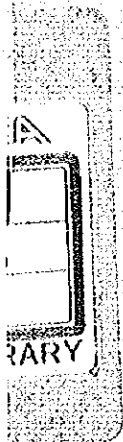


**International Symposium in Commemoration of
“International Cooperation Day” – 1991**

on

**“International Cooperation by Everyone
– towards joint participation by the government, NGOs and citizens”**




Japan International Cooperation Agency



The Overseas Economic Cooperation Fund

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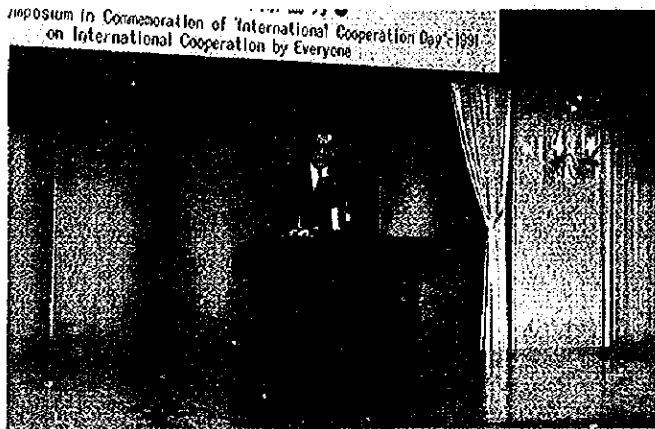
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Keynote Speech: Dr. Young Hoon Paik, President, Korea Industrial Development Institute



Keynote Speech: Ms. Makiko Arima, Japan's Representative to the U.N. Commission on the Status of Women



Panel Discussion

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OUTLINE OF THE SYMPOSIUM

On October 4, 1991, the Japan International Cooperation Agency and the Overseas Economic Cooperation Fund jointly sponsored the International Symposium in Commemoration of "International Cooperation Day" – 1991 at Akasaka Prince Hotel. "International Cooperation Day" (October 6) was established in 1987 to commemorate the same day in 1954, when Japan joined the Colombo Plan. The symposium was attended by some 450 participants including many journalists and staff members from aid agencies, not only in Japan, but also from many overseas countries.

Symposium Program

Theme:

International Cooperation by Everyone
— towards joint participation by the government, NGOs and citizens

Session I (10:00 – 12:00) Opening and Keynote Speeches

Opening Speeches:

Mr. Akira Nishigaki, President, Chairman of the Board, OECF
Mr. Kensuke Yanagiya, President of JICA

Greetings:

Dr. Taro Nakayama, Minister of Foreign Affairs
(Delivered by Mr. Muneo Suzuki, Parliamentary Vice-Minister for Ministry of Foreign Affairs)
Mr. Michio Ochi, Minister of State for Economic Planning
(Delivered by Mr. Shoichi Ide, Parliamentary Vice-Minister for Economic Planning Agency)

Message:

Mr. Toshiki Kaifu, Prime Minister
(Delivered by Mr. Tatsuo Arima, Chief Cabinet Counsellor on External Affairs)

Keynote Speeches:

Dr. Young Hoon Paik, President, Korea Industrial Development Institute
Ms. Makiko Arima, Japan's Representative to the U.N. Commission on the Status of Women

Session II (14:00 – 17:30) Panel Discussion

Chairman:

Mr. Takehiko Kiyohara, Executive Director, Chairman of the Editorial Board, Sankei Shimbun Company, Ltd.

Panelists:

Ms. Makiko Arima, Japan's Representative to the U.N. Commission on the Status of Women
Mr. Katsuhiko Fujiwara, Director of the Economic Cooperation Department, Japan Federation of Economic Organizations

Mr. Hiroshi Hashimoto, Deputy Director-General of the Economic Cooperation Bureau,
Ministry of Foreign Affairs

Ms. Masako Hoshino, Special Advisor to Japan International Volunteer Center (JVC)

Dr. Iwao Nakatani, Professor, Faculty of Commerce, Hitotsubashi University

Dr. Robert M. Orr, Jr., Director of the Kyoto Center for Japanese Studies and the Stanford
Center for Technology and Innovation

Dr. Young Hoon Paik, President, Korea, Industrial Development Institute

Mr. Katsuhiko Suetsugu, Editorial Writer, Nihon Keizai Shimbun, Inc.

Session III (18:00 -- 20:00) Reception

Award Ceremony for the International Cooperation Catch-phrase Contest

Sponsors:

Prime Minister's Office

Economic Planning Agency

Ministry of Foreign Affairs

Ministry of Finance

Ministry of Agriculture, Forestry and Fisheries

Ministry of International Trade and Industry

Japan Broadcasting Corporation

Sankei Shimbun Company, Ltd.

OPENING SPEECH

Mr. Akira Nishigaki
President,
Chairman of the Board,
OECE



I would like to begin by expressing my sincere thanks to all of you here for your participation in today's International Symposium.

On October 6, 1954, exactly 37 years ago, Japan took its first step in international cooperation and participated in a project called the "Colombo Plan." Over the years, as our economy recovered and expanded, the level of our contribution to economic cooperation has increased steadily. Now the scale of both official development assistance (ODA) and private capital flow is quite substantial.

In order to engender a greater understanding among the Japanese people as a result of these developments, the Japanese government designated October 6 as "International Cooperation Day."

This symposium, too, was organized to commemorate the establishment of the day and is sponsored by two Japanese bilateral assistance organizations --- the Japan International Cooperation Agency (JICA) and the Overseas Economic Cooperation Fund (OECE). It gives me a great pleasure to welcome you here to the fourth International Symposium.

In the new era of interdependence, economic assistance has become an important way that Japan can contribute to maintaining worldwide peace and prosperity. Japan, as the world's largest supplier of capital, is expected to play a large role in the international community through economic cooperation.

Indeed, development needs in recent years have become more diverse. Together with such issues as economic structural adjustment, accumulated debt, and environmental problems, various new regional needs have emerged which require our more efficient and effective response in our implementation of economic assistance.

In our assistance efforts, coordination with international organizations and other industrial nations is necessary, to say nothing of dialogue with developing countries. Our efforts in Japan should not only be the domain of Japanese governmental bodies. Comprehensive international cooperation should be promoted in which people from various fields such as the private sector

and NGOs participate.

Today's symposium will discuss the role Japan's international cooperation should play in the turbulent nature of today's world and the challenges we should address. We are honored to have the opportunity to hear a broad range of views from many distinguished guest speakers from both Japan and abroad, and we hope that there will ensue a frank exchange of views. It is our sincere hope that the words spoken here today will be reflected in our future activities.

Let me conclude by welcoming you once again to today's symposium. I trust it will provide an opportunity for everyone to reflect on international cooperation issues and deepen our understanding of economic assistance.

OPENING SPEECH



Mr. Kensuke Yanagiya
President of JICA

It has been four years since October 6 was designated International Cooperation Day after an agreement was reached in a Cabinet meeting in 1987, and as one who is engaged in international cooperation activities, I'm very glad to see that this day has taken a positive step and has established its own mark.

It is only nine years until we reach the 21st century, and to make the 21st century a better world for all of us, the solution of the North-South problem is an issue that cannot be avoided for all mankind. Herein lies the largest and most suitable role that Japan can play in the international community. However, the issue itself between the North and South has become evermore complex and diverse. For example, one may address this issue by discussing the harmony between development and the environment. But this may be easier said than done, because it is an issue that cannot be dealt with in terms of whether one is for development or preservation of the environment, or whether the project is simply a success or a failure. The road to the solution of the issue is very long and intertwined and will require steadfast efforts by all of us.

On the part of JICA, we have addressed technical cooperation to developing countries. In order to assist them in nation building and human resources development, we must continue to direct all of our resources toward these goals and assimilate collective knowledge and resources from as many people as possible.

Ladies and Gentlemen, international cooperation activities should not be monopolized by governmental organizations like JICA, which are directly involved in official development assistance. The government, the local government and the general public all share in this activity and cooperation among them will bring about satisfactory results in our activities. With this belief, we have tried to let people know about our activities as widely as possible by disseminating information and conducting various public relations activities.

Today, at this symposium, we have invited many people from different walks of life, both within and outside the country so that this can be an opportunity for the government,

non-governmental organizations and general citizens to discuss together the importance of international cooperation and how to contribute to the stability and peace of the world. I hope that today's discussion will be a fruitful one. I also hope that this symposium will enable you to better understand the importance of international cooperation and will promote citizens' awareness that international cooperation is an issue of vital concern to everyone.

Finally, I would like to express my sincere gratitude to those whose kind efforts made this symposium possible.

GREETINGS

Dr. Taro Nakayama
Minister of Foreign Affairs
(Delivered by Mr. Muneo Suzuki,
Parliamentary Vice-Minister for Ministry of
Foreign Affairs)



It is my great pleasure to address this international symposium hosted by JICA and OECF. I also would like to take this opportunity to express my heartfelt gratitude and words of welcome to all the participants who have assembled here both from Japan and abroad.

With the collapse of communism in the Soviet Union and Eastern Europe, the nations in this region have embarked on a road to drastic reforms and revamping. Meanwhile, the rest of the global community is groping for a new international order following the demise of the Cold War. Nevertheless, we must be wary of becoming completely enthralled by the progress in East-West relations. We must bear in mind that many developing nations still face a host of problems such as poverty, high population growth, cumulative debt and environmental issues.

Over the last 40 years, since World War II, Japan has not only managed dramatic recovery and a successful transformation into an economic superpower achieving the second highest GNP in the world, but has also become the world's most prominent creditor nation, as well as the country with the largest trade surplus. Now that Japan occupies a major position in the global community, it is all the more crucial that Japan play an active role in establishing a new international order, including a significant role in solving the exacerbated North-South problem.

In this situation, international cooperation plays a very important role in Japan's diplomatic policies. External and internal expectations from Japan as one of the largest donors have surged since the Gulf Crisis. On the other hand, the Japanese Government has also been criticized on the grounds that the reasons and purposes for Japanese ODA are unclear.

I would like to mention the following two points regarding the criticism.

First, the effect of Japanese assistance in support of self-help efforts by developing countries. Japan's traditional focusing on Asia has rendered South Korea and Singapore aid-independent, and ASEAN nations like Malaysia and Thailand are also realizing stable economic growth. Certainly, these nations deserve credit for their self-help efforts in achieving such progress, but by the same token, Japan's contribution through ODA merits candid appreciation. For the assistance from Japan laid the foundations for solid infrastructures,

activated private investment, increased technological transfers and expanded employment in these nations -- ultimately paving the way for their economic development. As a consequence, these nations have all become viable partners of Japan in trade and investment.

The second point concerns the importance of obtaining more understanding and support from the Japanese people and the people of recipient countries, as well as enlisting the active participation of Japanese citizens in promoting international cooperation. In response to this need, the Japanese government is striving to promote comprehensive development assistance by integrating activities of governmental agencies with those of the private sector and NGOs. In particular, since NGOs play a vital role in enhancing development assistance at the grass roots level, the government is reinforcing supportive measures for NGO aid-related activities. The government also intends to promote understanding and efficient implementation of our assistance through dialogues with recipient countries concerning our aid-related policies. The needs for social development in developing nations are complex and diverse. This, in turn, necessitates precise socio-economic studies and analyses, as well as optimal project identification and formulation for concrete and fruitful results from our development cooperation.

It is extremely timely and significant that today's symposium focuses on the theme of rallying everyone's efforts towards international cooperation. We hope that the lectures and discussions that follow will be productive in familiarizing and deepening the understanding of more people about international cooperation.

In closing, I would like to express my best wishes for a successful symposium.

GREETINGS

Mr. Michio Ochi
Minister of State for Economic Planning
(Delivered by Mr. Shoichi Ide,
Parliamentary Vice-Minister for
Economic Planning Agency)



It is a great pleasure and an honor to address the international symposium in commemoration of international cooperation day hosted by JICA and the OECF.

Also I would like to express my heartfelt welcome to all of the participants who have gathered here from inside and outside Japan.

At a glance, the mid and long term prospects of the global economy in the 1990s inspire us with hope for new developments, given the worldwide trend towards detente and the ever increasing interdependence that fostered multilateral exchanges and cooperation.

Yet, problems loom ahead of us that could seriously affect the flow of funds, goods and services, depending on what options we chose. For instance, the wave of revolutionary reforms that swept through the Soviet Union and Eastern Europe has transformed the Socialist regimes into political systems that espouse market economies. But the wave has proliferated further, bringing imminent and profound changes even in the existing framework of the global community, including the newly independent three Baltic states. Nevertheless, we must contend with the possibility of aggravated regional conflicts, as in the case of Yugoslavia and furthermore, there are issues that need to be addressed urgently. Some of the problems concern the global environment, while other problems concern the cumulative debt on the part of developing countries, population explosion and the question of energy resources.

Around the world, demand for capital is expected to rise as Soviet and East European economic reforms take shape, while the Middle East post Gulf situation entails much economic reconstruction. In addition, demand for funds may surge in some industrial nations for capital investment that accompany recovery from recession. But the existence of deficit ridden countries, like the United States, may lead to a worldwide shortage of savings, which in turn may exert an undue pressure on the availability of development funds.

Turning to the developing countries, the average income of people in developing countries has doubled in the last 30 years. The newly industrializing economies (NIEs) and the ASEAN countries in particular have experienced marked growth, but unfortunately, not all developing

nations have enjoyed healthy growth. Some countries in Southwest Asia and Southern Africa have witnessed stagnation. Although a few Central and South American nations have started to reap benefits from economic structural adjustment policies, quite a significant number of countries are still suffering from accumulated debts and rampant inflation. Their problems are further aggravated by the environmental destruction of tropical rain forests and other serious issues that have been triggered by developmental efforts.

In view of the turbulence in the world's political and economic area, Japan's economic cooperation has reached a turning point. First, Japan is expected to take on a more positive role in supplying economic assistance and in contending with the growing demand supply imbalance of capital. Second, Japan is making greater contributions to establish a new international society through economic cooperation, as evidenced by Japan supporting the Middle East countries during the Gulf War, recent assistance in Eastern Europe and initiation of full support to Mongolia. Third, qualitative rather than quantitative improvement in economic aid is emphasized now, with environmental considerations and the attention given to the cultivation of human resources.

In line with the above prospective, the economic planning agency has established a study group on economic cooperation policies last year, seeking expert opinion on what our course should be in view of the 21st century. We have just received a final report from the group, this August, subtitled, "Towards clearer and well defined aid." The final report positions economic cooperation as a policy measure that contributes to the realization of a sound global economy, and it also points out the importance of supporting the concept of selfhelp in developing countries as the basic principle of our aid policy. The report also recommends concrete measures for enhancing physical and human resources, including a planned increase concerning the aid staff, cooperation with volunteers and private civilians engaged in international cooperation and also developing human resources of developing countries. It also advocates educational and publicity activities to appeal to the public through a campaign to mobilize 120 million people in support of international cooperation.

