

# I. Toward the Coexistence of Pluralistic Values



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## 1. Initiatives in Comprehensive Understanding of Civilizational Issues

### Developing Methods of Promoting Civic Participation in Science and Technology

Tokyo Denki University (Japan)  
For FY2004: ¥11,500,000  
Total Expenditure: ¥22,262,090

This two-year project sought to develop new methods for addressing issues relating to science and technology, with reference to Western methods of civic-participation conferences, utilize the new methods to organize conferences, and evaluate the methods. The project was conducted by an interdisciplinary group comprising young researchers as well as seasoned scientific researchers and led by Professor Yukio Wakamatsu of Tokyo Denki University.

To deepen understanding of traditional civic-participation methods, the research group conducted case studies in Belgium, Britain, Germany, and the Netherlands from April 2003 to July 2004. The group further developed its understanding through a series of focus-group interviews, another method of civic participation, in January and February 2004. This experience led the group to establish appropriate themes for the civic-participation conferences the following year that would address either surrogate mothers and surrogate birth or brain death and organ transplants. An international workshop to which three overseas experts were invited was held in June 2004.

On the basis of suggestions made by the experts at the workshop, it was decided to develop methods based on the salient characteristics of a given theme. The theme chosen was brain death and organ transplants, in view of such factors as current moves to revise Japan's Organ Transplant Law, the depth of the specialist base, and past discussion and debate on these issues.

Development of specific new methods began in July 2004. Planning of civic-participation conferences placing greater emphasis on dialogue between specialists and ordinary citizens than was the case with past methods and preparations for the conferences were undertaken. Applications for citizen panelists were publicly solicited, and 17 of the 45 applicants were chosen according to age, gender, and other criteria. An expert working group was also formed to determine the makeup and select the members of expert panels for the civic-participation conferences. Four such conferences were held between January 29 and March 5, 2005. On the final day of the fourth conference, citizens' suggestions in six areas, including the determination of brain death, organ donors' expression of intent, and organ transplantation as a medical treatment, were compiled. These suggestions were presented at a press conference held immediately after the fourth conference. In addition, a public symposium was held April 23 to enable conference participants and ordinary citizens to reflect on the conferences. Over 60 people, including 11 citizen panelists, 5 experts, and 2 facilitators, discussed the new methods used for the conferences and identified challenges for the future.

(Final year of a 2-year project)



*A scene from a public symposium held April 23 2005, which enabled conference participants and ordinary citizens to reflect on civic-participation conferences held earlier. This was part of the "Developing Methods of Promoting Civic Participation in Science and Technology" project.*

## I. Toward the Coexistence of Pluralistic Values

### 1. Initiatives in Comprehensive Understanding of Civilizational Issues

#### Developing Teaching Materials on Bioethics

Eubios Ethics Institute (Japan)  
For FY2004: ¥5,000,000  
Total Expenditure: ¥12,000,000

The rapid advance of life sciences and their influence on diverse fields means that even general citizens are required to understand the social and ethical impact of the advance. But the reality is that there are few teaching materials for high schools, universities, and other educational institutions that are designed to enhance understanding of bioethics and ability to judge it. This project aimed to develop teaching materials on bioethics, to use them in school settings, and to evaluate the effects of the trials.

Dr. Darryl Macer, the project leader, and other members of the Eubios Ethics Institute, with the assistance of overseas teachers engaged in bioethics education, prepared teaching materials. In the first year they produced the textbook *Bioethics for Informed Citizens across Cultures*, and in the second year they used and evaluated it. It was used on a trial basis in high schools and universities in eight countries and regions: Australia, China, India, Japan, Mexico, New Zealand, the Philippines, and Taiwan. A total of 1,375 teachers were involved in the trials and evaluation, and 5,900 students took classes using the textbook.

The textbook dealt with more than 20 topics, including euthanasia, gene therapy, and organ transplants, and each topic included questions on bioethical issues. Pains were taken to explain bioethics in ways that would be easy for high school students to understand, such as the use of concrete examples. The textbook was used not only for courses relating to bioethics but also for foreign-language instruction. In China it was used as a textbook for the teaching of bioethics in medical and nursing departments. And in Japan it was used as a supplementary textbook in high school biology and English classes.

These initiatives elicited comments from teachers and students alike on both the textbook and bioethics education itself. Teachers observed that while the textbook contained elements that interested students, teachers had a hard time finding supplementary teaching materials, such as newspaper and magazine articles. They also pointed out the need for a handbook on bioethics teaching methods. Students commented that the textbook had enabled them to understand bioethics, which they had previously grasped only vaguely when it was reported in television programs and other media. There is mounting hope of a second edition of the textbook based on these and other comments, as well as its trial use and evaluation.

(Final year of a 2-year project)

### 1. Initiatives in Comprehensive Understanding of Civilizational Issues

#### Bioethical Issues of Intellectual Property Rights II

Intellectual Property Unit, Faculty of Law, University of Cambridge (U.K.)  
For FY2004: ¥9,389,050

The advance of biotechnology has seen a great deal of debate over the extent to which organisms should be patentable. It is far from easy, however, to grasp the debate in its entirety. This project aims to convey to ordinary citizens the results of the research conducted in the grant project Bioethical Issues of Intellectual Property Rights (fiscal 2002–3).

The University of Cambridge's Faculty of Law and Japan's National Graduate Institute for Policy Studies cosponsored a conference, "Bioethical Issues of Intellectual Property Rights," in Tokyo September 6–7, 2004. The conference drew more than 250 people, an indication of the strong interest in these issues. Experts from Australia, Britain, and Japan presented papers on such themes as "An Ethical Framework for Fair Intellectual Property Laws," "Patentability and the Scope of Rights," "Embryonic Stem Cell Patents," and "Digital Information Control and IPRs in Genetic Knowledge." The collected papers are due to be published by the Cambridge University Press under the tentative title *Human Genetics, Bioethics and Intellectual Property*.

(A one-year project)

### 1. Initiatives in Comprehensive Understanding of Civilizational Issues

#### International Comparative Analysis to Assess the Impact of Intellectual Property Developments on the Conduct of Science

American Association for the Advancement of Science (AAAS) (U.S.A.)  
For FY2004: ¥8,162,694

The right of exclusive ownership of intellectual property has been justified on the grounds that it encourages technological innovation and thus contributes to the public benefit. Meanwhile, such issues as the heavy burden of cost and time entailed in applying for and acquiring patents have been pointed out. But because there are no objective data on these issues and the constraints they place on research activities, international policy debate has remained difficult.

In this project the American Association for the Advancement of Science, the world's largest scientific organization, aims to identify the impact of issues surrounding intellectual property rights on business and research in order to enhance the policy debate by conducting a questionnaire survey targeting some 12,000 researchers and people involved in the management of intellectual property in Britain, Germany, Japan, and the United States. The questionnaire will include such questions as how long the publication of papers is delayed in order to acquire patents and the time and cost of acquiring the necessary patent licenses.

This year, archival research and a pilot survey were conducted in the United States, and the effectiveness of the survey questions in terms of data analysis was confirmed. Next year, an international comparative survey using the questionnaire and analysis based on the pilot survey are to be carried out.

(1st year of a 3-year project)



## 1. Initiatives in Comprehensive Understanding of Civilizational Issues

### Building a Database for Life Sciences: The Market and Public Interests

Sophia University (Japan)  
For FY2004: ¥10,635,893

A variety of issues have been raised with regard to the ethical validity of scientific applications in the field of life sciences. The humanities and social sciences are expected to provide a neutral perspective on such issues and to formulate proposals for society. Despite that, in addition to the paucity of empirical data there is insufficient communication beyond the boundaries of specific disciplines, especially the lack of exchange of information between the empirical approach, including scientific theory and economics, and the normative approach, such as the law and philosophy. This project aims to collect information on issues in the interdisciplinary field of life sciences and to create a database that can be utilized by life science researchers, medical practitioners, journalists, and others.

This year, the framework of the database was studied, and relevant information from scholarly papers, newspaper and magazine articles, statutes, and other sources was collected as resources for the database. In addition, a model database search engine program was designed and a website for testing of the program was launched. In the next two years it is planned to continue collecting information and building the database in order to make the database available to the public.

(1st year of a 3-year project)



*A round-table conference held in March 2005, saw about 30 people gather with Jordan's Prince Hassan, in Amman. This was part of the "A Vision for Enhancing Peace and Human Environment in the Middle East" project.*

## 2. Dialogue and Exchange on Common Regional Issues

### A Vision for Enhancing Peace and Human Environment in the Middle East

Royal Scientific Society (Jordan)  
For FY2004: ¥6,165,216  
Total Expenditure: ¥27,178,816

From fiscal 1999 through fiscal 2001 SPF supported the project Promotion for Alternative Mechanism of Peace Dialogue in the Middle East, which aimed to contribute to confidence building in the Middle East. With the participation of opinion leaders from various countries in round-table conferences cosponsored by Prince El Hassan bin Talal of Jordan and former President Václav Havel of the Czech Republic, an ongoing platform for thinking about Middle East peace was established. The present project, under the leadership of Prince Hassan, continued to provide a forum for regular meetings where opinion leaders from the Middle East and elsewhere could share a vision for the future of the Middle East, a region that has continued to be racked by political turmoil.

