

Does the Triad Still Exist? The New Role Allocation in Global Politics

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Good morning Ladies and Gentlemen. It is a great honour to address such a distinguished audience, particularly in the light of the fact that I am facing both today's and tomorrow's leaders of the world. I am the Next Minister for Foreign Affairs of Japan, not the Shadow Minister and glad to meet all those hopeful for our future.

As a Japanese politician, I usually address my audience in my mother tongue and it is quite rare for me to give a speech in English. Thus, please allow for any mistakes, related to grammar and/or pronunciation.

Let me first start by looking at the world today. If you compare the regions, the most dynamic part is Asia, except for Japan, unfortunately. The growth rate of Japan is equivalent to that of Europe, while that of China is 10.1%, India 8.5%, and ASEAN 6.2%. Even our neighbour Korea enjoys a growth rate of 4.6%. On the other hand Europe, North America and Japan have the highest per capita income. Today, the most prosperous may be Europe, America and Japan, but in the long run the Asian share in the global economy will be much larger.

There are many differences in the comparison of Europe, Asia and North America.

Many similarities exist between European countries. The history of European countries stems from the Greco-Roman era and this should partially be the cause of the similarities. The religion of the Europeans, be it Roman Catholic, Protestant, Greek Orthodox, Jewish, or even Moslem, however different they may seem to you, they all share the Old Testament to an extent. Similar linguistic background can also be mentioned. It is much easier for a German person to learn French, English and Spanish than for the Japanese to learn Hindu or even Chinese. And last but not least, the economic stage of each member state is somewhat similar. Thus, I would describe the strength of Europe to be in its similarities.

If you look at Asia, you may think that they are similar but they are more diverse compared to the Europeans. China has influenced many Asian countries culturally, but has never influenced India or Pakistan to any magnitude. Japanese use Chinese characters for writing, but our pronunciation and grammar are very different. Japan and China may be as close to each other as Ireland and Continental Europe, but we do not refer to Chinese classics as often as the Irishman would quote Greco-roman tales. In terms of religion, we have

Christians, Buddhists, Hindu, Shinto's, Confucians, and Moslems. Some are monotheistic, others polytheistic. Linguistically, the Asian languages are very diverse. Japanese and Chinese are very different. Subject, verb, object is the way Chinese grammar goes. It is subject, object, verb for the Japanese. Comparing the current day economic figure, Japanese per capita GDP is 30 times greater than that of China. In short, the strengths of Asia lie in its diversity.

Looking at North America, we find that their known history is much shorter than that of the other two regions. The population consists of multi-ethnic and a multi-religious background. The language used is English which can be used anywhere. As there are only two countries, the economic stage can be said to be the same. And in contrast to the other developed countries, the population is still increasing. I would summarize the strength of this region to lie in the integrated diversity. In other words, the cause of freedom and democracy has united a very diverse population and still attracts talents from all over the world to be their economic driving force.

The three different regions are increasingly united under the global economy and this brings us to a new challenge. The question is whose blessing the advancing globalisation will be. Of course, it should be everyone's, but at least it is not viewed as such. The denial of the European constitution referendum by the French public could be a reflection of such feelings among the public. Information technology has opened up opportunities for producers of the developing countries to enter global markets and at least blessed the haves of the developed countries by bringing down the prices for commodities. On the other hand through the process of globalisation, certain jobs of lower technology and higher labour concentration are shifted to developing countries. This led to job losses for some of us. The other side of globalisation is that patent or licence of certain technologies may solidify the difference in wealth. People in the developed world start from a different starting point and it is not easy to catch up. Technological concentration is very difficult to overcome for those who want to catch up. Moreover, the next stage of global competition would increase competition for attracting talented individuals to each economy. The countries and regions with more money and better opportunities will attract talents from other areas, particularly from the developing countries. The global competition has shifted from trade to flow of funds and now to talented individuals. It is the United States that is currently leading the global competition in this regard with many universities and corporations that hire people from abroad. Thus, in short, it has become increasingly important to coordinate policies among nations so that the process of globalisation will be stable and blessing for every stakeholder. National interests differ, but we need to cooperate under an integrated global economy.

By discussing the challenges facing Japan, I hope to address the issues Europeans will face as well. We are faced with rapidly aging societies. In 2020, one in four Japanese will be older than 65. The younger generation will have to pay for the pension and medical care of the elderly more on a per capita basis than those of today. GDP could be expressed as $Y=(Y/L)*L$, where Y/L is the labour productivity and L being the amount of labour input. Per capita output is $Y/P=Y/L*L/P$, where L/P is the ratio of labour participation. We would either

have to increase the labour productivity or labour participation to keep our GDP. To accomplish this under the global economy, we need to focus on technological and scientific breakthroughs. Governments of today should focus more on education and development of basic science. It would also be necessary to provide attractive opportunities to individuals regardless of their nationality.

Speaking about basic science, one frontier at which we all should cooperate is in the area relating to environment. Global warming and climate change are challenges of today and tomorrow. Human beings produce too much carbon dioxide for nature to absorb. Plants only consume about 6% of what we produce annually through photosynthesis. The oceans absorb 60% and land some 20% and the rest is left in the air for global warming.

Our scientists have not yet discovered a way to duplicate the photosynthesis process artificially so that we could reduce the outstanding carbon-dioxide and at the same time solve the energy issue. The basic scientific study should be a common goal for not-for-profit study in Japan, Europe and America and its fruits should be open for the rest of the world without any patents or licences. I would like to make this a new Japanese frontier but at the same time to be our new common frontier for the Triad.