It is indeed significant that the symposium participants are gathered here to discuss governmental, NGO and individual involvement in international cooperation and it is certainly hoped that this symposium will be a fruitful forum of exchanging views on Japan's role in international cooperation and on what kind of contributions individual citizens can make. The economic planning agency is determined to do its best in reflecting today's outcome in our future policy planning.

In closing, my best wishes for a successful conclusion of this international symposium.

MESSAGE

Mr. Toshiki Kaitu

Prime Minister

(Delivered by Mr. Tatsuo Arima,

Chief Cabinet Counsellor on External Affairs)



I would like to extend a few words of greetings upon opening the International Symposium in commemoration of International Cooperation Day, sponsored by JICA and OECF, with distinguished guests both from overseas and across the country.

It has been 37 years since the Japanese Government decided to take part in the Colombo Plan on October 6, 1954. Now Japan has become one of the major economic superpowers and one of the largest donors of official development assistance. Meanwhile, the world has made a variety of positive efforts to solve the North-South problems, but despite such efforts, developing countries have been suffering from economic and social difficulties caused by increasing cumulative debts and expanding poverty. In addition, global issues which require global scope measures for solution, issues such as the global environment, drugs and the population increase have been aggravated. To tackle these problems, further cooperation between the developed and developing nations has become necessary.

On the other hand, the world has encountered drastic changes and events, such as political and economic restructuring in the Soviet Union and Eastern Europe, as well as the Gulf Crisis. The world is thus seeking a new international order. In such a time, it is necessary to respond appropriately to diversified needs for assistance and the Japanese Government is determined to reinforce and expand its system for implementing development cooperation.

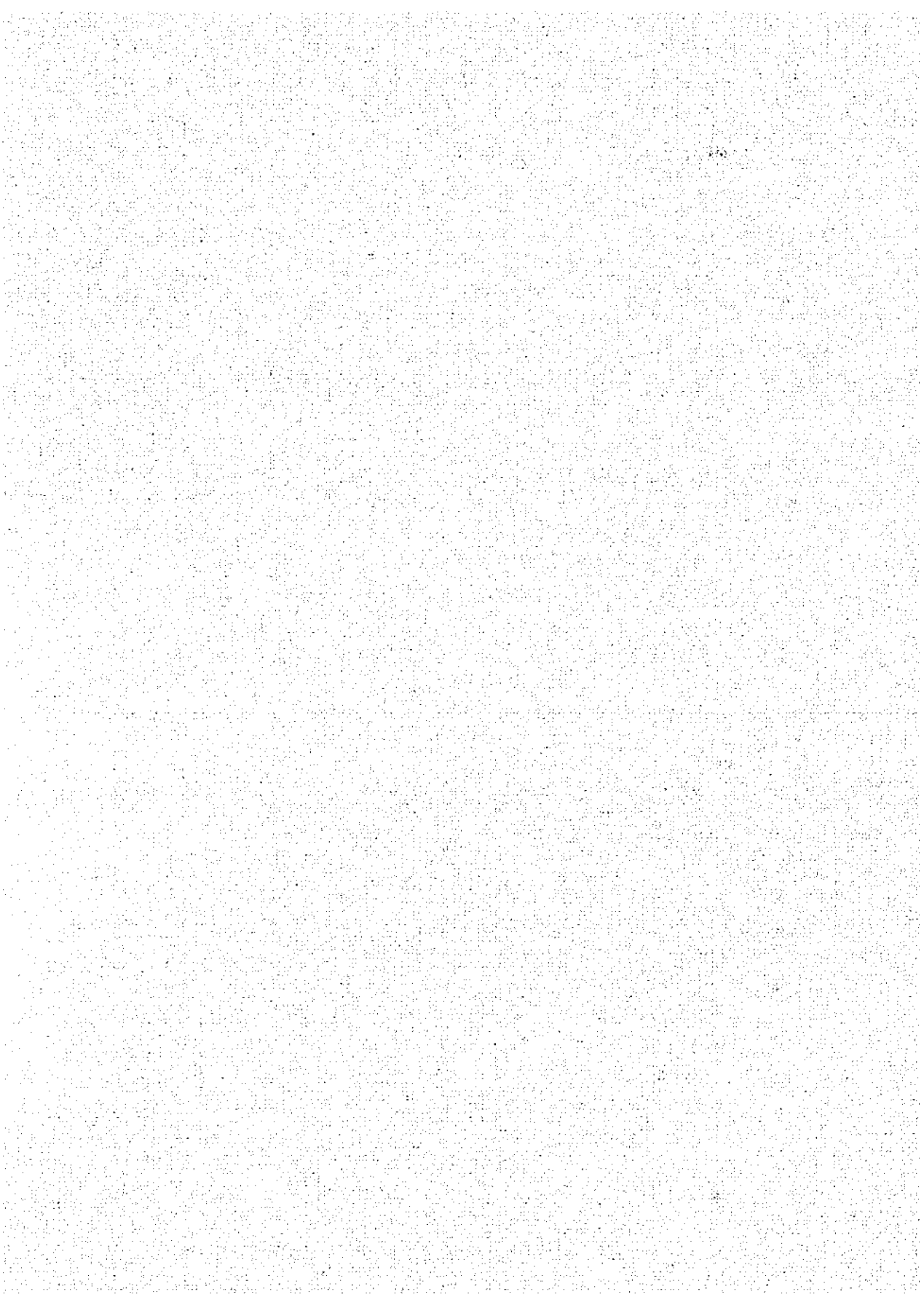
From this aspect, Japan is trying to bolster effectiveness and efficiency in implementing development cooperation in order to improve our international assistance both in quantity and quality. Better understanding and support by the general public are also necessary since there has been much discussion about the role of ODA, especially in recent years. These discussions are welcomed because they indicate a heightened interest in the role to be played and the measures to be taken by Japan.

In this sense, this symposium is a timely program, for it will enhance dialogues among government, NGOs and citizens under the theme of international cooperation by everyone. And in this way, it will also promote citizens' awareness that international cooperation is an issue of

vital concern to everyone.

In conclusion, I would like to extend my best wishes for the successful turn out of this particular program.

KEYNOTE SPEECHES



KEYNOTE SPEECHES



DR. YOUNG HOON PAIK

Born in 1930. In 1953 he graduated from the College of Economic and Political Science, the Korea University and in 1955 received M.A. in Economics from the Graduate School, Seoul National University. In 1958 he received Ph. D. in Economics from the Graduate School, Erlangen University, Germany. In 1959 he served as professor of Economics, Chungang University, Seoul. Also he served as Director of the Research Institute, Korea Productivity Center and member of National Physical Land Planning Committee. Since 1976, he has been member of Board of Trustee, Chungang University. He served as member of National Assembly, Republic of Korea from 1976 to 1980. Since 1980, he has served as President, Korea Industrial Development Institute. He is an author of numerous books including "Theory of Modern Economic Policy".



MS. MAKIKO ARIMA

Born in 1933. After graduating from Department of English Language and Literature, Tsuda College, joined Asahi Shimbun. In 1968 acted as free-lance TV caster for Fuji Television Network and reported World Women's Forum held in Mexico City (1975), Copenhagen (1980), and Nairobi (1985). Since 1986 she has served as Japan's Representative to the U.N. Commission on the Status of Women. And also serves as Director of Yokohama's Women's Forum for Communication and Networking. She experienced various public activities including a member of the Advisory Council to the Prime Minister on Women's Affairs. Compiled opinion of the Council to the Mayor of Yokohama City on Women's problems in a form of "2nd Yokohama Women's Program 1990 - 1994", when she served as member of the Council. Author of many books including "Women Open the Doors to the World of Work".

These two keynote speakers introduced are to take part in the panel discussion held in the afternoon.

KEYNOTE SPEECH

Dr. Young Hoon Paik
President,
Korea Industrial Development Institute



The International Symposium today will look at various issues that we are seeing throughout the world, and will see what indeed the people of the world are expecting of Japan and of the Japanese people in terms of international cooperation. International cooperation by everyone is a new theme to be emphasized and I believe I was invited today as a guest speaker because I am someone who comes from a recipient country of Japan's Official Development Assistance (ODA) for the past 25 years. But having graduated from that status last year, our knowledge and experience would be of some help, and if those experiences can be recollected by very frank comments or opinions, it should serve to make Japan's international cooperation even better. So my comments should be taken as coming from someone representing a country, which is a friendly neighbor of your own and whom has been a recipient of Japan's ODA.

There may be many difficulties ahead, but I think we should pursue a new way of working together in the international community between our countries. I ask in this respect for your valued cooperation. As you know, in 1965, relations between Korea and Japan were normalized. We received \$300 million in aid and a \$200 million loan, and at the time the GNP was rather low, inflation was 25% per annum, everybody in the world believed that Korea was a country without hope. It is a well-known story that there is a machine called UNKRA in the United Nations, and that organization stated that Korea had little hope for the future, and indeed times were very difficult and miserable for the Koreans after the war. Many scholars visited Korea from Japan and reported that they did not see a possibility for Korea's development.

But 25 years after that point in time, Japan has consistently provided ODA to Korea amounting to \$3 billion, and this money has indeed been contributed to the development of the Korean economy as we heard from the parliamentary vice minister. It was a time when Korea was not able to secure its resources within the country, foreign reserves were as low as \$30-\$40 million, but with a massive amount of ODA, we were able to embark on the development of infrastructure. Investments were made in a concentrated way to build up infrastructure of the country and as a result, for the first time last year, South Korea was able to graduate from the

status of a recipient country. Of course, in terms of the substance of economic status, there may be many problems, but 25 years after the first provision of the assistance, it should be evaluated highly that Korea is now a post-aid country. Korea itself has organizations such as KOICA and BDCF, which correspond to Japan's JICA and OECF respectively.

We ourselves are now looking positively into being able to be of assistance to other developing countries, and as we know, in the Soviet Union, Eastern Europe, China and Vietnam, we intend to pursue opportunities vigorously for providing assistance. To the government of Japan, the people of Japan and the taxpayers of the country, I would like to say to you on behalf of South Korea that Korea's economic progress has been possible thanks to your help and assistance.

Japan is now the world's largest donor of official development assistance, and as we approach the 21st century, we must address the issue of what should be the appropriate shape and structure of assistance in the coming century. If I may, I would like to share with you my very frank and candid views about this question.

As I said before, this year, 1991, marks the fourth time this international symposium has been held, and with each passing year the symposium seems to gain in significance. As we heard in the message from the prime minister, the world is now approaching a new period of peace. However, these turbulent times are seen only once in a century. What can we expect to see in the 21st century? One certainty is the trend toward a democratization in East European countries and other developments for peace in the world. This means a transition from the Cold War structure to an age of new economic order.

In Japan, this era is called the period of "Heisei," (peace and stability) and indeed the world is moving toward the goal of peace and stability. I have been to many places in the world and many peoples in the world are indeed trying to obtain new economic prosperity through their vigorous efforts. These are their goals and the world is expecting Japan to provide economic assistance, the scope and substance of which should present a different turn compared to what Japan was doing before. Therefore, today we are standing at a turning point. How Japan's ODA should present itself is a question that needs to be addressed again by the people concerned. Japan's culture and efforts must be entwined to bring about better cooperation. There are many rules or barriers in terms of economic cooperation because the meaning of international cooperation in Japan is different from other countries. Japan has been considering international cooperation in terms of Japan's own definition of international cooperation, but what we would like to see is an international cooperation from the eyes of the international community, and for that what should indeed be the appropriate way and means in which Japan can provide such assistance in the coming times.

First, if I may, I would say international culture must be established which will embody Japan's international cooperation. It must be a type of cooperation participated in by everyone. So far, on the government level, Japan has been doing a lot in terms of international cooperation, but frankly speaking one wonders how much these efforts have weighed in the

hearts and minds of each individual Japanese.

At the airport yesterday, I was reminded in a way of this because there are different immigration gates for Japanese people and foreign visitors to Japan. Outside of the country, Japanese people tend to mingle together only among themselves, Japanese businesses work only among themselves it seems, and therefore a kind of attitude that Japanese people bring to associating with others must be changed. One concrete proposal is that future symposiums, such as this one, should be held not only in Tokyo, but in other places as well.

I have done my homework before coming to this occasion today and I looked at the Japanese budget. The budget for culture is only 3%, a very shameful figure because in Germany the cultural budget is as much as 15%, and in Italy it is 7 percent. Although Japan is the largest economic power, can Japanese people boast about their culture and take pride in the international community? Can Japan present a first-class orchestra that can play anywhere in the world? There are many question marks that remain. These are questions that are asked of Japan, and for truly effective international cooperation, a new budget must be formulated to give more to cultural aspects and so Japan can make efforts in this area. The definition, concept and structure of international cooperation seem to be lacking, therefore these definitions and concepts must be reformulated at this point in time as we approach a period of peace in the world. What we should have is not the budget they presented today, but a better budget that contributes to the cultural welfare of the global community.

Secondly, speaking about private level international cooperation, I do keenly and indeed feel the need for such private level cooperation. Throughout the world, Japanese companies are investing about \$500 billion and they are making profits out of these investments, but what are they doing in terms of actual cooperation internationally? Again, there is a question mark.

Japanese businesses are accused of their economic activities, sometimes they are called economic animals. For example, Japanese businesses have bought the Rockefeller Center and other big buildings in the United States and they have bought castles in Germany. But these castles, for instance, belong to Germany and the Rockefeller Center perhaps belongs to the United States. What will be the reaction and response of the younger generation in the United States or in Germany when they see that Japanese businesses are buying up all these important cultural assets in their countries? Maybe \$5 billion out of a \$500 billion investment should be earmarked for the development of the younger generation of people for them to become better managers.

Countries in Africa and Southeast Asia want to work together with Japanese companies through joint ventures and other forms. If Japanese companies can be more responsive to these wishes, one wonders how much this could contribute to the image of Japan as a true assistance donor. What we also need is a better development plan and program to preserve the environment of the world.

Two years ago, I went to Ariake where a rally was held to activate people in the region of Ariake, Kyushu, because Kyushu represents a land which will prosper in the 21st century.

As you know, Nagasaki was a region which acted as a gate for western influences before the Meiji restoration. The people of Ariake are putting together a project to enable the participation of many people around the world and give them opportunities to see Japan through Ariake. One example is the "culture land for the youth of the world" and the so-called, "Asia Land." These are examples of the projects envisioned.

Japanese scholars have talked about the next century becoming an important century for the Pacific Rim countries, but what are the specific ideas that they have? I believe these examples in Kyushu represent one specific idea of Pacific Rim prosperity in the coming century. Politicians and youth all must visit Kyushu and see the future as it evolves. I do not mean that the world should become "Japanized," but Japan is the one which should become "internationalized." Europe perhaps should become somewhat "Japanized" to gain a better understanding of Japan, and we through these efforts should try to pursue new dimensions of economic cooperation in the future.