Since the terrorist attacks in the United States on September 11, 2001, developments in international terrorism and the upheaval following the Iraq war have further sharpened Arab criticism of the United States' pro-Israel Middle East policy. Meanwhile, an opportunity for peace has emerged for the Israeli-Palestinian situation, which had been plunged into a vicious circle of violence by Israel's hard-line policy vis-à-vis the Palestinians and the intensification of Palestinian suicide bombings, and people's hopes have been raised. The importance of keeping open the window of opportunity for a political settlement goes without saying. In these circumstances, maintaining channels of unofficial dialogue between opinion leaders in the parties to the conflict is important.

Activities in this the final year of the project, amid a tense Middle East situation, emphasized dialogue through unofficial intellectual-exchange channels. The round-table conference convened in Amman, Jordan, in March 2005 at the behest of Prince Hassan saw about 30 people sit down together. The participants included government officials from Israel, the Palestinian Authority, and Jordan, university and think-tank researchers, NGO leaders, and opinion leaders from Turkey, Egypt, Sudan, Iraq, Iran, India, Pakistan, and Afghanistan. They demonstrated a shared awareness of the importance of conveying both to their own people and to the wider world what a diverse cultural sphere the region simplistically labeled "the Middle East" or "the Islamic sphere" is, in the face of the dualistic schema of the Islamic world versus the Christian world, which is increasingly being seen in terms of a clash of civilizations. They also explored the potential for areas in which the region can cooperate as "West Asia."

(Final year of a 3-year project)

## 3. Information Sharing and Dissemination to the Global Community

### Get Across the Voices of Asia Program/Phase II

The Sasakawa Peace Foundation, SPF-USA (U.S.A.), Regional Office for Asia-Pacific, Inter Press Service (IPS) (Thailand)  
For FY2004: ¥7,328,490

This program seeks to convey Asian voices directly to the rest of the world, voices that often go unheard because language barriers and poor infrastructure stand in the way of the dissemination of accurate information, and thus share perceptions of Asia.

This year, SPF in cooperation with the online magazine *AsiaViews*, set up by influential media organizations in five Southeast Asian countries as part of the Sasakawa Pan Asia Fund project Supporting Journalism in Asia (for details see page 48), produced 30-minute programs based on interviews with Erna Witoelar, United Nations special ambassador for the Millennium Development Goals for Asia and the Pacific and Indonesia's former minister for human settlements and regional development, and President Xanana Gusmão of East Timor. In addition SPF-USA, commissioned by SPF to organize "Asian Voices" seminars in Washington, D.C., led by lecturers invited from Asia, organized 11 such seminars (for details see pp. 70–71). Summaries of the seminars, made available by *AsiaViews* ([www.asiaviews.org](http://www.asiaviews.org)) and the worldwide news site Inter Press Service ([www.ips.org/asiaamerica](http://www.ips.org/asiaamerica)), were picked up by newspapers around the world.

(2nd year of a 3-year project)



As part of the "Genron NPO: Encouragement of Intellectual Debate and Its Dissemination to the International Community" project, the symposium "Japan's Future Course toward 2030" was held February 21, 2005 in Tokyo.

## 3. Information Sharing and Dissemination to the Global Community

### Genron NPO: Encouragement of Intellectual Debate and Its Dissemination to the International Community

Genron NPO (Japan)  
For FY2004: ¥10,000,000  
Total Expenditure: ¥30,000,000

Genron NPO is engaged in a variety of activities, including organization of policy forums, publication of a magazine, and provision of information via the Internet, aimed at creating a forum for full-fledged debate in Japan. Through this project SPF supported two policy forums, the Asia Strategic Conference and the Public Sector Reform Conference, and the organization of symposiums.

In the first year, the Asia Strategic Conference organized 10 forums and a symposium, "How Should Japan Face a Changing Asia?" based on debate in those forums. The Public Sector Reform Conference organized a symposium, "NPOs Change Japanese Society," and other activities. In the second year, the Asia Strategic Conference organized 10 forums and 2 symposiums, "Exploring New Possibilities for Japan-China Relations" and "A Power Assessment of Japan: Toward Building the Japan of the Future." The Public Sector Reform Conference organized a symposium, "Can Japanese NPOs Become the Main Actors in Civil Society?" which raised new issues concerning the growing role of NPOs and relations between government and NPOs.

This year, the Asia Strategic Conference organized 9 forums. It also succeeded in establishing a "discussion tie-up" with China's only national English-language newspaper, the *China Daily*. Together the conference and the paper were to organize questionnaire surveys, symposiums, and other activities, with the results to be made available on websites and elsewhere. On the basis of the tie-up, a symposium, "What Is Holding Back Construction of Japan-China Relations?" was held January 14, 2005. The participants, including Zhang Ping, president of the *China Daily* website, and Cheng Yuzhui, director of the Social Science Department of Peking University, discussed the causes of the deterioration of Japan-China relations, said to be at their worst since the restoration of diplomatic relations, and measures to improve them.

Another symposium, "Japan's Future Course toward 2030," was held February 21. Among those taking part were Yukio Okamoto, a commentator on foreign affairs; Kiyoshi Kurokawa, president of the Science Council of Japan; the heads of the policy research organs of Japan's ruling and opposition parties; Koichi Kato, a member of the House of Representatives of Japan's National Diet; Domingo L. Siazon Jr., the Philippine ambassador to Japan; and Aftab Seth, the previous Indian ambassador to Japan. The participants discussed the possibilities for Japan 30 years from now, Japanese political parties' future visions for the nation, and Japan's future course and role in Asia.

In the three years since the inception of Genron NPO the information it disseminated became more influential and the organization enjoyed a growing reputation for providing a forum for constructive debate in order to suggest options for Japan's future. Genron NPO intends to further deepen debate on Japan's role in a changing Asia, expanding its debate network to include Southeast Asian countries and China.

(Final year of a 3-year project)

## I. Toward the Coexistence of Pluralistic Values

### 3. Information Sharing and Dissemination to the Global Community

#### Forum 2000: Bridging Global Gaps

Forum 2000 Foundation (Czech)  
For FY2004: ¥11,937,500  
Total Expenditure: ¥24,817,800

Forum 2000 was initiated in 1997 on the initiative of former President Václav Havel of the Czech Republic. In its first five years this annual international forum in Prague assembled Nobel laureates, national leaders, religious leaders, and others to discuss problems common to all humanity and propose ideas promoting peaceful coexistence.

The forum was redesigned and relaunched in fiscal 2002 as Forum 2000: Bridging Global Gaps. The refurbished forum aimed to provide representatives of international organizations such as the World Bank and the World Trade Organization, representatives of transnational corporations, and other drivers of globalization, representatives of international NGOs and social activists opposed to globalization, and opinion leaders acting as a bridge between the two with a forum where they could meet on an equal footing to debate the problems caused by globalization and identify concrete and effective solutions.

The forum was held every October in Prague. After a plenary session the participants, including Havel, former President Frederik de Klerk of South Africa, Prince El Hassan bin Talal of Jordan, and President Yohei Sasakawa of The Nippon Foundation, engaged in discussion and debate in workshops on such topics as the digital divide and the role of the media, the responsibilities and accountability of transnational corporations, the legitimacy of external debt, and ownership rights to global public goods and formulated concrete proposals.

This year's forum, with the theme "The Role of Civil Society in a Globalized World," took place October 17–19, 2004. The 30 or so participants divided into three workshops to discuss and debate the themes "Civil Society in Politics," "Global Governance," and "Civil Society and the Global Economy."

The proposals drawn up each year were distributed to the leaders of the Group of Eight nations, international organizations, and national government agencies and leaders, and responses were received from various national leaders. Sometimes the forum saw overt clashes of opinion between the pro- and antiglobalization camps, but the participants praised the forum highly for giving them a valuable opportunity to explain their own organizations and standpoints directly to those with opposing views and providing a unique platform enabling them to convey their views to national leaders and representatives of international organizations.

In addition, at the Interfaith Dialogue, held in conjunction with the forum every year, the Dalai Lama and other Buddhist leaders, as well as Christian, Islamic, Jewish, and other religious leaders, discussed the need for interfaith dialogue, the relationship between religion and politics, and other topics.

