

Establishment of a New JIIA Platform Proposal for a National Strategy

On October 1st, The Japan Institute of International Affairs will launch the “JIIA Platform”, a project that aims to build a strategic base for interactions and exchanges of ideas among government officials, corporate representatives and academics, and to deliver policy recommendations. In the first phase starting in October, we will assemble high-level wisdom from political, governmental, business, and academic circles to discuss the path Japan should take, and we plan to compile the knowledge gained from these discussions into a national strategy.

[A Platform - Why Now?]

Underlying the creation of our institute’s new project is the sense of urgency caused by Japan’s declining status within the international community. Japan’s relative economic power is on a long-term downward trend, and Japan’s share of world GDP has already fallen to about 4% and is expected to fall to about 3% by 2050.

Japan’s GDP, currently the fourth largest in the world, will be overtaken by India’s in 2025. The combined GDP of all ASEAN member states, which was just under 17% of Japan’s GDP at the beginning of this century, will also exceed Japan’s GDP in 2025. Furthermore, it is expected that Indonesia will overtake Japan in the 2040s, knocking the latter to sixth place globally. GDP can no longer be the source of Japan’s national power. Japan was ranked first in the world in the International Institute for Management Development’s 1990 World Competitiveness Ranking, but it has fallen to 38th place in the latest version (2024), sixth among the seven major advanced countries (the only G7 country ranked lower than Japan is Italy).

Following historic events such as Russia’s invasion of Ukraine and conflicts in the Middle East, we are seeing a world in turmoil become the new normal. In addition, the intensifying US-China conflict is casting a shadow over the economy and security of Japan as well as those of Western countries. Amid this chaotic international situation, many countries are making use of geopolitical intelligence to come up with cohesive diplomatic, security, economic, and science and technology policies in which the government serves as linchpin, and are working with private companies to find their own winning strategies.

Whither Japan? Although individual actors may be extremely talented and Japanese companies and Japanese people have made remarkable achievements in certain areas, unfortunately the “wisdom to win” in this turbulent world is unevenly distributed among Japanese industry, government, and academia, and has not been aggregated through sufficient discussion and collaboration. As a result, Japan’s output as a nation remains low compared to its national strength. Since Japan itself dismantled the organic collaboration between industry, government, and academia once ridiculed as the “convoy system (*goso-sendan hoshiki*)” due to mounting criticism from both within and outside the country, efforts to explore winning approaches for Japan with the participation of domestic stakeholders are yet to be sufficient. If this continues, Japan’s decline will accelerate. Accordingly, we believe that now is the time to build a strategic base for exchanges of ideas and collaboration among talented people in Japan from the government, private companies, academia and elsewhere, and we have decided to

create the JIIA Platform, a new project that will actively propose policies both at home and abroad.

[Proposal of a National Strategy]

The Japan Institute of International Affairs will propose a national strategy for Japan in the newly-launched JIIA Platform project. We believe it extremely rare for a Japanese think tank to present such a comprehensive national strategy to the Japanese government.

When allocating Japan's shrinking demographic, economic and other resources, priorities must be based on national interests, and the national strategy we will be proposing should serve as a compass for this. This is synonymous with finding a new source of national power to replace GDP. The Japanese government formulated a "National Security Strategy" in 2013 and revised it in 2022, but we believe that what is needed now is a national strategy capable of serving as an even more comprehensive guideline for running the nation. For the time being, this strategy will offer recommendations in three areas – diplomacy and security, national power, and governance – and will also delve into new important areas as necessary in line with changing circumstances.

Specifically, we plan to carry out the following initiatives in aid of proposing such a national strategy.

1) Establish a forum for frank and candid discussions among industry, government, and academia, especially among top-level Japanese government and corporate officials, and promote collaboration among the parties

(= Forum members will gather periodically at participation level-specific meetings, and the knowledge gained there will be fed into the national strategy)

2) Disseminate Japan's knowledge widely overseas and promote international intellectual exchange
(= All stakeholders participating in the platform project will take active part in the Tokyo Global Dialogue, the institute's flagship event, and strategically disseminate knowledge overseas)

3) Through this platform project, we will develop experts who are familiar with international issues and encourage them to engage in international activities

(= Using the institute's intellectual networks fostered through its long-standing partnerships with overseas think tanks, we will provide a venue for international human resources to play active roles)

[Project Implementation]

In carrying out this new project, we will accept support from companies that agree with our purpose and work in cooperation with these corporate stakeholders. Kazuyoshi Umemoto, formerly president of the Japan Foundation, will serve as the general managing director of the platform project, and specially appointed experts will join the project team. The Japan Institute of International Affairs will also work closely with the project, accepting seconded employees from participating companies and aiming to improve the geopolitical knowledge of such corporate stakeholders by drafting and strategically disseminating the national strategy together.

[Duration and Outlook]

The first phase is scheduled to last three years, from October 2024 to September 2027, and we will

prepare partial national strategy reports annually on the themes that have been discussed and considered up to that point; we plan to compile and propose the full national strategy at the end of September 2027.

[Platform for Japan and Beyond]

As one of Japan's leading diplomatic and security think tanks, JIIA will fully utilize its strengths – namely, our knowledge and track record, intellectual networks in Japan and abroad, and strong ties with the Japanese government – to undertake this new project. By creating a platform where key players from industry, government, and academia can work together to address ongoing crises, we aim to explore the path Japan should take to prepare for geopolitical risks through public-private cooperation, to bolster its strategic communication, and to increase its attraction.

Attachment: Outline of JIIA Platform

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New Project – The Japan Institute of International Affairs
Outline of JIIA Platform

September 2024

1. Background

There is a strong concern that more measures need to be taken against either Japan's decline in terms of international competitiveness and status, or global crises such as those in Ukraine and the Middle East that have plunged the world into an era of turmoil.

2. Objectives

JIIA will constitute a platform connecting industry, government, and academia and marshalling Japan's wisdom to explore the path and shape Japan should take, compile and propose a national strategy, and undertake its implementation to further Japan's national and international public interests.

3. Project details

- (1) Pursue high-level, frank and candid discussions among industry, government, and academia, especially among government and corporate officials
- (2) Disseminate Japan's positions, claims, and ideas overseas and promote international intellectual exchange
- (3) Conduct a "JIIA Diplomacy Course" to foster international human resources knowledgeable about international issues
- (4) Provide companies with useful information and networking opportunities on international issues
- (5) Compile and propose a national strategy through the above steps

4. Issues to be addressed in the deliverable national strategy (tentative)

- (1) Diplomacy/security (Japan's security policy, geopolitical risks, the United States and China, nuclear weapons, cyberspace, etc.)
- (2) National power (energy/environment/food, human resources, economic/industrial competitiveness/digital society, science/technology, economic security, finance, etc.)
- (3) Governance (governance structures, disasters, national and local governments, administration, relocation of capital functions, constitutional amendments, etc.)

5. Project period/fiscal years

The project period (first phase) will be three years from October 2024, with the fiscal year running from October 1 to the end of September of the following year.