This new dimension, called for in the world, and the cry that we hear throughout the world in the international community, is indeed what I ask of Japan. So I would like to propose the establishment of a center for cultural exchanges among the youth throughout the world. Also a center that accommodates medical needs, especially for the elderly, etc. Throughout the world these degenerative diseases and gerontological diseases abound, some kind of an accommodation must be made. Also development in the African continent must be supported through some kind of organization. There are many, many different things that Japan can do in terms of cooperation and assistance. What about the area of fine arts? We again need a center of exchanging such views and projects in the fine arts. With the people throughout the world, Japan should take the initiative in striving towards accommodating global needs. Japan must take to heart that the turning point that it faces currently warrants a lot of effort in the future.

Ladies and gentlemen, the 21st century is the age of "Pax Asia." Everybody in Asia is striving to realize this Pax Asia. But the Pax Asia must entail efforts not only from Japan, but from people all over Asia, Sri Lanka, India, China and Singapore, all the Asian countries must be involved in the establishment of Pax Asia. Economic cooperation provided by the Japanese government alone will not suffice. There should be cooperation together with the other Asian governments in order to establish such peace as partners. Only then will the future of what should be in Asia be achievable and the seas in Asia will become truly peaceful seas, and we will be able to embark on a road to brighter prospects in the 21st century. Through the multilateral cooperation of Asian governments, there is a challenge that must be addressed in terms of producing new visions. Through the support that has already been provided us by JICA and OECD, and the stimulation of support from the private sector, the Japanese government hand in hand with the other Asian governments should be able to lead the way.

Ms. Masako Hoshino, who represents Japan International Volunteer Center (JVC), an organization for volunteer activities in Japan, will participate in the panel discussion. She was in Thailand for ten years and in Laos for seven years. As a young woman she has done what

she could in order to serve the needs of the local people. How many people will follow in the footsteps of Ms. Hoshino? This year, we hosted a convention of Boy Scouts in Korea, where young boys from throughout the world spent a week together. I believe there were only 30 participants from Japan. This kind of an exchange among younger people throughout the world must be supported more positively in order to allay fears and criticism.

As you know, Japanese are preoccupied by numerous educational problems beginning at the elementary school level. One problem is the university entrance examinations. Studies are critical in any Japanese family no matter how the world situation may change, but is that kind of educational policy appropriate? Is it really a social way of thinking that the younger generation should study at home separate from society? In this respect, I think Japan's education should be changed fundamentally. A new spirit of voluntary activities should be fostered, which will bear fruit and be integrated or linked with the dreams of young people so that Japanese youngsters can be cultivated as future world leaders. As I have mentioned before, Korea is more than happy and privileged to become Japan's partner, and as the former recipient country of Japan's assistance, we are determined to cooperate with Japan in contributing to the world. I would like to submit several proposals.

At first, the private sector exchanges in cooperation should be promoted even further, that is my first recommendation or proposal. At the moment, Japanese companies are very active in every corner of the globe so that business leaders including members of Japan Federation of Economic Organizations should take more active participation in providing economic cooperation and aid to recipient countries. This policy may become ingrained in Japanese corporations. Government alone will not suffice, it will need the help of the private sector.

My second proposal is to try and enhance the mentality of the people at large. In other words, at the grass roots level, internationalization must take root and so that this kind of globalization can be instilled in the minds of the Japanese populous, and so that they can make their individual contribution toward the goal of global peace and as citizens of the world.

The third proposal is to create new forms of partnership in Asia. For example, in South Korea we are supporting aid to Mongolia at the moment. Prime Minister Kaifu has also visited Mongolia recently, if these are signs of efforts that are being exerted, not just by South Korea and Japan, but through cooperation including China and other Asian countries. South Koreans have technology in some areas that Japan does not have and we are prepared to provide the vitality which cannot be provided by Japan. Through Korean and Japanese cooperation and partnership, I'm sure it will bear fruit and become very effective.

The fourth proposal is to enhance and promote the spirit of volunteering for cooperation. There are many retirees in Japan, for example, people who are over 60, former engineers, former bankers, former executives, former diplomats, former government officials, etc. All of these retirees can be tapped in terms of providing volunteer activities to other nations.

We would like to create the new era of world peace toward the age of "Pax Asia" in the 21st century as we develop a cooperative relationship with Japan. Still there are many difficult

economic problems that loom ahead of us: the Uruguay Round, trade friction, integration in the EC market, American and Canadian markets becoming borderless, etc. These are all problems that need to be contended with, they are formidable problems. Again we have the possible problem of bloc economies in the future and Japan needs to provide insight into what it can do to cope with it in terms of managing the Japanese economy. In the new age of world peace, many people of the world have motivation. Shall we cooperate with these motivated peoples making self-reliant efforts? In this respect, I think we will contribute to international cooperation through Korean and Japanese partnership.

Today, I gave my frank opinions about Japan's international cooperation. I urge all the participants to have a new vision of the world in terms of globalizing Japan's international cooperation. Thank you.

KEYNOTE SPEECH

Ms. Makiko Arima

Japan's Representative to the U.N. Commission
on the Status of Women



I am somewhat concerned about today's theme of promoting international cooperation through the rallying of efforts by everyone. From the perspective of one citizen, I would like to discuss some of my personal experiences that I have had in the past, especially the U.N. organization. I would like to take this opportunity in sharing with you some of my experiences and ideas and perhaps my speech may stimulate discussions among the panel that is scheduled for this afternoon.

The term, "international cooperation," connotes something that I have seen in the past. One example is the appointment of Ms. Sadako Ogata to the U.N. High Commissioner for Refugees. As I was participating in some conferences on the subject of women, I heard the news of Ms. Ogata's appointment. Of course she is well-known for her finesse, but what is impressive to me is that the high evaluation came from the fact that she is the first woman to be elected to such a post, and also the fact that she is the first Japanese to attain that position.

A Canadian representative, for example, told us that the Canadians were very happy that Ms. Ogata attained such a position. The reason why they were so happy in Canada is because there were various candidates vying for the post at the U.N., and one of the candidates was a Canadian. But in spite of that competition, the Canadians were generous in congratulating Ms. Ogata's appointment.

The question is: why elect a Japanese woman as the high commissioner? In the past, Japan has been noted as being the largest donor of financial aid, and Japan was very generous in providing financial aid but never clearly defined its position in terms of what Japan wanted to do for the sake of the refugees and what Japan was willing to do in order to alleviate the problems pertaining to the refugees. Thus, Japan's aid financially was not well defined in terms of policy. However, now with the appointment of Ms. Ogata, Japan is willing to disperse not only monetary aid, but also physical efforts.

The first appreciation comes in the fact that she was the first Japanese to achieve the position, but the second appreciation concerns the fact that she is the first woman. Of the 17

million refugees in the world, 80% are women and children. Women and children are often the victims of wars and other events. The fact that the first woman has attained the position of High Commissioner for Refugees is truly a significant feat and relevant in terms of the number of refugees who are women and children.

Just recently, I personally met Ms. Ogata in New York near the United Nations. Ms. Ogata told me that throughout the world there are invitations extended to her, especially from various parts of the United States, so she accepts the invitations and uses those occasions in order to appeal to the public about the plight of refugees. Through such activities, Ms. Ogata is trying to define the policy of aid that she represents. I was very touched and moved by the fact that Ms. Ogata is the first Japanese, and a Japanese woman at that, in trying to clarify Japan's position on international cooperation.

Recently, there have been many criticisms concerning the fact that Japan lacks principles or philosophy, if you will, where economic assistance is concerned. The Japanese government announced the four principles of Overseas Development Assistance (ODA) and I personally think that it was a very good announcement on the part of the Japanese government. I am sure all of you are aware of what the four principles are, but allow me to briefly elaborate.

On April 10 of this year, Prime Minister Kaifu elaborated on the four principles during the Parliamentary Session in the Upper House. The Japanese government recognized that such problems as poverty or famine in developing countries could not be neglected and stability and development of those countries were indispensable for world peace and prosperity. Because of these concerns, the Japanese government decided that Japanese economic ODA would be based on the principles of humanitarian considerations and the recognition of interdependence. Meanwhile though, the Gulf War and various changes in Eastern Europe and other developing countries forced a reflection or a self-examination of Japanese economic aid and based on those principles of humanitarian considerations and interdependence, the prime minister then listed four concrete principles.

First, in order for developing countries to promote their socioeconomic development, they must effectively and optimally allocate their own financial, human and other resources. In this respect, trends of military spending of the recipient countries must be re-examined. Secondly, based on that perspective, development and production of weapons must be reviewed. Thirdly, export and import trends of weapons in countries must be reviewed, and fourth, the promotion of democratization, the effort to introduce market economies and the guarantee of human rights and freedom must be reviewed. Also in line with the above principles, the prime minister advocated that economic cooperation must address human needs, which is clearly represented in the four principles. He also advocated that we seek world peace and assure freedom as well as human rights for people of the world. This is indeed a good thing for Japan to promote such principles, because these principles will clearly identify the way we would like our assistance to be allocated. Maybe these principles are progress, or it could be an over exaggeration to describe this as progress. But I think this is a welcomed move.

Japan's development philosophy has been questioned because, in the past, our official development assistance in terms of amount has been growing. Last year we were ranked the top donor country, and this year the second. But we have been fulfilling the same role, and based upon our contribution in the past, we have to make a new move in that sense. In the past we have been measured by the quantity, or by the amount of assistance extended, but now we are asked to improve the quality of the assistance. This is not only a Japanese specific issue, but also worldwide donor nations have been questioned on the quality or by the nature of the assistance that they extend.

Concerning the quality issue, there are a variety of aspects that we can discuss. According to my experience on the U.N. Commission on the Status of Women and so on, I believe we have to give a special consideration to two aspects.

One is the consideration of the environment and the other is the consideration of women. Of course it is based upon the idea that we pay due consideration to human rights. Because I am not an expert in that particular area, I cannot make a concrete statement on the consideration of the environment, but on this occasion I would like to point out that next year we are going to have a U.N. conference on development and the environment. And in the upcoming year, we must have a detailed examination review on this issue of development and environment. I am sure that this subject will be taken up in further detail in this afternoon's panel discussion program.

I would like to make statements about the concerns toward women in relation to development aid, because this is my expert area. In the past, assistance that we have extended, as Dr. Paik has mentioned, mostly concerned infrastructure establishment, which is an important element and I am sure that it will be needed in the future as well. However, the aid that was extended must be questioned concerning the objective of the development and the objective of the assistance and to whom it should be contributed. Those areas must be questioned once again because those issues have been brought up through our experience in providing assistance. In the past, we have done many assistance and aid programs for development and we have gained experience. Some programs were successful and some were given a negative evaluation. Therefore, we had success as well as failure cases of assistance, which led to the current questioning about the quality of the aid and for what and for whom the assistance should be. We have to question the very nature of the assistance that we are going to provide.

A special consideration toward women in relation to development has been based upon the context that I have just mentioned. In the United Nations, it is called Women In Development (WID). WID consideration is necessary and it has been reiterated many times in the mid-term U.N. program for development, and it has been emphasized among 18 donor countries, which compose Development Assistance Committee (DAC) of Organization for Economic Cooperation and Development (OECD). Starting in 1978, and continuing till now, DAC countries have held informal meetings on the subject of women and development and DAC countries have held various expert meetings in this particular area. As for coordination

with Non-Governmental Organizations (NGOs), they have been discussing many concrete projects in regard to women and development. In the 1980s, a guiding principle was issued in regard to the issue of women and development. Japan is one of 18 DAC countries, but in the past our consideration toward women was slow compared to other nations. But this particular issue has been reiterated further, so that JICA as well as the OECD, have come to pay special attention to the issue of women in development.

This February, JICA has issued a booklet which contains the report on the issue of WID. Accordingly, the report underlined the Japanese stance on the issues of international development and women. Within JICA this May, they established the Environment, WID and Global Issues Division. JICA has explicitly expressed its will to give considerations toward the environment and women in aid activities. At OECD, we had a similar measure taken which was the establishment of a special guideline for future aid in regard to women and development. Perhaps these efforts came too late from my standpoint, but I think this is the first year that Japan has clarified its stance squarely — it is going to address the issue of women in development.

The issue of women in development has been tackled by donor countries, and also many women's organizations have paid close attention to aid programs because they are closely related to women's issues. The year 1975 was declared "International Year of Women" by the United Nations and starting in 1976, we enjoyed an international decade for women. A social action program had been formulated. In 1985, we had a special conference hosted in Nairobi, Kenya. At the conference a strategy to improve the status of women toward 2000, the so-called "Nairobi strategy" was devised. Among these movements, the slogan of the decade was declared: "Equality, Development and Peace." These themes could be considered independently, but they are closely related, because without equality there could be no development, without peace there could be no development and without development there could be no equality.

In this context, "Women in Development" has been viewed in relation to development assistance on the one hand, and the women's perspective on the other hand. Why has WID become so popular in recent years? This is closely linked to the purpose of the development. The purpose of development or improvement in technology and infrastructure is to enhance the quality of life in developing countries. The enhanced quality of human life is the basis and the ultimate purpose of development. When we question what development is for, WID becomes part of the answer. The concept of WID requires that women should not only be the recipients of the development, they should not play a passive role, they should take an active role, so that they would be actively involved in every process of development from planning and implementation to the evaluation of the program.

I would also like to speak about women's conditions or status in the world. I cannot be specific, but I would like to comment briefly. Seventy-seven percent of women in the world are living in developing countries, and in that 77 percentile, 80% are living in rural areas

engaged in agriculture and household chores, or they are part of a work force called the informal sector, which does not appear specifically on the various economic statistics. Some statistics state that women contribute 44% of worldwide food production. Women are taking part in two-thirds of the total work hours worldwide, but they are getting only one-tenth of the total income worldwide. Concerning worldwide wealth, women possess only one-hundredth of the total wealth of the world. Why are two-thirds of the world's work hours generated by women? Many people question, is that right? When we state the total working hours, the working hours do not only include the economic working hours, but also the childbearing and household chore hours. Having said this, women should be more involved in the development programs, otherwise the true sense of improvement of quality of life for people cannot be brought about.

Last month, I was visiting Canada and spoke with CIDA (the JICA equivalent in Canada), about various women's issues, and in our discussion, the WID issue was mentioned. Although Canada is considered one of the most advanced nations in regard to WID, it had to experience several stages to reach the present situation. In the 1960s and early 1970s, women were regarded as simply the recipient of the assistance, even in Canada from the viewpoint of the welfare of mothers and their children. However, when you measure the effectiveness of the assistance, it turned out not to be very successful. From that experience, they began to extend assistance for the economic independence of women, which was needed for the next step.