(Final year of a 2-year project)

### 3. Information Sharing and Dissemination to the Global Community

#### Issues of Intellectual Property Rights in Pharmaceuticals and Biological Materials

The Hastings Center (U.S.A.)  
For FY2004: ¥11,182,710

Intellectual property rights are supposed to encourage technological innovation and thereby contribute to society. But the present intellectual property rights regime can act to prevent developing countries from acquiring pharmaceuticals and impede research and development in the field of life sciences. This project aims to study and disseminate policy proposals on a system for resolving such problems by analyzing the present regime from diverse viewpoints, including those of the law, ethics, economics, and science and technology.

This year, attention was focused on the difficulties that developing countries face in acquiring essential medicines, such as drugs for treating HIV and AIDS, and the factors blocking research and development in genetic engineering, and basic sources were collected. In addition, a working group organized for this project, including jurists, representatives of the pharmaceuticals and biotechnology industries and of African NGOs, and officials of the United States' National Institutes of Health, held its first meeting in February 2005. At the meeting the working group sought to arrive at a shared approach to the main survey and the preparation of final policy proposals for next year.

(1st year of a 2-year project)



Approximately 30 participants, including former president Havel of the Czech Republic (second from left), attended the October 2004 Forum 2000 Conference held in Prague. This was part of the "Forum 2000: Bridging Global Gaps" project.

## II. Fostering Human Security and Private Nonprofit Activities



- 1 – Cooperation among Private Nonprofit Organizations, Business, and the Public Sector**
- 2 – Capacity Building and Institutionalization of Private Nonprofit Activities**
- 3 – Surveys and Research on Private Nonprofit Activities**



**1. Cooperation among Private Nonprofit Organizations, Business, and the Public Sector**

**Training Technical Advisors of Demining Teams**

The Japan Center for Conflict Prevention (JCCP) (Japan)  
For FY2004 ¥7,600,000

Since its founding, the Japan Center for Conflict Prevention has posted an impressive record of results. Notably, through its demining activities it has become one of the few Japanese NGOs that offer “aid with a human face.” To promote a stronger presence of Japanese NGOs in the area of conflict prevention, SPF provided assistance to train demining team leaders (technical advisors).

Two people were selected to undergo training, with the help of the Danish Demining Group. Beginning in October 2004 they trained in Afghanistan and Pakistan to qualify as demining team leaders. In February 2005, upon completion of their training in the removal of live mines and the disposal of duds, they qualified as technical advisors. In 2005, under the Japanese NGO grant assistance scheme, they undertook active roles in demining projects. In addition, in December 2004 and February 2005 newsletters were published to spread word about the progress of the project throughout Japan.

(A one-year project)

**2. Capacity Building and Institutionalization of Private Nonprofit Activities**

**Establishing an Online Resource Center for NPOs/NGOs**

Voluntary Health Association of India (VHAI) (India)  
For FY2004 ¥2,623,580

In recent years, the growth of the private nonprofit sector has led to an increase in information on the sector. But such information is not always shared effectively between providers (NPOs) and recipients (researchers, citizens, and other interested parties). For example, even when NPOs produce publications of high scholarly merit, they often have limited distribution because of financial and other constraints. In addition, sometimes interested researchers, inundated by information, cannot obtain precisely the information they need.

This project is an attempt to improve the situation. The Voluntary Health Association of India, which has one of the largest networks in India, where the nonprofit sector is mature and rich in information, is currently developing an online resource center (ORC) for NPOs, an Internet-based system for providing and sharing papers and other documents on regional development produced by NPOs.

This year, the second year of this three-year project, progress was made on inputting and uploading website content and related information, and in September 2004 an ORC trial version was completed. Next year, the final ORC will be launched after further improvements and enrichment of the content.

(2nd year of a 3-year project)



*A scene from demining training which took place in Afghanistan in October, 2004, as part of the “Training Technical Advisors of Demining Teams” project.*



## II. Fostering Human Security and Private Nonprofit Activities

### 2. Capacity Building and Institutionalization of Private Nonprofit Activities

#### Building Civil Society Capacity in Negotiating Debt Conversion

The Synergos Institute (U.S.A.)  
For FY2004: ¥5,058,525  
Total Expenditure: ¥10,228,920

In the conviction that strengthening the financial foundation of the private nonprofit sector is essential for its development, SPF has been actively supporting projects in this field. It has become clear that one effective means of improving the situation is to build up endowments by means of debt swaps, which are deals arranged between the governments of heavily indebted developing nations and of creditor nations.

This project aimed at to foster active and effective participation by the private nonprofit sector in debt-swap negotiations, which are spreading in various countries. The project provided the information and technical assistance necessary to support NPOs based in countries with good prospects for debt swaps, such as Ecuador, Indonesia, and Mexico. Specifically, based on the results of a mapping exercise in each country in the first year, both general information and cases in other countries related to debt swaps were shared, consultations and workshops were held to exchange views on how partnered organizations can participate in debt-swap negotiations, and assistance was given for negotiating with governments with support from outside consultants. Excluding Mexico, which did not realize a debt swap, during the period of the project, Ecuador conducted negotiations with Spain and Indonesia pursued talks with the United Kingdom. The partnered organizations actively participated in the negotiations, and the Ecuadorian and Spanish governments reached agreement on a \$50 million bilateral debt swap. In the case of Indonesia, the partnered organizations proceeded with negotiations for a three-party debt swap; although agreement with the U.K. government was not reached, currently the possibility of negotiations with Germany is being pursued.

In addition, technical assistance was provided in the form of a peer-learning event including partnered organizations in both Ecuador and Argentina; the latter had not been in the group of targeted countries at the beginning of the project, but because of its intention to enter into debt-swap negotiations with Spain, its partnered organizations were sought out, as well.

Based on the results of these activities and related research, country reports on the three target countries were compiled. The reports summarize the current debt situation, critical issues to enable the private nonprofit sector to engage effectively in debt-swap negotiations, and recommendations and suggestions. In addition, the knowledge and information necessary for NPOs to engage in debt-swap negotiations were compiled in a global report, *Roles and Challenges for Foundations in Debt for Development Swaps*.

As the example of Ecuador indicates, reaching a debt-swap agreement has a substantial impact on the activities of NPOs. There are expectations that the private nonprofit sector will actively utilize debt-swap opportunities to strengthen its financial foundation.

(Final year of a 2-year project)

### 2. Capacity Building and Institutionalization of Private Nonprofit Activities

#### Toward a Better Legal Framework for Public Benefit Organizations

Japan Association of Charitable Organizations (Japan)  
For FY 2004: ¥7,000,000

In June 2003, the Japanese government announced its basic plan for the reform of public-interest corporations, and in November that year the government organized an advisory committee of professionals and public intellectuals. In response to that initiative, this project aimed to cultivate a greater voice for civil society, thereby advancing the idea of public-benefit activities by citizens that has become a worldwide trend in recent years.

The project was initiated mainly by a voluntary committee to discuss issues of public-benefit organizations. The 11-member committee, consisting mainly of legal experts and practitioners, met 11 times between April and September 2004. All the meetings were open to the public, and the proceedings were made available through the project's website and mailing list. To raise awareness among the broader public, 30 public meetings were organized from April to October 2004 throughout Japan, attracting a total of 1,016 participants. In addition, to foster debate on public-benefit organization reform, a two-day civil society organization research seminar was held in October 2004. The content of these discussions and meetings was published in a report titled *Public Benefit Organization Reform: Does Government Have the Right Idea?*

(A one-year project)



A scene from a two-day civil society organization research seminar held in October 2004, as part of the "Toward a Better Legal Framework for Public Benefit Organizations" project.

### 3. Surveys and Research on Private Nonprofit Activities

#### Comparative Studies of NGOs among China, Kazakhstan, Mongolia, and Vietnam

The Sasakawa Peace Foundation, NGO Research Center, Tsinghua University (China), Zhanna Nauryzbayeva (Kazakhstan), National CEDAW Watch Network (Mongolia), Vietnam Asian-Pacific Economic Center (Vietnam)

For FY2004: ¥6,360,848

Over the past 10 years, democratization of Asian transitional economies has progressed rapidly and the nonprofit sector has grown dramatically. Because there is still strong state regulation of nonprofit activities, however, it is likely that the nonprofit sector in these countries will develop in a way that differs from that in Western and other Asian countries.

This project is examining the manner in which policy dialogue between governments and NPOs actually takes shape in China, Kazakhstan, Mongolia, and Vietnam through case studies. Based on the results, the project will elucidate the peculiarities and problems of the nonprofit sector in these countries and present recommendations and suggestions for further development of the sector as a whole.

This year, the second year of this three-year project, on the basis of case studies and background papers produced in the first year, draft reports on the four target countries were compiled. Final country reports incorporating comments and suggestions from various stakeholders will be produced next year.

(2nd year of a 3-year project)



As part of the “Comparative Studies of NGOs among China, Kazakhstan, Mongolia, and Vietnam” project, a meeting was held in Beijing on July 4, 2004, where participants reported on the results of case studies.

