Message from the Director

My second year as the Director of the Stanford Japan Program has started. We hope to keep the momentum that we built in the first year to expand the research on the political economy of Japan at Stanford.

It has been also one year since the Liberal Democratic Party of Japan regained the power. Led by Prime Minister Shinzo Abe, the government stepped up its efforts to revive the Japanese economy, which has been mostly stagnating in the last two decades. The new economic policy dubbed Abenomics seems to have been effective so far, and the year 2013 was a good year for the Japanese economy and stock market.

Japan’s foreign policy, however, has been less successful, and the year 2013 saw the political tensions in the East Asia again increase. China’s setting up the Air Defense Identification Zone in November was met sharp criticism from Japan and Korea. Prime Minister Abe’s visit to Yasukuni Shrine on December 26 has further added to the tension.

The first public event of our program this year will take up the international security issues in the East Asia. On 1/21, our security experts at the S-APARC, Dan Sneider, Don Emerson, and Phillip Lipsy, will examine the recent issues such as China’s ADIZ and Abe’s Yasukuni visit and discuss the implications for the international security in East Asia. I, as a non-expert of the issue, look forward to the panel very much.

In February, we will have Takatoshi Ito for a public lecture on one year evaluation of Abenomics. Professor Ito is a leading economist on international economics and the Japanese economy. He is currently the Dean of Graduate School of Public Policy at University of Tokyo. He has been also chairing the committee to draft the

Energy Challenge and Opportunities for the U.S. and Japan

February 13, 2014
Bechtel Conference Center, Encina Hall, Stanford University

Stanford Japan Program at Shorenstein APARC, Stanford University has launched a three-year project from 2013 to create new channels of dialogue between experts and leaders of younger generations from the United States, mostly from the West Coast, and Japan under a name of “New Channels: Reinvigorating U.S.-Japan Relations,” with the goal of reinvigorating the bilateral relationship through the dialogue on 21st century challenges faced by both nations, with a grant received from the Sasakawa Peace Foundation.

The dialogue would be structured to examine the new challenges of the 21st century, in particular, economic growth and employment creation; innovation and entrepreneurship; energy; and East Asian regionalism, including regional security issues, with the aim of developing mutual understanding and constructing a new relationship for cooperation in dealing with 21st century challenges through the dialogue between scholars, entrepreneurs, and policy makers from the two countries. We are hoping that this multi-year initiative will generate a network of trans-Pacific expertise as a vital supplement to existing avenue of communications.

Given the recent dramatic changes in energy environments in both countries, such as shale gas developments in the U.S, and after Fukushima challenges in Japan, this year, as an inaugural year, we will be examining energy issues. Panel discussions open to the public, with the title of “Energy Challenges and Opportunities for the U.S. and Japan,” will be held on February 13th, followed by a dialogue among invited participants on 14th, at Stanford University with the participation of policy makers, business leaders, scholars, and experts from both countries.

We are very pleased that we were able to invite quite impressive participants, policy makers, business leaders, scholars and experts from the two countries, who would appear as panelists in the panel discussions on February 13th. We expect that through this panel discussion we would be able to define the challenges we are facing, indicate the pathways we should proceed to, and identify the areas for cooperation.

On the following day, February 14th, we will have the dialogue closed to the public discussing issues and possible cooperation between the U.S. and Japan on energy among invited participants.

We hope to publish a summary of conference presentations and the dialogue discussion after the conference.

*The conference is sponsored and organized by Sasakawa Peace Foundation and Shorenstein Asia-Pacific Research Center at Stanford University and in affiliation with U.S.-Japan Council.

- Takeo Hoshi
In the article published on *Nihon Keizai Shinbun* (January 6, p. 17), Masahiko Aoki (Senior Fellow of the Stanford Institute of Economic Policy Research and the Freeman Spogli Institute for International Studies) explains the goals and opportunities of the future of Japan.

Thanks to Tokyo's recent successful bid to host the 2020 Olympic Games and the continuous development of economic activity, Japan had a great start to 2014. Aoki argues that "the lost two decades" is not the right characterization of Japan's recent experience. A better way is to look at that as "the ever changing three decades." Japan has been going through a series of substantial reforms since the collapse of the bubble economy and the end of LDP's single party dominance. According to Aoki, we are in the last and the critical stage of "the ever changing three decades."

The article is available at: http://www.nikkei.com/article/DGKDZO64862990U4A100C1KE8000/

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### Upcoming Events

- **January 21 - Japan Program & South East Asia Forum Panel Discussion**
  "ADIZ and International Security Issues in East Asia"
  **Panelists:** Don Emmerson - FSI Senior Fellow, Director of Southeast Asia Forum, S-APARC
  Phillip Lipsy - Thomas Rohlen Center Fellow, FSI
  Daniel Sneider - Associate Director for Research, S-APARC
  **Moderator:** Takeo Hoshi - Director of Japan Program at S-APARC

- **January 23 - S-APARC Seminar Series**
  "Good Neighbor? Bad Neighbor? A Historical Perspective on Sino-Japanese Relations"
  **Speaker:** Peter Duus - William H. Bonsall Professor of History Emeritus at Stanford University

- **February 7 - S-APARC Japan Colloquium Series**
  "Abenomics: Evaluation of the First Year"
  **Speaker:** Takatoshi Ito - Professor, Graduate School of Economics, University of Tokyo

- **February 12 - Asia Health Policy Program & Japan Program Seminar Series**
  "Japan's Health System"
  **Speaker:** Hitoshi Shigeoka - Assistant Professor, Department of Economics, Simon Fraser University

- **February 13 - Stanford-SPF U.S.-Japan New Channels Dialogue 2014**
  "Energy Challenge and Opportunities for the U.S. and Japan"
  Bechtel Conference Center, Encina Hall, Stanford University

* Please register for our events at Japan Program website at jsp.stanford.edu *