For example, in developing countries, modernization is called for but as the societies are modernized and industrialized, women and children are left behind in rural areas and men go into the cities to work and earn cash. As a result, an increasing number of women are heading households in rural areas and the number is increasing. In some countries, statistics state that 40% of the rural households are headed by women. The average may be 20 percent to 30 percent. Many men and husbands move to cities, and as a result, women and children are left behind in rural areas. These women and children are living in poverty. Regardless of how much assistance is poured into the local area, it will not result in sustainable development assistance. You must have a continuous effect to sow the seed of assistance. Therefore, it is essential that assistance programs help women to become economically independent, otherwise the program will not be successful. In the program planning stage, women must be involved from the beginning. Assistance, in a word, is not economic by nature. Assistance should not be money alone, as Dr. Paik mentioned, it should emphasize educational aspects.

One serious issue being addressed by the United Nations and many other organizations is the literacy issue. The illiteracy rate in developing nations states that one out of three men are illiterate. In the case of women, the statistics show that 60 percent to 70 percent are illiterate. Of course each developing nation is different from one another and this is a rough figure. For example, when a family sends a child to school, (and let's say there are many children), there is only enough tuition for one child, many chose the boy rather than the girl to go to school and have him learn to read. Therefore, women are deprived of the occasion of education, and as a

result, many women in developing nations remain illiterate. This example demonstrates that assistance should consider education. The content of the assistance must be well understood. Women need to be able to read and write letters. Education is an important element in assistance, as well as family planning and health — these are all closely interlinked. If assistance is given to promote literacy, the effects of the assistance will be that much better for women, of course men may argue with this line of argument, but as the ratio will indeed improve. It is often said that to educate one man is to educate one individual, but educating one woman would be tantamount to educating that person herself but also all her children. In other words, if you provide education to one woman and if she opens her eyes to the importance of education, then she will provide the same opportunities for her own children and that is what motherhood is all about.

Any mother, any place in the world, wishes for a better education for her children than the one that she has gained herself. So through these means, if you can only provide an education to one single woman, the trickling down effect will be enormous. In this sense, WID is an effort with a great potential for impact and this will in turn improve the quality of community life and will bring more energy and activity in the local community. But then the next question is whether women are ready, are they motivated?

There are many cases that have been reported about women who have asked to take part in the development of women for the betterment. There is a fund within the United Nations called UNIFEM, which Japan has contributed half a million dollars. Many activities sponsored by UNIFEM have been successful.

For instance, I know of a case in the Philippines that was successful. Several piglets were bought and many women in the Philippines tendered these small pigs and the pigs were bred and sold. With the money earned, some women took on the job of sewing and this was done throughout the village by all the women in the village. This became a success story and today they have reached a level where they are not doing simple sewing, earning little money, but they are striving for a higher profit by making stuffed animals, which are then exported.

In Ghana, there is a well-known December 31 movement involving women and the introduction of a rice milling machine. Before the machine, women might spend seven or eight hours a day milling rice for a family of ten, but now they are able to do the same job in five minutes. The spare time thus gained has been used for many other purposes: such as the development of local agriculture, the betterment of women's lives in the community and more free time dedicated to children. I have encountered many personal experiences in which Japanese women were involved.

The following story is a good example of motivation shown on the part of women in Uruguay in South America. Japan provided 50 or 60 units of wheelchairs that were sent to Uruguay as part of a Japanese assistance program. One day, a Japanese man noticed that all of the wheelchairs, which had been sent, were stored in a warehouse, not being used, and since the wheelchairs are made of metal, the metal parts were beginning to rust so they were completely

idle, not ever having been used. This Japanese man came to realize that all the efforts that had been made to send the wheelchairs were for nothing. Why was this the case? Why were the wheelchairs not being used? Was there any good reason for this? He started checking out all the reasons and found out that people wanted to use wheelchairs but nobody was able to repair the wheelchairs. The reasoning was that if somebody started using a wheelchair, and if the wheelchair developed a problem, and if nobody knew how to fix a wheelchair, then the good chair would become useless after time. So if this was the situation, then the next step was to train people to fix wheelchairs. The Japanese man began searching for someone who would be willing to learn how to fix wheelchairs. There was one volunteer, a Uruguay native, who said, (and in fact, this was a woman), that she wanted to be a wheelchair repair person. Some Japanese volunteers got together and made some money to invite this woman over to Japan and for about six months she was provided with training. The traveling money and all the expenses needed for staying in Japan was provided for by the money pitched in by the volunteers. This woman was able to complete an education and become a competent wheelchair repair person on her return to Uruguay. I am sure she is very active as a repair person.

This is an example in which the general image may be that a repair person should be a man, but in fact a woman was motivated and that woman was in fact able to be incorporated into the entire project. Women's potential was realized and people were able to make practical use of one woman's contribution. This is a case in which I was involved and therefore, I ask you to invite women to be involved in more developmental activities. However, there are three points concerning women in development of which Japan should take account.

First of all, what kind of assistance is needed? This must be studied thoroughly and adequate information must be available before an effort can be implemented. Women must be involved in any area of development effort. In order to incorporate women in assistance or development thorough study of a local area by gathering sufficient information is essential. For this purpose, the help of NGOs is indispensable. People working at the grass roots level and the NGO people must be present and information must be received from them before they can become an actual assistance program.

The next point I would like to discuss concerns the education of people and the use of human resources. WID experts are all but non-existent in Japan, indicating the fact that Japan has been lagging in involving women in development activities. Therefore, human resources development is an urgent task that must be a consistent and long lasting. This is one idea that was reinforced when I visited Canada. Canadian women said that developing women's abilities would take a long time, because it is not limited to women alone. Concerning the environment and development, for instance, it is very difficult to train experts in this field. This type of training or education will take a long period of time. Although JICA has achieved a long history of providing assistance for human resources development, I think they should demonstrate a more positive attitude towards the development of women resources for the purposes of development.

The third point I would like to discuss is women should be aware that when they are involved with development, they will be faced with many difficulties. Of course, the similar situation applies to the problem of the development and the environment. This means that women's status in developing countries, or recipient countries, is rather low and very diverse and their attitude toward the environment is also different which creates many difficulties. This summer, JICA held a meeting in Japan with some members of DAC within the OECD and some of those advanced countries such as Norway, England and Holland were present. Representatives from each country pointed out that reaching women meant an element of commitment vis-a-vis the internal politics of the countries concerned. If it is not a situation where a country allows women to take part in politics, but if efforts were made to let her get involved in developmental activities, then this in turn could cause problems with the national policy of not allowing women. How to overcome this problem is a very difficult challenge and the same problem might exist in addressing the question of the environment.

The recipient country may want to increase development rather than preservation, simply because the environment may not concur in terms of the interests between development and environmental preservation. The attitude brought forth by the parties or countries concerned might be different in this respect. How to overcome these difficulties will require ourselves to cultivate know how one by one through our experiences. I heard from representatives of Norway and other advanced countries that they have tried to overcome these problems and thanks to their remarks, we ourselves have been able to learn from the countries who have been ahead of us. As far as women in development is concerned, the representative from Holland was willing to give us examples of failures, so that we, the latecomers, would never repeat the same mistake. This is a sense of community, an experience of learning involving many countries and that is a kind of learning process that will be needed to a greater extent in the future.

The more specific the needs, the more difficult the problem becomes. People involved in assistance are very familiar with this difficulty. The general principle can be discussed in any terms, but specifics are more difficult to get down to and therefore perseverant efforts are called for — one must be perseverant in learning. Those are my remarks concerning women in development. But if I may, I would like to speak about two more subjects that relate to the need for us to pay more attention to the quality rather than quantity of assistance.

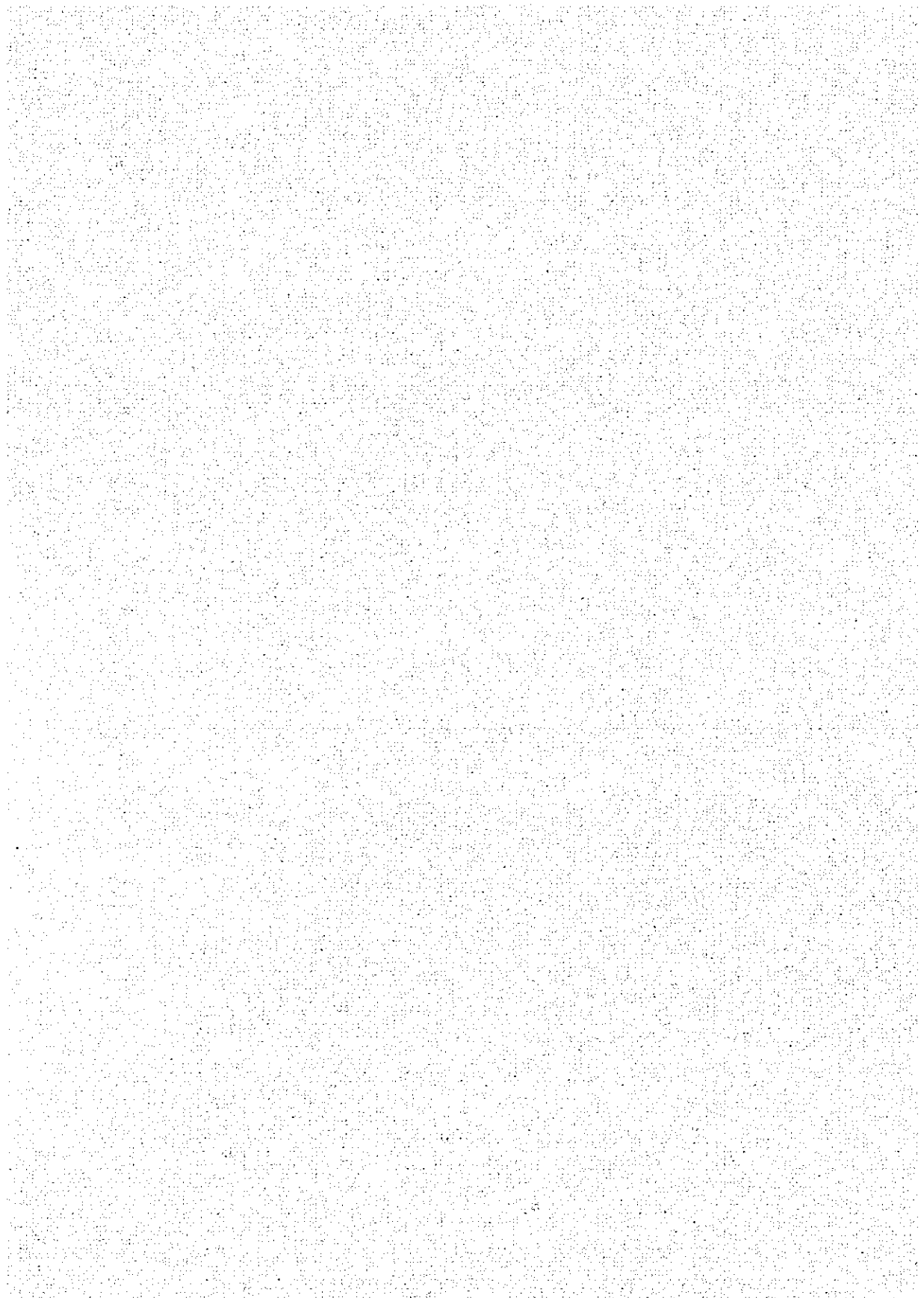
One concerns NGO activities. Everyone must be involved in international cooperation activities, which may inevitably require participation of NGOs. Non-Governmental Organizations in Japan cannot be said to be very active. When you go to many countries, you meet many representatives of NGOs from the United States, Europe and many other countries, and they say many times that they don't find Japanese colleagues at meetings and they are happy that at last they've found one Japanese willing to take part. This represents the fact that Japanese NGOs have not been active, but it is also the fact that slowly, but steadily, the number is increasing. More recently, women have been more active in NGO activities at many

different stages.

In 1985, at Nairobi in Kenya, concerning the International Women's Conference, many Japanese women went to Kenya to take part in the conference and discuss views with African colleagues. I think the meeting with Tanzanian representatives was one example of a knitting needle. If they only had one knitting needle they would be able to weave many things, but the local people did not have an appropriate needle and the type they had was rough on the surface and was not able to be used for the purpose of knitting. So, Japanese representatives came back to Japan and asked people who they knew to give their knitting needles, and they sent these to the community in Africa. So this is one small example, but there are many similar throughout Japan. The efforts done by NGO people are very valuable and important anyway they are done, and what is important I believe is networking efforts to develop and create a network of the people involved in NGO activities so that they can share their experiences and work together in providing assistance. Their participation will become more meaningful if there was a network, so I would like to emphasize participation.

Another thought I would like to leave with you today is the need for participation by local governments. When we say international cooperation must be done by everyone, this includes not only national governments but local governments as well. For instance, local autonomous governments in the past have completed sister city relationships with other cities of the world. There is a 20 year history of the creation of sister city relations that has contributed to a deeper understanding between the cities concerned. Through this program, community relationships lean toward the grass roots level assistance compared to government to government assistance efforts. By following the example of the sister city program success, one may look toward local governments, which are already doing more in terms of providing assistance and learning from their experiences. And in the future, one may look toward a grass root level to find assistance. This idea may be brought up again in the afternoon session today, so in addition to talking about women's participation in development, I would like to call for greater participation on the part of NGOs and local communities. I might have been somewhat desultory in my discussion today, but I think I have left you with enough food for thought. Thank you very much.

PANEL DISCUSSION



1. Theme

International Cooperation by Everyone—towards joint participation by the government, NGOs and citizens.

2. Background

The Government of Japan, local public bodies, non-governmental organizations (NGOs) and others now participate in international cooperation from their respective standpoints. Awareness of the difficulties with which the people of developing countries are faced and the necessity of assisting them underlies these activities.

In the age of interdependence it is increasingly important for the government to promote international cooperation at various levels by appealing to as many Japanese people as possible for their understanding of and participation in this cooperation so that we can live in harmony with the world and play a positive role in the international community.

In order to realize international cooperation with full support and participation of people at various levels, the government needs to attract wider public attention to the significance of international cooperation through ODA and other means. It is also necessary to make efforts to prepare the domestic environment, giving more financial assistance to NGOs, so that more people can participate in voluntary activities.

3. Main Points of Discussion

In the commemorative symposium this year, a panel discussion will be held by scholars and experts, mainly on six topics as mentioned below. It is hoped that this discussion will result in the promotion of individual citizens' awareness that international cooperation is an issue which is of vital concern to everyone.

- (1) Current issues of ODA and future orientation
- (2) Expectations from and support for voluntary activities of NGOs
- (3) Cooperation between the Government and NGOs
- (4) Cooperation of private corporations (in investments, import promotion, human resources development, etc.)
- (5) What a citizen can do to contribute to international cooperation?
- (6) How to broaden the scope of international cooperation which includes the government, NGOs, etc.