### 3. Surveys and Research on Private Nonprofit Activities

#### Program/Project Evaluation: A View from the Other Side

Center for Community Services, Ateneo de Manila University (Philippines)

For FY2004: ¥3,205,391

Total Expenditure: ¥10,892,565

The importance of evaluation of development projects implemented by NGOs has been gaining recognition in recent years. In many instances, however, donors spearhead evaluation, and evaluation results can diverge considerably from the perception of the NGOs involved in on-site activities. Sometimes, too, the results of evaluation, whose primary aim is to improve projects, do not deliver a return to project beneficiaries, and there is some doubt as to whether development projects genuinely contribute to local communities.

This project aimed to produce an effective evaluation tool that can deliver a return to project implementers and beneficiaries and also contribute to project improvement and development. This was accomplished by examining the present state of evaluation, chiefly from the viewpoints of implementers (NGOs) and final beneficiaries, with development projects implemented by NGOs in the Philippines used as examples.

This year, the final year of the project, on the basis of surveys, case studies, research, focus-group discussions, and other materials developed in the first two years, a resource book, *Program and Project Evaluation: Perspectives and Practices*, was produced. The resource book grew out of discussion of its content and framework by a steering committee made up of donor organizations, national NGOs and people's organizations (POs), evaluators, and researchers. To increase the understanding of people from various sectors, information was collected in Visaya and Mindanao Provinces and oral accounts of personal experiences were highlighted, with due consideration given to the fact that an accurate evaluation could not be made because of misunderstandings stemming from cultural and language differences, fear of evaluation, and other factors. The resource book sets forth the code of ethics and behavior to be followed by donor organizations, NGOs and POs, evaluators, and beneficiaries in the evaluation process, with specific emphasis on ways in which evaluation can contribute to improvement of projects through the learning effect.

To share the results of the project with as many people as possible, the implementers did not confine themselves to disseminating the resource book at meetings among themselves. Instead, from February 2005 onward they participated in a variety of meetings organized by other groups at about 15 locations, with participants from various sectors, including representatives of NGOs and POs, researchers, and students. There were lively exchanges of opinions, and many participants were able to share the resource book. The resource book was also translated into Visaya.

(Final year of a 3-year project)

## II. Fostering Human Security and Private Nonprofit Activities

### 3. Surveys and Research on Private Nonprofit Activities

#### Studying a Satellite Account on Nonprofit Institutions and Its Relation to the System of National Accounts in Japan

The Institute of Statistical Research (Japan)  
For FY2004: ¥6,500,000  
Total Expenditure: ¥15,000,000

Although nonprofit institutions (NPIs) have enjoyed dazzling growth over recent years, economic statistics throw very little light on what has been taking place. Because of this, it is hard for researchers and policy-makers to gain a solid quantitative grasp of the scale of NPIs and the scope of their activities. In October 2003, *Handbook on Non-Profit Institutions in the System of National Accounts* was published through collaboration between the United Nations Statistics Division and the Center for Civil Society Studies of Johns Hopkins University. This is a manual for compilation of a “satellite account” covering the activities of NPIs. Born from the realization that an NPI satellite account can be usefully applied in various ways, such as economic and social analyses and public policymaking, the present project aimed to investigate the conditions that must be met and the tasks that must be addressed to enable Japan to generate such a set of statistics.

This year, the final year of this two-year project,

research committees consisting of statisticians, economists, accounting experts, and nonprofit-sector professionals analyzed the primary statistics and estimating methods necessary for an NPI satellite account. For reference in making estimates, surveys were conducted concerning the activities of some NPOs and public-interest corporations. On the basis of these results, a partial trial NPI satellite account was produced, appropriate ways of utilizing it were analyzed, and critical issues for the creation of a Japanese version were clarified.

In March 2005, a symposium, “Statistical Analysis of Nonprofit Activities Using an NPI Satellite Account,” was held to share the results of the project with interested parties. About 60 representatives of government, universities, and public-interest corporations attended. Based on the research committees’ reports, the participants debated the importance of producing an NPI satellite account and the critical issues to be worked out. The symposium also garnered support from the Cabinet Office, the competent authority for NPI satellite accounts. Its participation stemmed from government officials’ recognition of the meaning and importance of creating an NPI satellite account. Publications issued as a result of the project included a partial NPI satellite account (trial edition), a report on the symposium’s proceedings, a Japanese translation of the above-mentioned handbook, and collections of reports and essays from the research committees.

(Final year of a 2-year project)



A scene from the March 2005 symposium “Statistical Analysis of Nonprofit Activities Using an NPI Satellite Account,” held as part of the “Studying a Satellite Account on Nonprofit Institutions and Its Relation to the System of National Accounts in Japan” project.



## II. Fostering Human Security and Private Nonprofit Activities

### 3. Surveys and Research on Private Nonprofit Activities

#### Civil Society Legitimacy, Transparency, and Accountability

Hauser Center for Nonprofit Organizations, Harvard University (U.S.A.)  
For FY2004: ¥12,557,302

In recent years, with civil society organizations (CSOs) playing an active role in various areas of policymaking, the way society views the legitimacy of these efforts has become a focus of concern. In a publication compiled in a project that SPF supported in fiscal 2001–2, *Toward a Normative Theory of Accountability for Civil Society Organizations*, researchers found that if CSOs ensure that they are transparent and take steps to increase their accountability, society as a whole will recognize the significance of such organizations and consider their activities legitimate. This project, utilizing the results of the earlier project, seeks to improve CSOs' awareness and capacity in order to establish and maintain their legitimacy, transparency, and accountability.

This year, the first year of this three-year project, the Hauser Center for Nonprofit Organizations, Harvard University, collaborated with CIVICUS, a worldwide NGO network, to produce a scoping analysis to identify such issues as the context, nature, and importance of legitimacy and accountability and critical issues and challenges for CSOs. The project team also presented and/or facilitated workshops to discuss related issues at international conferences, including the CIVICUS annual meeting, the International Society for Third Sector Research meeting, and the World Social Forum.

(1st year of a 3-year project)



### 3. Surveys and Research on Private Nonprofit Activities

#### Research on the Role of Program Officers in Grantmaking Systems

Obirin University (Japan)  
For FY2004: ¥4,043,612

In fiscal 2003, the Japanese government introduced program officers (POs) as professionals responsible for reviewing grant proposals and processing applications in its funding schemes for research grants. Unlike the case in the United States, which has such funding agencies as the National Science Foundation, however, there has been little study of the role of POs in Japan. This project seeks to promote understanding of the role of POs through the entire project cycle, from project identification and development to project evaluation, by introducing overseas case studies, and to provide materials that can be used in discussion of the use of POs in Japan.

Last year, a working group of academics and practitioners compiled draft case studies, and exchanged views with government officials and specialists. This year, the group interviewed representatives of foundations and local governments in Britain and the United States as well as representatives of the Chinese Natural Science Foundation, which like Japan has modeled its PO system on that of the United States.

(2nd year of a 3-year project)



*A scene from a meeting held in Tokyo on February 22, 2005, inviting representatives of the Chinese Natural Science Foundation. This was part of the "Research on the Role of Program Officers in Grantmaking Systems" project.*

### III. Japan and Asia in the World



- 1 – Japan's Structural Change and East Asia**
- 2 – East Asian Renewal and Transfer of Experience**
- 3 – Construction of a World Economic System and the Role of Japan and East Asia**

*Due to the enlarged scale of projects and regional parameters of the Sasakawa Pan Asia Fund, all projects in this category are administered by the Fund.  
Please see pages 42–57 for details.*

## The Sasakawa Pacific Island Nations Fund



- 1 – Exchange Projects That Respect the Values and Cultural Identity of Each Island Society**
- 2 – Micronesia-Focused Projects Aimed at Promoting Regional Harmony**
- 3 – Projects That Support Education and Training through the Medium of Distance Education**
- 4 – Projects to Promote Networking among NGOs and NPOs Operating in the Region and to Form Linkages among Pacific Island Nations and Asian Countries**



## 1. Exchange Projects That Respect the Values and Cultural Identity of Each Island Society

### Exchange Media Personnel among the Pacific Island Region and Japan

The Sasakawa Peace Foundation, Pacific Islands News Association (PINA) (Fiji) (FY2000–2003)  
For FY2004: ¥538,292  
Total Expenditure: ¥18,089,276

Ties between Pacific island nations and Japan are growing deeper year by year as Japan's private sector continues to invest in these countries and more official development assistance is extended to them. From fiscal 1991 to fiscal 1999, the Fund implemented the project Inviting Media Personnel from the Pacific Island Region to Japan. More than 60 media personnel from Pacific island nations visited Japan during the course of that project, which sought to promote understanding of Japan within the region. Both media personnel from Pacific island nations and Japanese involved with those countries praised the results of the project, and it was decided to continue such activities for five more years with the present project.

