercial city. Shibusawa's model of channelling private sector resources into disaster reconstruction provides us with valuable lessons for post-3/11 Japan and the world.

Shibusawa's post-disaster entrepreneurship was evident in his business model for rebuilding the future Kamaishi City. According to Shibusawa, the true role of entrepreneurship and business is to facilitate local industries that fit regional needs and expertise, and to create a benevolent society for

all in the process. Shibusawa emphasized the promotion of the spirit of manufacturing for common good, as he believed that material recovery had to be underpinned by "spiritual recovery and reconstruction."

Ray Tanguay, Chairman, Toyota Motor Manufacturing Canada acknowledged that 3/11 was a challenge for Toyota, but said it was also a time for reflection. The tsunami and the nuclear disaster had a far greater impact on production than the earthquake itself, and there were damages to second-, third- and even lower-tier suppliers, in addition to semiconductor plants in the disaster area. In North America, there were shutdowns at some plants, although the employment level was maintained. During this time of downturn, Toyota actually invested more on employee training (problem-solving skills), and provided more corporate service to local communities when cars could not be produced.

As a result of 3/11, Toyota has learned valuable lessons concerning the vulnerability of its parts supply chain, the importance of decision-making speed and, perhaps counterintuitively, the value of JIT ("just in time") inventory management, to which Toyota remains committed. Above all, 3/11 taught Toyota that it is important to solve problems as openly and transparently as possible, and to ensure that its overarching vision guides all aspects of its response to hardship. Toyota still believes in the "Toyota way," where "making things" means developing people, providing prosperity and contributing to society.

Kazuto Takegami, General Manager, Canada Branch, Mizuho Corporate Bank, Ltd. noted that the Great East Japan Earthquake caused disruptions in the supply chain of various Japanese industries, as well as a reconsideration of current energy policy, particularly concerning the use of nuclear power. As a result, production centres of major industries (especially the automobile industry) have been shifted overseas, accelerating the "hollowing out" of the manufacturing base in Japan. Moreover, the Fukushima reactor issue has prompted a sea change in Japan's energy policy, forcing the government to announce the shutdown of all nuclear reactors by May 2012.

Although nuclear power is likely to be used in the future, it will be in conjunction with other sources, such as thermal and renewable energy. In Japan's case, wind power is a particularly likely focus, as it is cost-effective and large-scale development is possible. Given the current hollowing out of the automobile industry after 3/11, it is possible that the manufacturing sector will shift reliance to wind production, thus also creating a new industry of its own and associated employment. Financial institutions such as Mizuho Corporate Bank can support this effort with "credit creation," by establishing a "recovery foundation" with other private banks and also providing advice and ideas on a new energy policy for Japan.

Discussion

Gil Latz, Associate Vice Chancellor for International Affairs, Professor of Geography, Editor, *Asian Perspective*, Indiana University–Purdue University Indianapolis concluded that the symposium's last session illustrated creative responses to a catastrophic set of problems by business, academia and governments. This triad is worthy of even closer discussion and analysis in the future.

One example of such a response is the support for youths from the affected area. Immediately after 3/11, the private sector, NGO initiatives and universities thought of opportunities to provide scholarships to students from the Tohoku region to come study in the United States with modest financial support. But how governance organizations have responded to this is another matter. How should such opportunities be announced? What would be the proper role of the Ministry of Foreign Affairs or the Ministry of Education? What is the most effective way to get ideas out? Better coordination of activities of this nature through closer relationships among business, academia and government is crucial.

AGENDA

Thursday, March 15, 2012, Balsillie School of International Affairs

9:00–9:15 Opening remarks

David A. Welch, Balsillie School of International Affairs

9:15–10:45 **SESSION I: ENERGY SECURITY (Chair: David Dewitt, CIGI)**

- Akira Igata, Keio University, “Understanding the Accident: The Report by the Independent Investigation Commission on the Fukushima Daiichi Nuclear Accident”
- John Kirton, University of Toronto, “Energy Security amidst Disaster: The Global Governance Response to March 11, 2011”
- James Manicom, Balsillie School of International Affairs, “Nuclear Power and the Future of Japanese Energy Security”
- Discussant: Julia Kulik, University of Toronto

11:00–12:30 **SESSION II: SOCIAL AND POLITICAL RESPONSES TO DISASTER (Chair: David A. Welch, BSIA)**

- Anthony Rausch, Hirosaki University, “Framing by the Local Newspaper: Human Interest versus Informed Criticism”
- Nozomu Yoshitomi, National Defense Academy of Japan, “Dilemma of Japan Self-Defense Forces: Deter/Defeat Aggression or Domestic Disaster Relief”
- Discussant: Andrew Thompson, BSIA

13:30–15:00 **SESSION III: THE ROLE OF ENTREPRENEURSHIP IN DISASTER RECOVERY (Chair: Kimie Hara, Renison University College/University of Waterloo)**

- Masato Kimura, Shibusawa Eiichi Memorial Foundation, “Lessons from the Past for Rebuilding the Tohoku Region”
- Ray Tanguay, Toyota Motor Manufacturing Canada, “Toyota and the Road to Recovery”
- Kazuto Takegami, Mizuho Corporate Bank, Canada, “The Effects of the Great East Japan Earthquake on Japanese Industries”
- Discussant: Gil Latz, Indiana University–Purdue University Indianapolis

AUTHOR BIOGRAPHIES



Madeline Koch is the managing director of the G20 Research Group, the G8 Research Group, the BRICS Research Group and the Global Health Diplomacy Program, all based at the Munk School of Global Affairs at Trinity College in the University of Toronto. She is co-editor, with John Kirton, of the series of publications on the G20 and G8 produced by Newsdesk Media, most recently *The G20 Mexico Summit 2012: Cracking the Code at Los Cabos* and *The G8 Camp David Summit: The Road to Recovery*, as well as *G20 Cannes Summit 2011: A New Way Forward* and *The G8 Deauville Summit 2011: New World, New Ideas*.



David A. Welch is CIGI Chair of Global Security, director of the BSIA, and professor of political science at the University of Waterloo. His 2005 book *Painful Choices: A Theory of Foreign Policy Change* (Princeton University Press) was the inaugural winner of the International Studies Association ISSS (International Security Studies Section) Best Book Award. He is co-editor (with Yoshihide Soeya and Masayuki Tadokoro) of *Japan as a "Normal Country"? A Nation in Search of Its Place in the World* (University of Toronto Press, 2011). He received his Ph.D. from Harvard University in 1990.



Seung Hyok Lee is adjunct assistant professor, Renison University College, University of Waterloo, and research associate and project coordinator, JFI, University of Waterloo. He received his B.A. in political science from Yonsei University in Seoul in 1999, his M.A. from Waseda University in Tokyo in 2003 and his Ph.D. from the University of Toronto in 2011.