Chairman

MR. TAKEHIKO KIYOHARA



Born in 1937. In 1962 he graduated from Department of Law, Keio University and joined the Sankei Shimbun Newspaper. In 1967, he served as member of Political Dept. of Tokyo Head Office and then as captain of Press Clubs for opposite parties, Liberal-Democratic Party, and the official residence of the Prime Minister. Served as chief of Washington Bureau in 1982 and general manager of Political News Section in 1984. In 1987, served as chief managing editor and since 1988 he has been chairman of the Editorial Board. Also he is member of the 8th Election System Council and "World Committee" of the 3rd Administrative Reformation Council.

Panelists

MR. KATSUHIRO FUJIWARA



Born in 1938. After graduating from Division of Education, International Christian University in 1962, he joined Keidanren (Japan Federation of Economic Organizations). From 1971 to 74, acted as economic research consultant, U.S.-Japan Trade Council, Washington, D.C.. After filling posts of Assistant Director of Industrial Affairs Department, Director of Departments of Energy and Industrial Affairs, Industry and Telecommunications, International Economic Affairs, he is presently Director of Economic Cooperation Dept. of Keidanren and Director of the Japan-Soviet Cooperation Committee since 1989.



MR. HIROSHI HASHIMOTO

Born in 1941. In 1964 he graduated from Faculty of Law, Hitotsubashi University and joined the Ministry of Foreign Affairs. After overseas language training in U.K. and U.S.S.R., he served as third secretary, Embassy of Japan in U.S.S.R. (1967), Deputy Director, Domestic Public Relations Division, Public Information and Cultural Affairs Bureau (1971), Deputy Director, China and Mongolia Division, Asian Affairs Bureau (1975), Counsellor, Embassy of Japan in New Zealand (1981), Director, Loan Aid Division, Economic Cooperation Bureau (1984), Minister, Embassy of Japan in Malaysia (1988). Since 1990, he has been Deputy Director-General, Economic Cooperation Bureau.



MS. MASAKO HOSHINO

Born in 1932. After Graduating from Department of Letters, Keio University, she joined the first JOCV members to Laos in 1965 and stayed in Laos and Thailand for 17 years in total. In 1980, she established Japan International Volunteer Center (JVC) and promoted NGO movement for relief and development cooperation as Secretary General of the JVC. She has been Special Advisor to Japan International Volunteer Center since 1989, and she is also Director General of Kanagawa Women's Center.



DR. IWAO NAKATANI

Born in 1942. He graduated from Faculty of Economics, Hitotsubashi University in 1965 and received Ph.D. in economics from Harvard University in 1973. After serving as Associate Professor at Osaka University in 1974 and as Professor of Economics there in 1984, he has become Professor at Hitotsubashi University in October 1991. He is an author of numerous books including "The Choice for Japan in the Era of Great Change" and "Introduction to Macroeconomics". His article "A Choice for Japan toward a Responsible Nation" won The Ishibashi Tanzan Prize in 1988. He is a regular contributing writer to Nihon Keizai Shimbun, Nikkei Business, THE 21, English Nikkei, etc.



DR. ROBERT M. ORR, JR.

Born in 1953. In 1979 he graduated from Georgetown University. In 1988 he received Ph. D. in political science from the University of Tokyo. In 1981 he was appointed Special Assistant to the Assistant Administrator for Asia in the U.S. Agency for International Development. Having resided in Japan since 1983, he serves visiting staff consultant to the Upper House Budget Committee, the first non-Japanese to be appointed to a Parliamentary committee staff. Also he was appointed as commissioner on the Japan-United States Education Commission (Fulbright Program). He is a Director of the Kyoto Center for Japanese Studies and the Stanford Center for Technology and Innovation. He is an author of numerous books including "The Emergence of Japan's Foreign Aid Power" which won the 1991 Masayoshi Ohira Foundation prize. He lives in Kyoto.



MR. KATSUHIKO SUETSUGU

Born in 1939. In 1964 he graduated from School of Political Science and Economics, Waseda University and joined Nihon Keizai Shimbun Company. As member of its industrial department, he reported a management of company and industrial trends. In 1970 he received the annual prize of the Japan Newspaper Association for news report on capital liberalization of Japanese auto industry (co-winner). Serving as visiting research fellow to East Asian Center of Harvard University from 1977 to 1978, he has become an editorial writer for the Nihon Keizai Shimbun since 1979, and also a member of the Editorial Board since 1990. He serves as a member advisory body for Minister of MITI on energy policy. He is an author of numerous books including "World Energy Industries on the crossroad".

KIYOHARA: I would first like to begin by thanking you for joining us in such a large number. The title for this occasion is: "International Cooperation by Everyone," meaning that the government, non-governmental organizations (NGOs) and private individuals at large must all take part in our efforts.

A wide range of people from all different walks of life must take part in our efforts to give assistance to international cooperation. It has been said that Japan is a country without a face. Japan may be a large economic power, but it is faceless and Japan's diplomatic policies are far from being very articulate. The Japanese policy, prepared by the government, of contributing to the global economy is less than clear and lacks substance. Consensus has not been reached as to what specifics we should be working on toward this goal; therefore Japan is being criticized for its lack of visibility.

I served on a committee to bring about administrative reform in Japan which stated what Japan should do with regard to foreign policy and international cooperation. At times, Japan may have to make some sacrifices, but it should nevertheless be willing to make some contribution to the global community. Although the international situation is very turbulent, Japan cannot stand alone relaxing in the wealth of the country. Japanese people should not be complacent to speak only in terms of themselves, enjoying a "me-ism," but they should be cognizant to the fact that Japan is part of the global community and must make due contribution to the world. One subject that has been discussed recently is the question of what to do about peace keeping operations. What role should Japan take in such operations? Whatever the issue, the contribution to the global community is not limited to these concrete ideas.

Tax money will be used for provision of assistance to developing countries through the process of economic assistance. Each individual citizen in Japan will actually participate in these efforts and will be able to truly realize the policy. Because this symposium focuses on a very historical and nationwide challenge, which is very important, I hope to stimulate vigorous discussions.

I would now like to follow the order indicated in the program and give each speaker 10 minutes so they can give us in outline form their views concerning international cooperation. After a short break, I invite the audience to take an active part in the discussions. We should like to proceed with the exchange of views involving your wide and active participation from the floor. First, I would like to invite Mr. Fujiwara, who is from the Japan Federation of Economic Organizations and director of the Economic Cooperation Department to speak. He will address the issue that international cooperation must be done not only by the government and citizen's groups, but businesses must also take a part in international cooperation.

FUJIWARA: Thank you for the introduction. Today I am most honored for having been invited here to speak to all of you. The Japan Federation of Economic Organizations has a committee called the Economic Cooperation Committee, which discusses Japan's economic cooperation policy and sometimes submits proposals to the government.

Last June, we published a report of recommendations concerning the future course of

Japan's economic cooperation. I would like to refer to this publication and try to give you the essence of the dialogue we have had with our hundreds of firms that belong to the Japan Federation of Economic Organizations. Also in the Economic Cooperation Department I belong to, we have tried to promote economic cooperation and exchanges both bilaterally and multilaterally. At times we will be dealing with other businesses abroad and other times we will be dealing with scholars and government officials in Japan. We have a commitment to cooperation and we have been in touch with more than a dozen countries to discuss this. On this basis, I would like to introduce some of our concepts underlying economic cooperation.

As mentioned by the moderator, we have the theme of "International Cooperation by Everyone," but only the government, NGOs and citizens are mentioned in the sub-theme. Economic cooperation warrants nationwide involvement, including business and activities promoted by the business sector. Following is a brief summary of my presentation.

International cooperation is extended by various parties through diverse means for the completion of several goals. I think one goal is economic independence on the part of the recipient countries and another is humanitarian relief, but in-between the two there lies problems such as education. If we can outline these goals that we have, then we can clarify the parties and means.

First, the parties can be divided into the government and the private sector. The government has official loans and grants as means of cooperation. Grants can be further broken down into grant aid as well as technical cooperation. Apart from that, the government is also responsible for the Japanese Overseas Cooperation Volunteers (JOCV).

Concerning the private sector, economic cooperation can be largely broken down into the business sector and NGOs.

I have said that business often gets forgotten about or neglected at times, but it is the daily investment activities promoted by the business sector including investment, imports, exports, etc., that comprises what we call economic cooperation. For example, if a disaster occurs in a certain country, appropriate means will be disaster relief by the government or NGOs.

Economic cooperation, however, is not only limited to those kinds of activities. There are hundreds of countries throughout the world who seek economic independence and development. Perhaps they do not need any grants or aid per se, but they are seeking investment. If this is true, then NGO activities alone will not suffice. It will take time, even for the government, to try and comply to such requests. Investment will not produce debt, it will produce the know-how of marketing and managing funds. But the Japan International Cooperation Agency (JICA) or the Overseas Economic Cooperation Fund (OECF) cannot make investments. Therefore many developing countries want the Japanese business sector to promote investment, so that this in turn will lead to export enhancement on part of the recipient countries and ultimately pave the way to economic development in those regions.

I may sound repetitive, but the goals, the parties involved and the means with which to achieve their goals, must be clearly outlined so that means correspond to goals.

The second question concerns economic independence and economic growth for the recipient countries, as well as the concept of self-help. We must make sure that we help establish infrastructures, help business activities cultivate human resources and provide other assistance. Infrastructure could be established with the cooperation of the government, because NGOs or private civilians will not be able to produce significant results on their own. The business sector and Official Development Assistance (ODA), particularly grant aid, will play a major role to increase production, streamline distribution or develop foreign trade in those countries. As for the human resources development ODA, the business sector and volunteer activities of the NGOs are deemed crucial.

The next point I would like to discuss is the ODA charter. Economic cooperation or assistance warrants diverse debates, discussions and considerations, but each entity has different views or perspectives inside Japan and between Japan and the rest of the world. My proposal is that we come out with what we call an "ODA charter," so that each party's role can be clearly defined; and everyone at home and abroad will be able to refer to the ODA charter in order to clearly understand what Japan's ODA is. Thank you.

KIYOHARA: Thank you very much. Your statements on the important role to be played by the business sector and also your call for the need of an ODA charter is appreciated. The next speaker is Mr. Hashimoto, deputy director-general of the Economic Cooperation Bureau of Ministry of Foreign Affairs.

HASHIMOTO: There are three major points that I would like to talk about. The first point concerns the status quo of Japanese ODA in regard to other parts of the world. Secondly, I would like to discuss the role of ODA acting as a major pillar of international cooperation. And thirdly, I would like to discuss the importance of better economic cooperation involving ODA.

OECD has a committee called the Development Assistance Committee (DAC), which consists of 18 countries. I would like to state some figures, so that you know the scope of Japanese ODA among DAC 18 countries.

— In 1989, in the total amount of ODA, we were ranked at the top of DAC countries, but last year we were second, following the United States.

— Grant amount, including bilateral grant aid, technical cooperation and contribution to multilateral organizations, ranked a world third, following the U.S. and France. DAC refers to a particular scale called untied ratio, which includes both yen loan and grant aid. Japanese untied ratio is 78.1%, followed by Sweden and other countries. Japan ranks number one in this particular rate.

— Concerning the ratio of ODA compared to GNP, Japan is 0.31% which ranks 12th. Norway is the first and their ratio is 1.17% and the DAC average is 0.35 percent. Japan is still low considering the United Nations target of 0.7 percent.

— For per capita contribution, Japan is ranked 10th, topped by Norway's \$217, Japan's contribution is only \$72.8. Our grant ratio is 43.2%, which is ranked 18th. It is 100% in

Australia, New Zealand, Ireland, Sweden and other countries. As for bilateral ODA regional distribution, Japan focuses on Asian countries, followed by Africa, the Middle East and so on.

Secondly, speaking of the role of ODA as a major pillar of international cooperation, during the Takeshita administration, enhancement of ODA was mentioned in the "International Cooperation Initiative," which is the basis for formulating ODA's current framework. I would like to touch on several points. The first point is that Japan should place an importance on ODA in the diplomacy involving developing nations.

The second point is that we are recognizing the importance or necessity that ODA should be improved both in quantity and quality. Our Fourth Medium-Term Target set the goal of \$50 billion in total ODA for the years 1988-92.

The third point is that the basic philosophies concern humanitarian considerations and the recognition of interdependence.

Fourth, the Japanese government has not made a detailed explanation of the basic guidelines, other than the philosophy mentioned above. But this April, Prime Minister Toshiki Kaifu announced four basic guidelines in regard to extending ODA and democratization. Other guidelines concerning environment on women in development have also been released. We have those principles in mind when we implement our ODA.

Fifth, we should extend individualized economic cooperation aid in response to various needs of recipient countries. In this respect, cooperation with NGOs is essential. In 1989, we started to strengthen our relationship with NGOs in Japan and abroad.

Lastly, there should be better economic cooperation involving ODA. First, we should be aware that there is a limitation to the aid or assistance that we can extend. And we should respect the recipient and their self-help efforts and also be aware that we are only providing a part of what they need. Secondly, we must respect the recipient country's economic and social policies and private investment. We should have a balance of the type of cooperation that we extend for the betterment of the infrastructure of the industry, as well as for the betterment of the quality of life. We must have a sense of balance in formulating our assistance programs. Thirdly, we should match the recipient countries' needs to those that we are able to assist. We must be engaged in discussion prior to actual assistance. Fourth, we must look at the mid-term and long range viewpoint so that we can respond to the needs of recipient countries. Some countries need short-term aid, while some perhaps need long-term aid. Fifth, in order to have a comprehensive program, a "pro" must do the job, so to speak, so that the government, NGOs, private companies, scholars, researchers or media can do the job that they are trained for and we must respect this concept.

KIYOHARA: Thank you very much. It was a very inspiring description of the basic stance of our country concerning ODA. The next panelist is Ms. Hoshino, special advisor to the Japan International Volunteer Center (JVC). She was one of the first members of JOCV and she also helped found JVC. She is the most qualified person to speak about NGO activities in Japan. Ms. Hoshino, please.

HOSHINO: Thank you. In the past 11 years, I have involved myself in the activities of NGOs. But I was first a member of the Japan Overseas Cooperation Volunteers (JOCV) in 1965, when it was established in Japan. I was sent to Laos and witnessed with my own eyes the situation there and experienced a home stay with a Laotian family. This was my starting point in volunteer work. Because of my experience, I would like to speak on behalf of those involved in cooperation activities in developing countries, not necessary for NGOs.

JOCV is marking its 26th anniversary this year. I believe there are 47 countries accepting our volunteers, and about 11,067 volunteers have actually been dispatched from Japan to those countries. NGOs have been fostered in Japan, particularly in the past decade, although their capability is still limited. The size and scope of activities vary among each NGO in Japan. Last year, the Association for Promotion of International Cooperation conducted a survey concerning NGOs and found that there are about 300 organizations in all. Of the 300 NGOs surveyed, 171 replied and stated that about ¥3 billion had been dispersed, which is an increase of 14.6%, compared to the previous year. Although this amount is minimal compared to other donor countries, it is a promising start.