Under this project, which began in fiscal 2000, a total of 28 media personnel from Pacific island nations were invited to Japan. In fiscal 2000 and 2003, participants covered the Japan–Pacific Islands Forum Summit Meeting (PALM), sponsored by the Japanese government and held in Miyazaki and Okinawa Prefectures, respectively, and reported the results to Pacific islanders, thus furthering understanding of Japan.

More tightly focused coverage was also undertaken, including participation in and reporting of the Asian Regional Conference for the World Summit on the Information Society, cosponsored by the United Na-

tions and the Japanese government. The participating journalists wrote articles on the conference for their media organizations after their return home and energetically distributed information to online media and local media. The Japanese government also invites journalists from Pacific island nations to Japan every year, but this project includes U.S. and French territories in the Pacific that are not targeted by the government, such as American Samoa, Guam, Hawaii, New Caledonia, the Northern Marianas, and Tahiti.

In addition, in fiscal 2000 and 2001 six Japanese reporters for local media organizations in the Yaeyama Islands and the island of Miyakojima, in Okinawa Prefecture, visited Palau and Fiji, respectively. They covered topics of common interest, including ecotourism, local industries, and environmental problems, and reported on them for their papers after their return to Japan. In fiscal 2002, a reporter with the *Sankei Shimbun* newspaper, visited Fiji, Kiribati, the Marshall Islands, the Federated States of Micronesia, Palau, and Tuvalu. He wrote a series of articles for the *Sankei* on a wide range of topics, including the environment, politics, the economy, and education, thus deepening understanding within Japan of Pacific island nations. The activities of both the earlier project and the present project were carried out with the cooperation of the Fund's regional counterpart, the Pacific Islands News Association.

To consolidate the two linked projects, extending from fiscal 1991 through fiscal 2004, the Honolulu-based *Pacific Magazine* was commissioned to conduct a project evaluation and present a report. In addition to evaluating the projects, the report addressed the current state of and challenges facing media in the Pacific islands and offered suggestions to help with further project implementation.

(Final year of a 5-year project)



A scene from the Pacific Islands Forum held in August 2002, in Fiji. From left are, Australia's prime minister Howard, Fiji's prime minister Qarase, and New Zealand's prime minister Clark. This picture was taken by a reporter with the *Sankei Shimbun* who was sent to Pacific Island Nations under the "Exchange Media Personnel among the Pacific Island Region and Japan" project.

**1. Exchange Projects That Respect the Values and Cultural Identity of Each Island Society**

**Coconuts College of the Pacific**

The Sasakawa Peace Foundation  
For FY2004: ¥5,489,611  
Total Expenditure: ¥25,917,843

Taking the view that the people of Pacific island nations and those of Japan's outlying islands have issues of common interest they can discuss, the Fund organized eight sessions of the Shima o Kataru Kai (Island Forum in Japan) between fiscal 1994 and fiscal 1996. Having gained a heightened awareness of the importance of Japanese understanding of Pacific island nations, in fiscal 1997 the Fund initiated the project Coconuts College. Phase II of the project began in fiscal 2000. This project has disseminated information on Pacific island nations through both off-line public lectures and an online virtual classroom.

In Phase II, four public lectures were held in the Yaeyama Islands of Okinawa Prefecture, whose environment resembles that of Pacific island nations. The speakers included Masao Salvador, then-ambassador to Japan of the Republic of Palau; the architect Norihiko Dan; and Dr. Yoshihiko Sinoto of the Bishop Museum, Honolulu. Each lecture was attended by 40–70 members of the general public. The Coconuts College of the Pacific Yaeyama Executive Committee headed by Eisho Tomoyose, independently organized and administered the lectures.

The Coconuts College of the Pacific virtual classroom ([www.yashinomi.to](http://www.yashinomi.to)) updated Pacific news every two weeks, as well as the Micronesian seminars, and amended data as necessary. The website received an average of 30,000 page views a month. It was utilized by a wide range of sectors, for example by schools as a supplementary teaching material and by media personnel as a resource for television programs and so on.

In a pilot project on tourism training, Coconuts College of the Pacific, together with the Papua New Guinea Embassy in Japan and the Japan-PNG Association, invited three people from Papua New Guinea involved in the tourist industry to study tourism in Japan in both fiscal 2003 and fiscal 2004. The Yaeyama Executive Committee hosted study of island-type tourism in the Yaeyama Islands.

This year, the project's final year, many requests for continuation of the project, as well as suggestions for improving it, were received from participants, cosponsors, and others involved with the public lectures. The suggestions were that the project be continued without a break; that public lectures not be restricted to the Yaeyama Islands but be extended to the Amami Islands, islands in the vicinity of the main island of Okinawa, the island of Miyakojima, and possibly even Taiwan; that the number of people invited from Pacific island nations be increased and target students, journalists, historians, and others; and that specific themes be established, such as traditional crafts and traditional health foods that can lead to technological cooperation. On the basis of these suggestions, the University of the Ryukyus is considering cooperation with the project. It is planned to study the project's future in fiscal 2005 as Island Forum in Japan/Phase II.

(Final year of a 5-year project)

**3. Projects That Support Education and Training through the Medium of Distance Education**

**Forming a Distance Education Alliance for Progress in the Western Pacific**

University of Guam (Guam)  
For FY2004: ¥5,324,500

The aims of this project are to create a regional cooperation framework for the island nations of the Western Pacific centered on Micronesia and to improve the quality of distance education and telemedicine. In the first stage, a survey of needs was conducted and a distance education policy drafted, and a distance education alliance was established and a concrete action plan drawn up. In the second stage, a survey concerning technological options for a satellite network for distance education and capacity building were carried out.

This year, the first year of the third stage, on the basis of the survey results an environment for distance education and telemedicine was put in place through a pilot project targeting isolated islands that made e-mail available to 14 remote islands of Yap using a high-frequency wireless communications system. In addition, in line with the action plan drawn up in the first stage, 12 of 14 applications presented by six regions were selected and compilation of teaching materials and manuals on distance education and telemedicine was begun. A workshop on distance education was also held at the University of Guam August 16–18, 2004, and material for an educational video on the project scheduled to be produced in fiscal 2005 was collected.

(4th year of a 5-year project)



*A scene from the 7th Coconuts College of the Pacific titled "Island living; Hatomajima, Island of Healing and Kohamajima, Chura-san's Island," held in June 2004, in Hatomajima. This was part of the "Coconuts College of the Pacific" project.*

## 3. Projects That Support Education and Training through the Medium of Distance Education

### Transcending Borders with Education On-Line

Micronesian Seminar (Micronesia)  
For FY2004: ¥3,183,300  
Total Expenditure: ¥9,949,300

Since their independence the nations of Micronesia have been undertaking rapid modernization with massive financial aid from the United States. But a variety of social distortions caused by modernization, including the world's highest rate of youth suicide, have surfaced. The traditional social structure remains deeply rooted, and media and other forums for information disclosure and public discussion are lacking, leaving Micronesians with no opportunities to discuss and debate the social problems confronting them. Moreover, the more than 25,000 Micronesians who study and work in the United States cannot adjust to conditions at home when they return.

The Pohnpei-based Micronesian Seminar has assembled the only systematic archive on Micronesia in the region. In addition, using videos, a newsletter, and other media, it has taken the initiative in providing the community with a forum for discussion of social problems. This project, as one means of resolving the social problems facing Micronesia, produced online albums of old photographs documenting the past 100 years of Micronesia's history (see [www.micsem.org](http://www.micsem.org)).

In the second year, the project coordinators visited Japan for two weeks and collected some 700 photos on the period of Japanese rule between the two world wars from Professor Michiko Intoh of the National Museum of Ethnology, the private collections of Yoji Yamaguchi, books illustrated with photos donated by an Okinawan organization, and elsewhere. As a result, six albums were published on the website, including three dealing with the period of Japanese rule: *The Rise of Towns*, *The Era of Big Business*, and *The Japanese Flag Unfurled*. They received as many as 100,000 page views a month.

Nineteen albums, compiled over the project's three years, address such themes as educational and women's issues and the periods of German, Japanese, and U.S. rule. They include *A Brief History of Education in Micronesia*, *Where Were the Women?* and *The Battle for Palau*. The project has been written up in the *Sankei Shimbun* newspaper and has attracted high praise as a valuable historical resource, not least on the period of Japanese rule. These digital data have been translated into Japanese and are available on the Coconuts College of the Pacific website ([www.yashinomi.to](http://www.yashinomi.to)).

An online forum discussion targeting college students in Micronesia was also attempted, but it did not work well owing to teachers' time constraints. In the second year the target group was expanded to include the general public, and in the third year the forum was accessed about 37,000 times a month and became a channel for lively discussion and debate.

(Final year of a 3-year project)

## 4. Projects to Promote Networking among NGOs and NPOs Operating in the Region and to Form Linkages among Pacific Island Nations and Asian Countries

### Research Committee for Pacific Islands' Digital Opportunity/Phase II

The Sasakawa Peace Foundation, Foundation for Development Cooperation (Australia), University of Hawaii (USA)  
For FY2004: ¥5,050,771

The digital divide is being discussed within the framework of international cooperation, but there are few opportunities for Pacific island nations to be included. This project, which entered Phase II this year, is undertaking advocacy activities on information-technology policies to improve welfare in such areas as telemedicine, distance education, and natural disaster prevention. As in Phase I, these activities are being carried out in cooperation with UNESCO, the Pacific Telecommunications Council (PTC), the World Health Organization (WHO), and other relevant organizations.

This year, a report based on the draft produced in Phase I was distributed to relevant organizations and posted on the website [www.yashinomi.to](http://www.yashinomi.to). To spread awareness of the report's policy recommendations, two workshops were held with the cooperation of relevant organizations: the Telecenter Workshop in Brisbane (December 1–3, 2004) and the Telehealth Workshop at PTC in Honolulu (January 14–19, 2005). In addition, two research committee members were sent to the Meeting of the Pacific Open Learning Health Net Country Task Forces organized by the WHO Regional Office for the Western Pacific and held in Fiji in December 2004.

(1st year of a 2-year project)



A scene from the Telehealth Workshop at PTC held January 14–19, in Honolulu. This was part of the "Research Committee for Pacific Islands' Digital Opportunity/Phase II" project.



## The Sasakawa Japan-China Friendship Fund



- 1 – Fostering Human Resources for 21st-Century Japan-China Relations**
- 2 – Deepening Mutual Understanding in the 21st Century**
- 3 – Activities to Promote Japan-China Relations in the 21st Century**
- 4 – Activities to Advance the Fund's International Role**

## 1. Fostering Human Resources for 21st-Century Japan-China Relations

### Cultivating Specialists in International Security Issues/Phase II

The Sasakawa Peace Foundation, Asian Forum Japan (Japan)  
For FY2004: ¥7,262,141  
(¥1,533,430 in self-operated program expenses)

When compared with progress in security-related exchange between China on the one hand and the United States, Russia, and Europe on the other, this kind of exchange between Japan and China is inadequate. Developing human resources who are fluent in Japanese and familiar with Japanese politics and defense policy is an urgent priority. To help make up for the deficiency in government-level exchange, the Fund supported a five-year project (fiscal 1999–2003) to train high-level interpreters for the People's Liberation Army. A total of 10 people undertook a year's training in Japan, followed by support for studies in the M.A. course for working people offered by Peking University's School of International Studies.

The present five-year project represents Phase II of the project. As in Phase I, this project provides an opportunity, after training in Japan, to enroll in the three-year M.A. course for working people offered by Peking University's School of International Studies. At present three of the four Phase I trainees are due to receive master's degrees in July 2005. One more person is scheduled to enroll in September 2005.

(1st year of a 5-year project)

## 1. Fostering Human Resources for 21st-Century Japan-China Relations

### Cultivating Specialists in International Security Issues/Phase II — Training Program for PLA Staff in Charge of Japan-China Security Exchange

Asian Forum Japan (Japan)  
For FY2004: ¥5,728,711

As in Phase I of the project, two people sent by the project's counterpart in China, the China Institute for International Strategic Studies, visited Japan for a year's training. In addition to receiving training to improve language skills in the Japanese-language program at Waseda University, they attended lectures in a wide range of fields, including Japanese politics, society, foreign policy, and security, at Waseda University and elsewhere. They also took part in Program for Promoting Japan-China Exchange in the Field of Security (p. 38) and study tours to Okinawa, Kyoto, and Nagano Prefectures. On completing the training they submitted reports in Japanese on Japan-China relations and Japanese security issues.

A Phase I trainee served as interpreter during the visit of Self-Defense Forces field officers to China in November 2004 as part of Program for Promoting Japan-China Exchange in the Field of Security. His proficiency gained high praise, testifying to the effectiveness of the project. Other former trainees are working as interpreters for military organs and as specialists in Japan-related issues, thus playing an important role in the forefront of Japan-China defense-related exchange.

(1st year of a 5-year project)

## 1. Fostering Human Resources for 21st-Century Japan-China Relations

### Sasakawa Scholarship System for Chinese Students Studying Japanese/Phase II

China Association for International Friendly Contact (China)  
For FY2004: ¥3,935,045  
Total Expenditure: ¥23,743,710

This project promoted Japanese-language education for Chinese people in order to develop human resources in the field of Japan-China cooperation. Specifically, the project awarded scholarships to outstanding undergraduate and graduate students of Japanese enrolled in Chinese universities. Following Phase I (fiscal 1995–99), Phase II began in fiscal 2000. At the beginning of Phase I, scholarship recipients were selected from eight universities. The number gradually increased, and from fiscal 2002 onward scholarships were being awarded to students from 13 universities. This year, the final year of Phase II, like last year, scholarships of 2,000 yuan were awarded to 105 students from 13 universities: Beijing Foreign Studies University, Dalian University of Foreign Languages, Guangdong University of Foreign Studies, Guangxi University, Guizhou University, Heilongjiang University, Hunan University, Nanjing University, Northwest University, Shandong University, Shanghai International Studies University, Sichuan International Studies University, and Xiamen University. Each university's selection committee screened applicants on the basis of character, essays, grades, and other criteria.

A total of 1.9 million yuan was awarded to 950 people over the 10 years of Phase I and Phase II. At most of the target universities, the total value of scholarships awarded to students of Japanese through the project surpassed the total value of scholarships awarded to students of English, French, and other Western languages. Both the number of students majoring in Japanese and the number selecting Japanese as a second foreign language increased.

At present, about 100 Chinese universities offer Japanese-language education, but there are fewer scholarships for students majoring in Japanese than for those majoring in other foreign languages. Having the clear-cut objective of seeking to gain scholarships has changed the attitude toward learning of students of Japanese from passive to enthusiastic. By helping to create a positive atmosphere within universities and in other ways, the project has contributed to developing superior human resources.

Since graduation most of the scholarship recipients have gone on to important jobs in such organizations as state organs (such as the Ministries of Foreign Affairs and Commerce), the Foreign Affairs Offices of local governments, newspaper companies, television networks, and the international divisions of major companies, and have become bridges between Japan and China promoting understanding and friendship. In addition, an alumni association has been set up in each target university. This has improved the flow of information on the activities of former scholarship recipients and strengthened exchange among them and communication between them and their alma maters. Alumni association members have provided the project with constructive suggestions.

(Final year of a 5-year project)

## 1. Fostering Human Resources for 21st-Century Japan-China Relations

### A Study of Asset Management Practices in State-Owned Enterprises: Learning from the Japanese Experience

China Association for International Friendly Contact (China)  
For FY2004: ¥6,227,863

Since China joined the World Trade Organization that country's state-owned enterprises have been facing fierce international competition, and improving productivity and preventing the selling off of assets have become urgent priorities. This project aimed to help resolve these problems by sharing the experiences of Japanese companies and thus contributing to the qualitative improvement of Chinese managers and bureaucrats.

The Japan-China Forum on Corporate Supervision and Management and Audit Efficiency was held in Beijing December 9–10, 2004. A total of 150 people, including people responsible for internal auditing at Japanese major enterprises, and Chinese representatives of the State-owned Assets Supervision and Administration Commission and 64 major state-owned enterprises, took part. Presentations included one on the internal audit system of major state-owned enterprises in China, and on Japan's auditor system, issues of efficient corporate auditing, corporate compliance systems, and other subjects. The forum was covered by television, newspapers, and magazines, and a report on the forum was presented to relevant agencies.

(A one-year project)

## 2. Deepening Mutual Understanding in the 21st Century

### Program for Promoting Japan-China Exchange in the Field of Security

The Sasakawa Peace Foundation  
For FY2004: ¥29,666,815

This project aims to promote understanding between Japanese and Chinese field officers, who will guide the future of their countries' defense establishments.

This year, 21 Chinese People's Liberation Army (PLA) field officers visited Japan August 22–September 2, 2004. The group paid courtesy calls on then–Minister of State for Defense Shigeru Ishiba, former Prime Minister Ryutaro Hashimoto, and other dignitaries and visited Ground, Maritime, and Air facilities of Japanese Self-Defense Forces (SDF), the National Institute for Defense Studies, and other institutions. They also heard lectures on Japan's China policy and security policy at the Ministry of Foreign Affairs. From Japan 18 people, mainly SDF field officers, visited China November 7–17, 2004. They paid courtesy calls on Vice-President Zeng Qinghong, Minister of National Defense Cao Gangchuan, and Deputy Chief of the General Staff Headquarters Xiong Guangkai and visited ground, naval, and air military facilities.

In addition, the participants on both sides strove to understand the other country's culture and history through such activities as visiting historical sites and viewing traditional performing arts. Both groups held preparatory meetings before visiting the other country, and after their return they made efforts to share their experiences by holding wrap-up meetings and reporting on the results of the study tours to both countries' defense-related organs and other relevant parties.