Of course we have the theme today of "International Cooperation by Everyone" so the question really boils down to what we can do as individuals in promoting international cooperation. Speaking as a person who has been involved in field work, I believe all countries that need economic cooperation must be given assistance with a clear understanding of what is actually needed.

Last year, various discussions were held and I would now like to report on some of the activities. Volunteers actually lived with local residents in developing countries. We learned the language and we learned to understand what the local sentiments were, so harmony between nature and the local community could be promoted. Volunteers led a disciplined way of life and were shocked on their return to Japan, because in the Japanese society, value is measured by materialistic yardsticks. GNP is not the only yardstick whereby we evaluate development assistance or economic cooperation. There are many other factors that need to be incorporated. GNP should not be the only focus of developmental aid.

Over 11,000 JOCV members have been dispatched around the world. The JVC, to which I belong, has already sent about 2,000 members abroad. But sometimes when these volunteers return to Japan, they face many difficulties.

In the present societal system in Japan, volunteers, on their return, are rarely able to capitalize on their experience and I think this is something that needs to be improved. These people are excellent human resources that we should utilize. Also NGO activities in developing countries can be evaluated as to its effects, based on volunteers' field experience.

In Japan, these volunteers can be utilized for development education, in which people in industrialized countries become familiar with the situation in developing countries.

Recently in Japan, people who have experienced the activities of JOCV or NGOs are invited to be lecturers of development education, but it is very sporadic. We must

systematically utilize these people and tap their talent for use in the educational process. Many have devoted the prime of their life in doing volunteer activities abroad, I think they are too valuable for us to neglect upon their return. Thank you.

KIYOHARA: Thank you very much. Next, we would like to invite Dr. Nakatani of Hitotsubashi University to speak to us. He has given his opinions about what Japan should do in the world on various occasions, especially when the world is in turmoil and is undergoing so many drastic changes. Dr. Nakatani will comment on ODA.

NAKATANI: The title of my outline is "Why do we need perspiring aid or aid with sweat," so to speak? Many people have different ideas about what Japanese assistance or aid should be. Of course, I take part in those type of discussions often and this is a very profound and complex issue. I believe most of the comments are superficial. Some people believe Japanese ODA is glued to or tied to the Japanese private sector, or that Japanese aid is not very efficient. Others believe that aid is given for the sake of Japan. Although there are many criticisms, when we compare Japanese aid to other countries, I do not grade it as a total failure. Some believe Japanese aid has been inefficient, but I have the opposite opinion.

It may sound like a contradiction, but I believe Japanese aid in the past has been too efficient. Perhaps that is why Japan has become an economic power because we have been so efficient in our economic system and our aid, particularly in Asian countries, has been too efficient.

Last Autumn, I traveled to Germany and the United Kingdom (donor countries), as well as to India, Thailand and Indonesia (recipient countries). I traveled both sides of the globe, so that I can be educated in first-hand information for discussion. In European countries, without exception, it is said that Japanese aid is mainly directed toward huge projects; in many cases in the form of loans, and has an impact because it is so visible and looks very effective. Perhaps you can attribute Japan for doing some good for these countries. European people say that Japanese aid is mainly targeted to very effective areas. Aid is concentrated in visible areas and much has been done concerning infrastructure, which can be viewed as tangible assets. But concerning intangible assets, perhaps Japan has not done much and cannot be evaluated highly.

Other countries, such as the United Kingdom provide grants based on basic human needs and it is time consuming and demanding. Someone may have to visit the recipient country and one may find the truly needy people and a contribution can be made; however this demands human resources and it is not visible. A short term result cannot be achieved in many cases. But in the case of Japanese assistance, of course, we will not contribute to developing nations' military expansion. ODA is the most important pillar for Japanese diplomacy. From various aspects, Japanese aid should be regarded as the best. That means in order to become the best, we must reformulate our balance. Perhaps we should invest more human resources type of aid, and although a tangible result cannot be achieved in the short run, in the end it will bear fruit. We must restructure the nature of the aid. Perhaps it will become less efficient, compared to the current nature of aid.

Efficiency alone cannot solve problems. If Japan considers aid policy as the most important policy, then we must improve our aid programs and shift the emphasis toward the basic human needs related aid and have more direct interface with the local people. The time has come to restructure our aid. Not every single phase of aid should be handled by the government, we should incorporate other elements like the private sector.

I think overall that Japanese people should understand what better aid is like and what better aid should be. We should have some school level education, for example, to teach children why aid is needed, who needs the aid and why it is helpful. I think we must change the attitude of the Japanese people in general, so that they will reconsider the current framework of aid and hopefully improve aid.

KIYOHARA: Thank you very much. Next we will ask Dr. Orr, the director of the Kyoto Center for Japanese Studies and the Stanford Center for Technology and Innovation to speak about ODA from the eyes of an overseas individual. He is an expert on ODA and is familiar with the political scene both in Japan and the United States.

ORR: I am very interested and delighted to be participating in this program today.

The people who are involved here obviously are very knowledgeable about Japanese aid and development in general, and so it is a real pleasure to hear their views. I would like to approach this subject from a different perspective. Supposedly, I'm kind of from the outside looking in at Japanese aid. So I will try my best to put it in that spin.

I think that basically it is important to remember and understand how foreign aid as a modality evolved. It actually grew from the missionary experience in the West. The missionaries going abroad became the basis later of NGOs, and it also became the basis later on for the basic human needs approach. Many of these missionaries had religious connections and that still is the case. Of course, Japan never dispatched missionaries, so the kind of humanitarian basic human needs philosophy has been somewhat slower in coming. Rather, I would suggest that Japanese foreign aid indeed is not based on any kind of grand plan.

It has been fashionable in recent years to think about Japan as "Japan Inc.," but it is hardly Japan Inc. I would suggest that there hasn't been a grand plan for Japanese foreign aid, rather it has been a series of reactions to pressures. That is, a series of reactions to pressures from Japanese corporations, from developing countries, from resource pressures in the Middle East and later from the United States in the form of the so-called burden sharing, so it has kind of jumped along as a policy. As a result, partly because of Japanese philosophy toward the relationship between the private sector and the public sector, this concept of economic cooperation has developed.

Now it is important to remember that Adam Smith never visited Japan, and I think that most of us who have been in Japan or watched Japan, are quite aware of that. I think the relationship between the private sector and the public sector, in Japan, to a certain extent is reflected in its foreign aid program. That is to say, unlike the United States, when there is collaboration between the private sector and the public sector, the Japanese do not run in horror

of the idea. There is a certain symmetry to the idea that the private sector indeed has an important role in economic development. Now, there are good points about that and there are problems.

The problem, of course, is that no matter how you look at it, the Japanese are going to be accused of tying their aid to commercial objectives, whether it is true or not, because of the so-called economic cooperation policy, and suspicions will continue to exist.

For example, a couple of years ago, there was the so-called recycling program. This was interpreted as foreign aid and was interpreted as American style foreign aid initially, and of course it wasn't. It was Japanese style, which meant a mixture of private sector, concession lending and non-concession lending. Aid, as the Americans understood it, was really a very small portion of that.

This was regarded as another example of Japanese duplicity. But in my view, we are not dealing necessarily with duplicity, we are dealing with a different philosophical approach. A different approach meaning as to how the development should work, and indeed an approach that is not unlike the way Japan itself developed. In a sense, recreating the Meiji Restoration, if you will, is more consistent with that than say the American style of assistance, but nonetheless, Japan is going to be suspicious for a very long time to come. Despite all the untying programs, there is always going to be this suspicion that lingers.

Now, the other point I'd like to make is that even with a lot of untying, Japan's foreign aid program still has the "old-boy's network." The trading companies and construction companies have very close ties with the Japanese government. This is again a kind of Japanese style that doesn't exist in the United States. For example, in America, there is not a "old-boy's network" between the aid program and the private sector because American aid long ago went away from capital projects and moved toward infrastructure and basic human needs. The private sector is not interested in aid programs, but the NGO community in America is, so we have had a proliferation of NGOs taking advantage of those changes.

One very strong point concerning the close relationship between the private sector and the public sector in Japan is the expanded use of development tools, which are lacking in America. For example, Japan changes the mix of assistance in coordination with the needs of the recipient country. More grants are given at the lower end and less at the higher end. The United States today really only has the grant device, and so many times when a country is no longer a recipient of aid or no longer of political importance, America may say goodbye. Thus, the Japanese have a few more tools than the United States and other donor countries right now.

Another point is that the involvement of the private sector has allowed Japan to maintain a constituency for foreign aid. Because the private sector has been a supporter of foreign aid, one doesn't see the kind of "aid-fatigue-phenomenon" yet in Japan because the constituent base has been broadened, which is broader than the U.S. base.

One of the major differences between Japan and the U.S. has been how both countries deal with how to extend the correct mix of assistance. For the United States, the correct mix of

assistance has always been a decision between security aid or economic aid. But for Japan, the mix of assistance has been a decision between exports, imports, investments and ODA. So it is an economic decision that the Japanese make, whereas the Americans factor in the security side.

I would also like to comment briefly on NGOs in Japan. In the past few years, there has been a recent phenomenon in terms of great activity concerning NGOs in Japan. NGOs have also emerged as some of the biggest critics of foreign aid programs. I think that part of the reason for this, is that NGOs have found it a little difficult to relate to the Japanese emphasis on infrastructure, and in a sense Japan faces the reverse problem in the United States. The infrastructural projects are something that the United States doesn't do on a bilateral basis anymore and NGOs are attracted to basic human needs support, and since Japan is not into that area, I think that is one of the reasons why the NGOs have become so critical. I think in the future, as Japan does move toward more basic human needs, and Japan has, it will not be the 100% infrastructural program that it once was. I think it will probably be a good idea for foreign NGOs and Japanese NGOs to seek cooperation, because of the experiences that foreign NGOs have had regarding basic human needs.

Lastly, I would like to say one word about the issue of the environment, because this has become a key buzz word in the Japanese government today. It seems that everyone wants to run out and do environmental assistance. I want to applaud the Japanese government for taking this kind of a stand and I think that they are watching the changes in the attitude toward international environment issues. Having said that, however, I do want to point out that since Japan still focuses so much of its aid on infrastructure, the question is how are they going to reconcile this large emphasis on infrastructure with the environment? I think that's the challenge that the Japanese government in cooperation with the Japanese people are probably going to have to work out. Thank you.

KIYOHARA: Thank you very much. Various issues have been discussed and I am sure that to the foreign eye, a lot of the Japanese aid or assistance could be construed as too commercial. These points may warrant further discussions with the audience. Both inside and outside Japan, through the mass media, various criticism and outcries have increased. The next panelist just so happens to be a representative of the journalism field. Mr. Suetsugu, editorial writer of Nihon Keizai Shinbun.

SUETSUGU: Thank you. I have heard various pros and cons concerning developmental assistance, but I believe ODA has now reached a turning point, not just in Japan, but elsewhere as well. ODA is passing through the impasse, and is entering a new age where equality, basic human needs and global peace are sought.

In 1947, Secretary of State George C. Marshall announced the Marshall Plan and that was in fact the inception of the concept of ODA. I think the people of Japan are still adhering to the principles advocated by Secretary Marshall, thus promoting ODA in line with the Marshall Plan. But now things are changing, in that the vision so to speak, is being broadened. We are just passing through the mountain peak and we are ready to embrace new concepts

pertaining to ODA.

This morning, many various distinguished officials have consistently mentioned that the quantitative phase is now over and now the emphasis is on the qualitative aspect of Japan's ODA. Perhaps this change from the quantitative to the qualitative is indicative of a turning point. We are in the last decade of the 20th century, and looking at the economic scene alone, we may all agree there have been vast changes. The developing countries in Africa, Southeast Asia, Latin America, South America, etc. are experiencing a lag in terms of economic development. Only a handful of the industrial countries have been able to enjoy the benefits of development and this inequality or discrepancy between the "haves" and the "have nots" has become more distinct in this century. So given that supposition, this quantitative and qualitative re-assessment of Japanese ODA is what we are all doing.

Japanese ODA is often compared to other ODA countries because many countries are groping for the optimal way to pursue ODA, so much so that Japan is often cited in terms of comparison. We should not take this as criticism on Japan's ODA. It offers opportunities to reflect on how ODA should be dispersed. In recent years, respective ODA policies, pursued by various countries, are based on diplomatic strategy or various national interests.

But we have come to a point where we should re-assess our increased ODA. We do not necessarily need to view our ODA in such negative ways as Japan is providing ODA as an excuse for trade surplus, or because we are very limited in terms of providing any other type of assistance except economic assistance. Fortunately, Dr. Nakatani spoke about the positive aspects of Japan's ODA and I am very grateful to him for that.

For instance, if one travels to Hanoi in Vietnam and gets a cab and travels through the city, one may see a hospital (the only hospital that is in Hanoi) and the driver will tell the person that the hospital was built through Japanese ODA. In Eastern Java, in Indonesia, one may see a multi-purpose dam and the local people will tell the person that the reason why Indonesia is proud of exporting rice today is because of the construction of the dam that was promoted by Japan. An agricultural agrarian university was realized through Japanese ODA in Kenya, Africa. These are all cases that attest to the value of Japanese ODA, which has reached some \$10 billion so far. We have been able to play a vital role, a significant role and a positive role.

Now, we should start reflecting on the quality of Japanese ODA and ponder the qualitative aspect. The quality of ODA is often measured by the ratio of grants in the total economic cooperation or the untied ratio vs. the total figure. These ratios can be important indexes. But is it enough to evaluate the quality of Japan's ODA only by them? That raises the question of diversifying the people who are actually involved in the economic assistance process. That is, it really boils down to rallying everyone's efforts, to solicit everyone's participation. ODA is not the prerogative of the government as was mentioned earlier by Mr. Yanagiya of JICA. In this regard NGOs, local governments or private enterprises should participate in ODA and economic cooperation more positively. So in terms of seeking genuine

diversified ODA support, we should rally efforts from all quarters of the Japanese society. That leads to qualitative improvement.

Then again, as Japanese, we must admit that our national traits are very characteristic and would be reflected in whatever we do and that holds true for ODA as well. What we are and what we stand for, and what the Japanese government professes to be and what it stands for, would all be reflected in our overseas development assistance, and in that respect, I think that the quality of ODA would be a testimony to what we are.

The term NGO is not a household term, we have to answer enquiries about what NGO stands for. There are two methodologies in order to foster NGOs; by government subsidy, through tax payers' money or by a favored taxation system.

Our government consists of our central state government that collects all taxes and allocates them to various local governments. This centralized type system has been used in Japan, but the question is how efficient can we involve the local governments in economic cooperation given this centralized system?