(2nd year of a 3-year project)

## 2. Deepening Mutual Understanding in the 21st Century

### Basic Research on Building a Relationship of Mutual Trust between Japan and China

China Association for International Friendly Contact (China)  
For FY2004: ¥3,607,253

While interdependence in such fields as the economy and popular culture is deepening, deep-seated mistrust between Japanese and Chinese people persists. This project conducted a questionnaire survey to analyze the causes of this distrust and gain an accurate grasp of both countries' people's perceptions of the other country.

With the cooperation of Peking University's School of International Studies, a questionnaire was designed, mailed, and collected, and the results were analyzed. The questionnaire was sent to about 1,000 Chinese people and Japanese residents of China, and replies were received from 880 people. The targets included government agencies in seven provinces and three cities, provincial and municipal people's governments, the military, schools, Chinese who had returned from studies in Japan, and Japanese studying in China.

The results revealed that, among Chinese respondents, the younger the age group, the stronger the anti-Japanese sentiment, and confirmed a correlation with the degree to which the internet was accessed. Meanwhile, it was learned that the higher the level of education, the calmer the response to Japan-China relations, with few cases of unthinking antipathy toward Japan. The final report will include policy proposals to the Chinese government to help restore trust to Japan-China relations.

(A one-year project)



Chinese People's Liberation Army field officers pose for a photo while visiting Japan's Air Self-Defense Force's Ashiya Base as part of the "Program for Promoting Japan-China Exchange in the Field of Security" project.



## 2. Deepening Mutual Understanding in the 21st Century

### Co-Research Project on Japan-China Security Issues

China Association for International Friendly Contact (China)  
For FY2004: ¥11,602,994

This project aimed to provide opportunities for dialogue between Japanese and Chinese defense-related personnel and researchers on security issues through private-sector channels.

Sixteen Chinese specialists in security issues from the National Defense University, the Academy of Military Sciences, the Chinese Academy of Social Sciences, Peking University, Tsinghua University, and other institutions visited Japan October 20–27, 2004. They participated in the fifth Symposium on Northeast Asian Security Issues, held in Tokyo October 21–22. Taking part from Japan were parliamentarians; Self-Defense Forces (SDF) field officers; security specialists from the Japan Defense Agency, the National Institute for Defense Studies, and other organizations; and researchers. The participants discussed East Asian security issues, Japanese and Chinese national defense policy, and other topics.

The Chinese group also visited the Japan Defense Agency and the National Institute for Defense Studies, inspected the Maritime SDF base at Kure, Hiroshima Prefecture, and paid a courtesy call on a deputy governor of Fukuoka Prefecture, deepening their understanding of Japan's current security conditions. The papers presented at the symposium were compiled in book form.

(A one-year project)

## 2. Deepening Mutual Understanding in the 21st Century

### Japan Visit Program for City Mayors

China Association for International Friendly Contact (China)  
For FY2004: ¥4,955,755

A seven-member delegation of mayors and vice-mayors from cities in Northeast China (Heilongjiang, Jilin, and Liaoning Provinces) and Hebei Province visited Japan September 5–12, 2004, mainly to study such issues as Northeast Asian economic cooperation, measures to combat the “hollowing out” of regional cities’ industries, and economic-development policies building on regional cities’ special characteristics.

The delegates heard a lecture on local autonomy, especially the relationship between national and local taxes, at the Local Autonomy College and exchanged views on regional cities’ industrial hollowing out with members of the Japan-China Economic Association. In Niigata they exchanged views on the status of Japanese economic cooperation with China, Russia, and other countries at the Economic Research Institute for Northeast Asia. They also strengthened personal links by meeting with a deputy governor of Niigata Prefecture and the mayor of Niigata City and by exchanging views with bureaucrats.

After returning to China the delegation reported on the visit to relevant agencies of provincial and municipal governments. As a result, some city governments began studying the actual introduction of the management methods of Japanese regional cities.

(1st year of a 5-year project)

## 3. Activities to Promote Japan-China Relations in the 21st Century

### Japan-China Young History Researchers Conference

The Sasakawa Peace Foundation  
For FY2004: ¥4,911,970

This project aims to provide a new framework for resolving problems in Japanese and Chinese historical perceptions and dispelling mutual mistrust by pooling the knowledge of young history researchers in both countries.

This year, five meetings for the presentation of research findings and discussion were held by young Japanese history researchers and young Chinese history researchers residing in Japan. Young history researchers from both countries who have been highly active in recent years took part in the meetings as guests.

In addition, preparation of a handbook based on the project's results so far progressed. The handbook, addressing the major issues of contention in the history of Japan-China relations, includes basic sources, as well as the chief points of controversy and commentaries by young history researchers from both sides. In July 2004, 10 young history researchers attended an editorial retreat at Hokkaido University at which they decided on the principles guiding preparation of the text, which was completed in March 2005. Next year, the final year of the project, editing and publishing tasks will commence, with the aim of publication in both countries.

(4th year of a 5-year project)



*A scene from a meeting at Kamedago Land Improvement Zone, Niigata Prefecture. This was part of the “Japan Visit Program for City Mayors” project.*

## The Sasakawa Central Europe Fund



- 1 – Enhancing Mutual Exchange between Japan and Central European Countries**
- 2 – The Role of Central European Countries in the Twenty-First Century**
- 3 – The Role of NGOs in Creating Civil Society**

## 1. Enhancing Mutual Exchange between Japan and Central European Countries

### Contemporary Japanese Studies at Central European Universities

The Sasakawa Peace Foundation, Agroman Educational Foundation, St. Stephen University (Hungary)  
For FY2004: ¥7,705,173  
(¥5,692,453 in self-operated program expenses)

This project aims to establish courses to promote understanding of contemporary Japan and develop human resources with a good knowledge of present-day Japanese conditions. The economy and management in contemporary Japan have been the subject areas most requested by Central European universities.

In the third year of this project, Japanese lecturers were sent to Charles University (Czech Republic), the Warsaw School of Economics (Poland), and the University of Economics in Bratislava (Slovak Republic) to conduct short intensive courses. To enhance the consistency of course content and deepen exchange between lecturers and students, selected Japanese lecturers stayed longer to present more lectures. Meanwhile, in response to a local request, the Fund extended a grant to St. Stephen University in Hungary, which organized a course given by three Hungarian lecturers and conforming to the normal lecture schedule. As a result, the number of students enrolling in the course more than tripled, and lectures reflecting a Hungarian perspective were received positively.

(3rd year of a 5-year project)

## 1. Enhancing Mutual Exchange between Japan and Central European Countries

### Contemporary Japanese Studies at Central European Universities — Contemporary Japanese Studies in Hungary

Agroman Educational Foundation, St. Stephen University (Hungary)  
For FY2004 ¥2,012,720

A 15-lecture introductory course on modern Japan was inaugurated in the first semester of the 2004–5 academic year (September 2004–January 2005) at St. Stephen University in Hungary. The course was led by Professor Csaba Mako, who was assisted by Dr. Valeria Szekeres and Dr. Attila Gergely as lecturers. The lectures covered such topics as Japan's economic development and political change from 1867 onward, Japan's economic growth model and management system before 1990, and problem areas in Japanese-style capitalism and management following the bursting of the asset bubble at the start of the 1990s. Partly because this was a regular course conforming to the normal schedule and taught in Hungarian, 58 students enrolled, more than triple the previous year's number. Students were graded on the basis of five short papers and written and oral examinations.

This project succeeded in providing Hungarian students with high-level knowledge of Japan's economic and management conditions and helped further Japanese studies in Hungary.

(A one-year project)

## 2. The Role of Central European Countries in the Twenty-first Century

### Promotion of "Percentage" Philanthropy in Central and Eastern Europe

Nonprofit Information and Training Centre Foundation (NIOK) (Hungary)  
For FY2004: ¥9,246,225

"Percentage" laws enable taxpayers to earmark a set percentage of their income tax for an NGO or other public-interest organization of their choosing. The first such law was enacted in Hungary in 1996, and since then other countries, including Lithuania, Poland, and the Slovak Republic, have introduced similar laws.

This year, advocacy activities were undertaken in three countries highly likely to introduce such laws—Georgia, Macedonia, and Ukraine—with advice and guidance from an advisory group made up of experts from countries that already have this kind of legislation. Information was also provided to other countries upon request, and a workshop in October 2004 collected the latest information on percentage laws, including the results to date in Lithuania, Poland, and other countries that had just put such laws in place and progress in Rumania, which aimed to enact similar legislation in 2005.

Another workshop was held to help participants from the three target countries prepare a policy paper on percentage laws to assist in determining action policies based on understanding of the current situation.

(2nd year of a 3-year project)



As part of the "Promotion of 'Percentage' Philanthropy in Central and Eastern Europe" project, a workshop held in Budapest in October, 2004, collected the latest information on percentage laws.