The next question, of course, concerns business. What is the business' relationship or role in economic assistance. In order for business to involve itself with economic assistance, it must have leeway. And vast changes in the employment scene where working hours are comparable to the international level or changes in social atmosphere which enable us to shift jobs more freely will activate NGO activities.

Someone mentioned earlier that our ODA has been too efficient in the past and this is a result of efficient programs, promoted by organizations like JICA. But whether this efficiency is promoted at the expense of something else is unknown. For example, concerning the allocation of human resources and staffing of aid programs, we don't have to create a new ministry, we have our present mechanism, but we must work toward mobilizing the capable or the qualified people to the area of ODA and economic cooperation. Thank you.

KIYOHARA: Thank you very much. Today so far we have heard from the keynote speakers as well as our panelists on the podium. We have heard some very informative and suggestive ideas. I would now like to break at this point and resume the symposium at 3:50 p.m. After the break, I would like to invite the people in the audience to take part in the discussions. Thank you.

(COFFEE BREAK)

Volunteer activities in Japan

KIYOHARA: Ladies and gentlemen, let us continue with the symposium and begin the second part of the discussion. Today, we heard many different views from the panelists and we have agreed on one point -- that ODA is indeed a very deep and significant undertaking. Now

I would like to invite the panel to discuss the participation of the people, the citizens and volunteers in general, then open the discussion to the floor and proceed to discuss how Japan's ODA should be molded in the future.

Dr. Orr said that there is a sort of missionary tradition in western countries. The history of Christianity and therefore economic assistance begins with "volunteerism." First, the idea of volunteerism was based on religious thinking in the West, but the situation in Japan was different. In Japan, it began with the use of tax money for ODA, volunteer activities came afterwards.

HOSHINO: I think there are NGOs in Japan that are based on religion, but if I may say so, religion is not a deep rooted practice in Japan. But if you argue that unless you have a good religious background you cannot do volunteer work, then volunteerism can never take root in Japan. My organization is a group of very regular, ordinary Japanese citizens. So when we first began, I was not very confident as to what we could achieve. Because there is sometimes a conflict of interest involving religions and NGO activities, I think we have an advantage in Japan because we lack religious elements.

In Southeast Asian countries, we share the same race, color of skin and hair of the people who live there and work with Japanese NGOs; and therefore they associate with Japanese more closely than with the western counterparts. But as they are structurally suppressed, they have to fight against their governments and other constraints. They said they were given the strength to fight from the spirit of western volunteerism, but it had never been the case that they were given any fighting spirit from the Japanese volunteers. It was a very shocking remark. There is no fighting spirit among the Japanese if it means contradicting the position of others. For instance, in our arguments or discussions, ours is a society where we are not confrontational, we do not counter somebody else's argument. So when it involves a struggle, one must be able to show spirit to stand against the other to present one's own position. But that is not a tradition that one finds in Japan, so what we offer is different from what western countries have offered in nature. In Japan, one thinks in terms of trying to be the same with others.

KIYOHARA: Go ahead, Mr. Fujiwara.

FUJIWARA: The factor of religion or the historical factor may play a role in volunteer activities, but what the Japan Federation of Economic Organizations is doing, by way of presentation of our suggestions to the governments, involves the tax system. The government undertakes public activities and the private sector bears the tax burden. This attitude seems to underlie the Japanese tax system. If an individual or corporate organization makes donations in Japan, the amount that can be tax exempt is very small. One calculation is that only 2.5% is tax exempt. Using the same kind of calculation, in the United States, up to 10% could be made exempt from taxes. Of course, this does not apply universally to any kind of donation.

In Japan, there is a certain system recognizing some public organizations as tax exempt organizations, but there are still only about 15,000 units. But in the United States, I hear that there are some 500,000 units of such juridical persons who are tax exempt. So any individual

or any company can form such an entity and be tax exempt. When a Japanese company is making a contribution of one, then it has to actually make a contribution of two because one out of the two goes to the government. Only the remaining one goes to the assistance or donation purpose. Whereas, in the United States, if one is given, all of that one goes to the purpose of a donation without being reduced by tax authorities. So changing the tax system is something that needs to be worked on in the future. The difference in terms of tax systems is a worthy question for us to ask.

KIYOHARA: Mr. Fujiwara, I think businesses can do more in that respect. Concerning the people who go abroad for JOCV or other volunteer work, when they take leave from their business employment can they come back to find the job opening still available for them?

FUJIWARA: You are right. I think there is still room for improvement. Japanese companies have to improve on this in the future. Mr. Yanagiya came to the Japan Federation of Economic Organizations to make a speech recently with regard to JOCV, and there does exist such an institution system. The leave system must be introduced in a greater number of companies, even though we are already seeing an increasing number of companies granting leave of absence to people doing volunteer work. The number of companies doing this has increased from zero to around ten.

KIYOHARA: Ms. Arima, this morning you mentioned that local government must be more involved, but what about the creation of a better environment for volunteers. Are they doing something?

ARIMA: Yes. One reason growth of volunteer activities has been stunted is because information does not reach people in a very direct way. We are an isolated country. We are homogeneous people, and not out of our bad intentions or due to lack of the will, we do not feel an urgency about developments overseas. That is one factor making it difficult for us to translate our will into actual volunteer work. If there is a war somewhere in the world, people in the United States immediately stand up to such a situation, or in Europe, if you see a news program, the amount of news about foreign affairs is greater than domestic affairs. They receive information about overseas developments to a greater degree than is the case in Japan. Global development is a very urgent and familiar event for people in Europe and the United States. Now, given the situation in Japan, if local governments were to play a greater role, there would be a better provision of information of what is happening in the world. By sending such information, I think we could influence people to get out and act on their will.

The role of regional self-governing bodies in development education

KIYOHARA: Now, I would like to open the discussion to the floor and hear from the audience.

QUESTION: My name is Hirono, from Seikei University. Ms. Arima discussed the

potential role for local governments in Japan. Recently in Osaka there was a symposium on the topic of the role to be played by local governments in international cooperation. I was a coordinator for the occasion. One proposal for the local governments was proposed by the superintendent of education in Stockholm, Sweden. In Sweden, there is a good education system from elementary school to high school in which development education is part of compulsory education. But this is not the situation in Japan. With all the efforts that have been instituted in Japan, all have failed trying to make development education a compulsory part of education. I would like to ask what efforts are being made by various localities to include development education into the compulsory education system? So what is the example, for instance, in Yokohama?

ARIMA: In Japan, education is more or less under the jurisdiction of the government. Not much initiative is taken by local governments. As you say, development education is the key to our efforts and particularly in developing future generations of volunteers and workers. Development education is crucial. One thing that we are attempting to do is the introduction of a supplementary reader so that students can read about the status quo and the situation in developing countries. I think Ms. Hoshino is more knowledgeable on this subject at the prefectural level.

HOSHINO: Yes, beginning in June I became Director General of Kanagawa Women's Center. And I am a member of a study group on development education in Kanagawa. From my experience, I can say that Kanagawa is attaching great importance to development education. There is an effort underway to make development education part of the compulsory education system. Particularly, people who come back from their field work could be utilized better and they could make a contribution to development education. I heard that in Germany there is a system underway in which volunteers can go back to their own community to be engaged in development education as an employee of the local government. If we have a similar system in Japan, what knowledge JOCV or NGOs' volunteers gained in field work could be introduced to Japanese society.

ARIMA: Mr. Chairman, if I may add one word, private schools are doing a lot in terms of development education throughout the country.

KIYOHARA: In order to expand these efforts for international cooperation, there must be a better and more conducive climate for learning. I would like to go to the next question.

Problems with aid implementation

QUESTION: My name is Kazi. I'm from Pakistan and deal with external assistance. I would now like to point out the certain deficiencies and bias one sees in aid that might be true in the case of Japanese aid, as well as any aid from any country. The first bias is that money is given for only big projects. The second bias is that projects are located in urban areas. And the allocation JICA and OECF gives for NGOs is very low, maybe 0.1% or less than 0.1%.

The allocation for NGOs should be increased and I think this is going to work.

Another thing I want to tell you is that it takes nearly two years for aid to actually reach projects. Because you go through feasibility studies, a lot of your experts come, there are many signatures, and even after we sign a project we have a problem of reimbursement. Maybe this is true in the case of many different kinds of aid, many times we have to send a contract to Japan for signatures. So, you ought to give more power to your local officers so that aid can reach the project quickly. Another thing that I would like to suggest is post evaluation of projects. In Japanese ODA projects and maybe projects by other donor agencies, there is no financial provision to undertake post evaluation. And I don't think in the eight years I have been working in external assistance any post evaluation has been carried out. So I think these things should be looked into.

KIYOHARA: Thank you very much for your contribution of specific suggestions for the way we provide aid. This procedure is very time consuming and there is a need for post evaluation. Who is going to respond to this particular question?

ORR: If I may refer to the one point, you are absolutely correct. But I would point out simply that some of the problems that you pointed out are not necessarily unique to Japan and I think you would understand that as well. But one problem that you pointed to is I think somewhat unique to Japan and that was the issue about more power in the local office, that is something that is indeed a Japanese government style of assistance. Decisions related to foreign aid are made in Tokyo, very few are made in the field, which is a great contrast to other aid programs in the world. Most aid recipients may be used to dealing with USAID, because in USAID we have large field missions abroad, sometimes up to 50 to 100 people are stationed in recipient countries. To illustrate the point, in Indonesia in 1987 Japan extended about \$700 million in assistance overall, and if you include OECF, JICA and the Embassy personnel, there were roughly 20 people involved in the implementation side. The United States extended \$57 million to Indonesia in 1987 and we had about 100 people there, including 50 USAID nationals and about 50 local staff.

Another thing is that USAID programs use local staff much more effectively than Japan does. They are the institutional memory of the aid mission. They are there year after year and are a part of the policy apparatus in the USAID program. But concerning Japan, my impression is different. I have visited JICA and OECF offices and many locals mainly serve tea as opposed to being involved in the process. I think that is one fundamental difference. But some of the other points you made, I'm afraid all donors tend to have eggs on their faces.

KIYOHARA: Thank you very much for your concrete suggestions and points raised. I would like Mr. Hashimoto to respond on behalf of the Japanese government please.

HASHIMOTO: The person from Pakistan raised many questions and it is difficult for me to respond to all of them, but let me respond to the major questions. First, the NGO provision of assistance is small. There are two types of NGOs: foreign and Japanese. For overseas NGOs, their activities have been supported by our assistance program since 1989. But even though the

projects are small, we keep in contact with NGOs overseas and those who are doing good activities. We have been in contact with the Japanese NGOs for a long time, although our budget is limited. We would like to steadily increase the provision for NGOs in general, I would like to say.

Some criticize that we are supporting only big projects and some projects are successful and some are not. In the case of Pakistan, most of the major projects are concentrated in urban areas, which has been criticized. But when we offered assistance, the Pakistani government asked for a very high-tech level of assistance for a very limited area. We, the donor side, would like to see the projects spread over the nation which would benefit more people. Therefore, the two government's focuses are not in line. Sometimes we have to be involved in a long lasting negotiation in order to better the situation. We would like to shorten it as much as possible, however this is our Japanese taxpayers' money and we have to practice due diligence in providing assistance.

Delegation of authority to local operations is an idea we would like to reflect upon. I think you have a yen loan in mind. I believe a great deal of authority is delegated to the local office. As for the post evaluation, you are quite right in pointing that particular problem out. We are making efforts, but we are aware we have to make more efforts and perhaps we have to perform a post evaluation practice with the recipient country as well.

KIYOHARA: Mr. Nakatani, please.

NAKATANI: I would like to comment on the delegation of authority to the local office level. Japan has a Tokyo centralized decision making process, so to speak, but the world is diversified. If we have to have the approval every single time from Tokyo, it is very cumbersome and it is not very practical. In case of big projects, such as OECF type of assistance, we have coped with the situation to an extent, but when we expand our assistance or direct it towards more basic human needs, then the delegation of the authority must be well addressed. We have to restructure our current system. There are some criticisms that we are not nurturing or supporting the NGO activity very well, but we have to have a specific and good support system back in Japan to support NGO activities. Another problem is that there are few people in the local office and so they cannot cope with every single issue raised there. For example, many Japanese global companies are decentralizing their decision making centers so that basic training, as well as research and development, can be done at the regional center level to cope with local market needs. Therefore, in case of ODA, we should apply this so that we can tailor programs and assistance in that sense.

Some criticize that Japanese ODA nurtures Japanese companies. But we have to have full-fledged support of the trading houses in order to consume and provide the large amount of Japan's ODA. Although the "request basis" principle sounds nice — because some developing countries are not fully capable of doing it alone — trading house people must assist in planning the project and apply together for the aid. From an outsider's point of view, it looks like Japanese government is supporting Japanese business. But we have to become aware that

manpower locally is too small. We have to drastically increase manpower at the local offices level in addition to delegation of authority. I expect Japanese people's awareness of assistance will be enhanced. In that sense the restructuring of the government sector for international cooperation is essential. We must interact so that we can sustain our good will in the form of workable aid.

Collaboration between developed nations with respect to international cooperation

KIYOHARA: Well I am a member of "World Committee" of the third Administrative Reformation Council and I have visited the Philippines and Indonesia briefly and I saw the situation Dr. Nakatani just mentioned, I believe the reforms are necessary. This morning, Dr. Paik mentioned that Japan and South Korea together can perform a project jointly. We would like to hear more specifically or in concrete terms about what our two countries can do together.

PAIK: Thank you. Take the case of Mongolia, Vietnam and China, these are countries that are requesting South Korean aid. In Mongolia, they have plenty of sheep, but they don't have the technique or the technology for tanning their skins. Japan does not have pertinent technology, but the tanning technique or technology is prevalent in South Korea. Therefore Japan, together with South Korea, might as well develop tanning technology. But Mongolia does not have export facilities or capabilities, therefore we can help Mongolia in terms of exporting their sheepskin products abroad. Similar requests come from China, Vietnam and Eastern Europe. In order to comply with such requests, we have organizations established similar to JICA. I hope Japanese funding and Korean technical capability can be combined to help these countries.

KIYOHARA: Do we have any other response or comment from the Japanese side?

HASHIMOTO: We currently have projects between Japan and the United Kingdom in Africa and Sri Lanka, with Australia in Western Samoa, with the United States in the Philippines and with France in Senegal. Projects with foreign countries are increasing. So it will be good if we can realize that kind of cooperation with Korea, for example, in Mongolia.

PAIK: Well, thank you. I know that Africa wants help in terms of promoting their small and medium sized enterprises. Japanese private business would be hesitant in going all the way over to Africa, so this kind of an area is one possibility for collaboration between South Korea and Japan. Japan, once a recipient of ODA, should extend it to other countries.

Obtaining work after being involved in volunteer activities

KIYOHARA: Thank you, we can entertain another question.

QUESTION: My name is Hatta and until March of last year I was in Thailand for a JICA project. I want business to promote volunteer activities so the system of leave of absence is improved. I believe some companies have already adopted this system, but seven companies is close to nothing, so somehow we want you to work toward increasing the number.

In the case of Japan, no matter what effort the Japan Federation of Economic Organizations exerts, the ultimate decision is in the hands of the management of each company. So there is, in that sense, a certain constraint, but the overseas volunteer activities can be seen as an asset in recruiting young people. When a company employs someone, the company could state that working overseas as a volunteer is acknowledged. At the moment, the number of applicants for JOCV is decreasing. That is because working overseas as a volunteer is a disadvantage when they seek employment under the present system. Not only the Japan Federation of Economic Organizations, but all of us should reflect and consider this problem to encourage young people's willingness to volunteer. Thank you.

KIYOHARA: Management should be willing to welcome volunteers when they return. I wonder what the case is in overseas countries. Is there any way of accepting these volunteers upon their return? What is the mind set on the part of the companies and what is the mind set on the part of the government? Can you comment on this?

ORR: About 40% of USAID consists of former Peace Corp people. How many people come from JOCV into either OECF or JICA or even the Ministry of Foreign Affairs?

HASHIMOTO: I'm sorry I can't give you the exact figures now, but within the JICA staff there are some former JOCV members and I know that the department dealing with JOCV is large. Some former JOCV members are dispatched to overseas countries as various kinds of experts.

KIYOHARA: Ms. Hoshino, in 1965 you were one of the members of the first mission of JOCV, what is your impression?

HOSHINO: I have been trying to convey the idea that such human resources have to be absorbed in all sectors of the society. Of course, this is nothing new and I think everything has been said thus far, and I think it was the person from Pakistan who said that there should be greater national allocation to NGOs. If that is true, then a subsidy to the local NGO activities must be expanded. But in order to do that, I don't mean to criticize the diplomats, but it seems that on the diplomatic front there are people who think that it is beneath them to go out to the village and to try to communicate with people who can't even speak English. If we are to provide support for local NGOs and keep a close and sustained contact with them, then we have to have former JOCV or NGO members who know what is taking place in the field.

Press coverage of aid

KIYOHARA: We have heard that a climate must be created to help assist the efforts of various parties concerned with the importance of development education or the role to be played by local governments. But I think one factor that should be added here, is the role to be played by journalists and the image they create of ODA. Japanese expatriates are dissatisfied about the way Japanese journalists do their work. One phenomenon, particular to Japanese journalism, is that journalists tend to convey news in a sensationalistic way. The way journalists report on activities related to ODA can cause problems. I would like to hear comments on this topic from Mr. Suetsugu.

SUETSUGU: As we have heard from all the discussions so far, I think in Japanese society ODA is still a new concept. Dr. Paik said that Korea graduated from the status only last year, but in fact, Japan is a new graduate that graduated from the status only last year because Japan borrowed money from the World Bank for the construction of a highway system, the repayment of which only ended last year. We have had only a short time of experience, and journalists comprise a world which is very busy, and therefore they have not had time to cumulate their experience. Concerning this large issue, I think the problem is a reflection of the immaturity of their understanding of Japanese ODA.

One example, often cited, is the support we give to the Philippines for a railroad system. When box cars are sent to the Philippines they develop trouble all too frequently, but nobody takes an action. Unless one visits the local community, one cannot see what the problem is all about. But Japanese journalists have not yet been able to go actually and see what the problem is with the train cars. The problem turned out to be that local people at night would attack the train cars, breaking the glass, and stealing attachments inside. Even if it is a minor problem, there is no capability to maintain and repair them locally. These problems must be understood, otherwise such a misleading report would be made that Japanese companies were making profits, which damaged the assistance for the railroad by sending second-hand used cars.

Assisting Aid

KIYOHARA: I think we can accept more questions or comments from the floor. Yes, the person toward the back.

QUESTION: My name is Wakai from the Japan Christianity Overseas Promotion Association. Ms. Hoshino was asking earlier what kind of society we are trying to create, what kind of community we are looking forward to develop. The minister of foreign affairs and other people today are too bound by the idea of GNP. Of course, ODA per se should not be negated. But how do we measure a great success of assistance? So far we have worshipped the importance of GNP. The so-called measure of successes owing to Japanese assistance may have been thanked by the local community as some have pointed out, but what is important is

who is thanking Japanese assistance? The people in charge of Japanese assistance programs have to stay in the community for a certain period to listen and collect views of all the community people to actually evaluate the situation.

When JICA or NGO people return to Japan, avenues should be opened not only for them to return to their old employment, but there should be opportunities for them to be involved in development education or policy making with regard to ODA.

The next point concerns ODA by the Japanese government. Fifty-two percent goes to the Asian region. The Ministry of Education tends to erase historical facts from text books in Japan. Because of our importance of the relations with Asia, Japan's responsibility for war must be correctly treated in public education. I think people have seen in Asian communities that there are still many people who have suffered under Japanese militarism. They have not forgotten what responsibility must lie with Japan, and therefore this point must be taken into account in Japan's ODA activities.

The last point is the recycling of ODA money back to Japanese companies, which has been criticized. It is a responsibility of the government and business to discuss and evaluate this with specific data.

KIYOHARA: I think the first part of the comment related to the speech made by Ms. Hoshino.

HOSHINO: I am not saying GNP is not important, however, what I was trying to convey to you is that we should try to move away from the tendency that worships only GNP.

NAKATANI: Your first point involved a very difficult problem, because each one would bring different evaluations of the results. How to compile these personal evaluations into a general view about the success or failure of a project is a difficult task.

For example, the recipient country comes up with a certain project. It may not be a result of a democratic process. Is the Japanese government going to say no to such a proposal if it is not a result of the consensus process? Or is the Japanese government going to assume that it is the democratic process and accept the proposal? Many people have different views about this and it is a difficult task for the Japanese government to sort the views. If we do away with the "request basis" principle, the alternative approach would be a system imposed by us. We simply have to assume that we are hearing from the government which represents the view of the people. Of course, there may be people who will be victimized by such a decision. So I agree with you if you are saying that Japanese government should have a better screening capability and call for revisions of requests from the government, but if you say that the assistance was a total failure by only talking about individual victims of poor allocation of ODA resources, that is not the correct view of the situation.

ARIMA: If I may add to what Dr. Nakatani has just said, I talked about WID (Women In Development) this morning, looking at the assistance issue from the women's involvement point of view. The question of what is a success and what is not a success, must be measured by many yardsticks. DAC has a new concept to evaluate each project by various factors, two

of which are environment and women. They monitor how the project has succeeded or failed as a result of assistance in terms of different factors. Using these yardsticks, I think we can be somewhat more objective.

HASHIMOTO: The grade-A project, as it were, is a question discussed by many countries. We tried to use the same yardstick to measure good qualified projects. There are several criteria worked out by DAC, we must use an objective yardstick to arrive at any decisions. With regard to the sensitivity of the local community, people must be attentive to their feelings. Needless to say, particularly in regard to the environmental question, there will be an even greater need for us to pay consideration to the plight of the local community and local people. Regarding the last point about Japanese companies, I have many figures in regard to this, but first if I may just introduce one data with regard to yen credit which is a part of assistance.

On the contract basis, as of 1990, how much has been contracted by Japanese companies? Out of the total, 27% of contracts went to Japanese companies, 52% went to the companies of developing countries and 21% went to OECD countries other than Japan.

SUETSUGU: Japan's ODA, including yen credit, has been concentrated in the Asia Pacific Region, particularly in East Asian countries, where Japan's war responsibilities are implicated, including China. Because of historical ties with the region, there has been a concentration of Japan's ODA money to these regions. This region happens to be one of the largest growing markets. Japan's ODA has played a major role in the economic growth of these countries, and companies from OECD countries have found great business opportunities in the countries in this region. I think to avoid any misunderstanding that we are making windfall profit from the region by extending ODA, we should try to diversify and move away from undue concentration in East Asia.

ORR: About the issue of whether or not aid is effective is extremely difficult to evaluate. I think that the criteria isn't really agreed upon in the DAC, because it really depends upon where you come from. Related to that, though, is what do recipients think about Japanese aid? I know that all donors want to be appreciated, that is one of the reasons why they give aid. But I think if you give aid for the purpose of being appreciated, you are probably giving it for the wrong reasons, because you are never going to be appreciated as much as you want to be appreciated. That is certainly the record of the United States, and I think Japan is beginning to experience the same thing. One big difference, I do think, in fairness to the Japanese side, is that the Japanese side has suffered from some extraordinarily poor public relations regarding its foreign aid.

Japan has expanded its program tremendously in a very short time period. If you go to many countries in the developing world, just about everywhere you go, you can see that little hand clasp of USAID, and we have a little mark that puts out American publicity. Japan doesn't have anything like that. It has JICA, which no one knows what it means. There is no mark from Japan, if you will, and I think if I were a Japanese government official, I would probably think about getting the message out a little bit more.

HASHIMOTO: I now have the figure to respond to your question previously raised. There are 109 ex-JOCV members who have become JICA members, 500 working as JICA experts and 14 employed by the Ministry of Foreign Affairs. Also 25, not seven, companies grant a long term special leave to their employees. As for the public relations, yes, you are quite right that our efforts are not enough. We are aware of that. However, I am not honestly making an excuse, but in the past within the limited budget and personnel we are doing our best. But the media is not interested in our efforts.

KIYOHARA: Which countries' media are you talking about?

HASHIMOTO: Somebody interjected a comment. But, nonetheless, the government should not stop publicity efforts. We are aware now that it is the government's responsibility to publicize.

FUJIWARA: I'm sorry that I mentioned earlier that it was only seven companies that grant a long term leave system, now, it has expanded to 25, congratulations. And also on the subject of GNP worshipping, I have a word to say. If you do not want to have any economic development, there is no use in discussing the subject further. But economic development is one of the basic means to help raise the standards of living for people and we have to assume that economic development is needed in those countries. Japan ranks lowest in the grant ratio among the DAC 18 countries. There are many 100% grant ratio countries. In this sense, should Japanese ODA go for a 100% grant ratio or not? We are not denying the grant effectiveness, so to speak, but our loans are at a very low interest rate of 2 to 3% and that loan can be used to construct railways as well as dams, which will lead to further economic development.

It is not a sense of charity in a western sense, but perhaps we have a Japanese way to offer our assistance. We had been the recipient until recently. We are the least developed country in terms of our experience of international assistance. But, we think we should seek diversified ways to offer assistance.

HOSHINO: Excuse me, as a representative of a NGO, I tend to be critical toward private companies. Of course, it is necessary to help economic development, however, for example, in Malaysia local people who opposed to the logging operation by Japanese companies were arrested by the Malaysian government. The people want Japanese NGOs to appeal to the Japanese government or companies to stop harmful operations. We should evaluate both the plus and minus. The negative impact of our assistance should not be concealed.

What future aid should encompass

KIYOHARA: The negative impact of Japanese aid has been raised as an issue. Would anyone like to comment on that? In the morning, Ms. Arima brought this environmental issue up, but nobody has commented in detail about this particular issue yet. She raised quite an important point, that is to say, the benefit and the interest of the donor and recipient may

confront each other. The global environmental issue has been discussed worldwide. We have to give due consideration to the environment, while balancing with development. Developing countries tend to give priority to development and Japan's ODA is extended on the basis of requests from the recipient country's government. Therefore, the environmental issue is delicate in terms of development assistance. What do you think?

NAKATANI: When I visited Germany and had some discussion with the people there, they said Germany has been practicing request basis assistance. However, in regard to the environmental issue, the domestic German standard is directly applied to the project appraisal. And they said when standards are not met, they refuse the project.

Some people say that Japanese assistance lacks philosophy. We do not need a glorious philosophy just for the sake of a symbol, but when we are extending assistance of such a large amount, at least the four factors: environment, women, human rights and militarization must be given due consideration before we decide to offer assistance. Without exemption, in most of the cases, I believe most people do agree with this criteria and I think we should establish such framework when deciding on assistance. We should not solely rely on the "request basis" principle.

KIYOHARA: Since we are running out of time, this is going to be the last question.

QUESTION: My name is Susumu Ishida from Kyoto. I'm representing the Nepal Education Association. I would like to speak about who the aid is for. We have to have a concrete idea, otherwise we will be committing ourselves to something faulty. I'm involved in the country of Nepal, and we wonder if the Nepal government is really representing the public or people there. In a sense, yes, they are representing the public, but if they are really representing the will of the people there, we have some doubt. The government in Nepal is represented by elite bureaucrats. Elite people have a different attitude toward things than the grass roots level people. The major ODA organizations such as JICA, private companies or NGOs have their respective roles in assistance. But what we really have to question is how does it affect the grass root levels people?

There are pros and cons for the German-type measurement to be applied to projects. Grant aid or loan aid is often questioned and there is also diversification. If it is an emergency aid, then it should be a grant. But as for the development of a village, sometimes a loan is preferred, even with the lowest interest of one percent because it will nurture their self-reliant efforts. People in recipient countries should plan projects. If it is not possible, we should prepare many types of assistance they can choose from. We must apply this type of flexible, diversified formula.

We really have to question ourselves whether this particular assistance will help the people there or not. I believe no matter how large the amount of assistance is — it is simply supplementary. Therefore, we should offer what the people really need.

KIYOHARA: Thank you very much for your valuable contribution. We should listen to the people who interface with the local people and do the field work more often. Dr. Paik, do you

have any comment?

PAIK: This morning, in my keynote speech, I talked about the world asking Japan to restructure everything, that is to say international cooperation and its culture must be well defined and should be announced to the world. And I also want Japan to develop a new culture of international cooperation.

KIYOHARA: Thank you very much. According to the program, the moderator is supposed to make a summary comment, but because we have covered a wide range of subjects today, the convergence of the whole, is far beyond my capability. But throughout the discussion, I would say that people in this room as well as the people of Japan, should raise their interest level regarding international cooperation. I hope that NGOs, private sectors and the government will further play respective roles to clearly visualize the image of a Japan which contributes to the international community. With that I would like to conclude today's discussion. We thank you very much for your attention.

RECEPTION

The Ceremony is to present awards to the winners of the International Cooperation Day Catch-phrase Contest.

The award winning entries are as follows:
(Provisional translations)

Special Prize: "Is the globe revolving in your heart?"

by Ms. Takako SUZUKI (Part-timer)

Runners-up: "Erasing the borders between us"

by Mr. Hiroki IMAI (JICA expert)

"A smile for each and every child"

by Mr. Mitsunori KATO (Public officer)

"The world is a bigger place than you think"

by Mr. Kazuhiro CHIBA (Physical therapist)

The contest was designed to stimulate a widespread interest and understanding of the world's developing nations and to publicize the importance and need for international cooperation.

The prize winning entries, which were selected from among 5,484 entries across the country, will be used as slogans for campaign posters and various commemorative events during the coming year.