## The Sasakawa Pan Asia Fund



- 1 – People Exchange**
- 2 – Human Resource Development**
- 3 – Research with Tangible Applications**

## 1. People Exchange

### Civilizational Dialogue: Promotion of Intellectual Exchange and Mutual Understanding in Asia

The Sasakawa Foundation  
For FY2004: ¥15,496,519  
Total Expenditure: ¥43,907,842

After the fall of the Berlin Wall in 1989 precipitated the end of the cold war, the two theses of “the end of history” and “the clash of civilizations” emerged. The latter held that in place of the clash of East-bloc and West-bloc ideologies that had characterized the cold-war international community, a clash of civilizations, especially of Western Christian civilization and Islamic civilization, was inevitable. The terrorist attacks in the United States on September 11, 2001, confronted the world, which had been pressing ahead with economic growth and market liberalization as Western-style democracy spread as if to confirm the “end of history” thesis, with the existence of an ideological confrontation of civilizations different from the cold-war East-West confrontation, and with the fact of clashes generated by religions, to which the world had been all too oblivious.

This project was inaugurated against that background, with the aim of helping fill the lacuna in mutual understanding brought about by civilizational, cultural, and religious differences. In recognition of the importance of knowing more about India, which is expected to make great strides in the international arena both economically and politically, in the first year five seminars were held in Tokyo focusing on Hinduism, which is espoused by some 80% of India’s population,

and Islam, which has attracted worldwide attention in a variety of ways in recent years. In the second year, building on the outcomes of the first year’s seminars, seminars were held in India and Iran.

This year, the project’s final year, while further expanding the network of opinion leaders built up in the first two years, the project worked to reinforce knowledge of the views of religion and civilization of the Hindu sphere and the Islamic world. At the seminar “Civilizational Dialogue: Science, Technology, and Civilization,” held in Tokyo in September 2004, researchers from China, India, and Pakistan reported on the development of biotechnology and concomitant ethical issues and provided a forum for discussion and debate. Another seminar, “The Role of Religion in Iran and Japan,” cosponsored by the Institute for Interreligious Dialogue, was held in Tehran in November that year. This was a forum for dialogue among distinguished Iranian and Japanese specialists in religion, sociology, and philosophy.

Another initiative in civilizational dialogue was a conference of specialists on the theme “Changing Dynamism of Indian Religion: Dialogue between India and Japan,” held in Varanasi (Benares) in February 2005 and attended by 13 specialists on Hindu and Islamic studies from India and 4 specialists from Japan in religion, sociology, and physics. The project also supported scientific exchange with Islamic countries by sending two Japanese specialists to an international conference in Kuala Lumpur sponsored by the Islamic Academy of Sciences of Jordan in March that year.

Through these activities, the project helped promote the coexistence of pluralistic values and intellectual exchange and mutual understanding in Asia.

(Final year of a 3-year project)



As part of the “Civilizational Dialogue: Promotion of Intellectual Exchange and Mutual Understanding in Asia” project, the seminar “Civilizational Dialogue: Science, Technology, and Civilization,” was held in Tokyo in September 2004. Researchers from China, India, and Pakistan reported on the development of biotechnology and concomitant ethical issues.

## 1. People Exchange

### People Exchange Program: Strengthening Partnerships in the Pan-Asia Region

The Sasakawa Foundation  
For FY2004: ¥8,119,294

Since its establishment in 1992 the Fund has conducted the People Exchange Program, which entered Phase III this year. In fiscal 2002 the Fund expanded its reach to countries throughout the entire Asian region, from Turkey to the Russian Far East, covering an extensive area with a special focus on India, and is striving to identify more partners, expand exchange, and build a network of human resources.

This year, the program carried out the following activities. (1) The Asia–Middle East Journalists Meeting, held in Dubai October 1, 2004, provided a forum for journalists from Japan, member states of ASEAN, and the Middle East to discuss issues covered by Middle Eastern media and Middle Easterners' perceptions of Japan. (2) Four Indian parliamentarians visited Japan November 14–21, 2004, for discussions with former Prime Ministers Yoshiro Mori and Ryutaro Hashimoto, as well as other politicians from the ruling and opposition parties. (3) President Xanana Gusmão of East Timor visited Japan December 10–13, 2004, to meet and discuss a variety of issues with Prime Minister Jun'ichiro Koizumi, Minister for Foreign Affairs Nobutaka Machimura, former Democratic Party of Japan President Yukio Hatoyama, and leading figures from other sectors. (4) The Fund cosponsored an exchange workshop with Ritsumeikan University for future leaders throughout Northeast Asia that was held in Okinawa Prefecture February 17–22, 2005.

(1st year of a 5-year project)



Politicians from India pose in front of the National Diet building in Tokyo during a visit as part of the "People Exchange Program: Strengthening Partnerships in the Pan-Asia Region" project.

## 1. People Exchange

### Russia and Japan in Asia

Japan Center for International Exchange (JCIE) (Japan)  
For FY2004: ¥8,275,025  
Total Expenditure: ¥23,888,787

Ongoing intellectual dialogue and networking of opinion leaders, scholars, and policy researchers are becoming increasingly important in both bilateral and multilateral relations. Despite the significance of Russo-Japanese relations for both countries, the influence of the cold-war period and the delay in normalizing relations have extremely limited intellectual exchange. The existing channels for discussion by specialists tend to place more weight on bilateral issues, such as the existing territorial dispute.

Therefore, it is urgent at a time of hope for development of new Russo-Japanese relations to build a relationship of trust between the two countries' opinion leaders by enabling them to exchange their insights in diverse fields regarding policy issues common to the international community. On the basis of that understanding, this project was inaugurated to undertake substantive and sustainable dialogue on ongoing issues in international politics and their influence on Russia and Japan, especially in the Asian context, through promoting informal communication channels between people filling leadership roles in major Russian policy research institutes and Japanese opinion leaders.

In the first year, the first Russia-Japan Policy Dialogue was held in Tokyo in November 2002. The main discussion theme was the impact of China's rise on Japan-Russia relations. Dr. Andrei V. Fedorov, director of political programs of the Council on Foreign and Defense Policy in Russia and director of the Political Investigations and Consulting Fund, and nine other Russian opinion leaders were invited to attend. Ten Japanese participants, including parliamentarians, scholars, and representatives of research institutes, exchanged views with their Russian counterparts.

In the second year, nine participants from Russia and 13 from Japan attended the second Russia-Japan Policy Dialogue, held in Kamakura June 12–14, 2003. Focusing on the situation on the Korean Peninsula, which is of major concern to East Asia, the participants exchanged views on the new international environment and security issues and their impact on Russo-Japanese relations.

This year, the final year of the project, 15 participants from Russia and nine from Japan attended the third Russia-Japan Policy Dialogue in Moscow June 28–29, 2004. Since the terrorist attacks in the United States on September 11, 2001, new initiatives have been seen in Russian foreign policy, such as its toleration of the stationing of U.S. troops in Central Asia. China is also strengthening its links with Russia and Central Asia both through bilateral relations and through the Shanghai Cooperation Organization. In view of this, debate focused on the issues surrounding Russia's diplomatic policy toward Central Asia, which has attracted Russian interest as well as global attention. The policy dialogue generated many thought-provoking topics for both Russia and Japan.

(Final year of a 3-year project)



## 1. People Exchange

**Enterprising Civil Society Organizations in Asia**

Conference of Asian Foundations and Organization (CAFO) Secretariat,  
Philippine Business for Social Progress (PBSP) (Philippines)  
For FY2004: ¥3,392,341  
Total Expenditure: ¥7,415,329

As strengthening the financial base has become a shared issue for the Asian civil society sector, attention has been focused on “social entrepreneurs,” organizations that seek to resolve social problems by securing funds through their own profit-making activities, not relying on overseas aid and government subsidies. In its first year, this project collected information on the activities of the private nonprofit sector in Hong Kong, India, Indonesia, the Philippines, Singapore, Taiwan, and Thailand that have been successful in social entrepreneurship.

This year, the results of case studies were compiled, and the Asian Social Entrepreneurship Forum was held to share those NPO/NGOs’ experiences with the Asian region as a whole. Approximately 40 representatives of grant-making foundations and project-implementing organizations in nine Asian countries and territories explored the factors behind success in each case and discussed one another’s experiences about the difficulties facing them.

Social entrepreneurship can be undertaken by either commercial companies or nonprofit organizations, but in seeking to fulfill a social mission through profit-making activities both are required to satisfy two bottom lines: profitability and social contribution, which cannot be gauged in terms of profits alone. Pursuit of profit is new to the NPO/NGO culture, and sometimes fails to gain acceptance. Meanwhile, although Asian communities do not have the English term “social entrepreneurship” itself, similar indigenous concepts exist in their tradition of self-help efforts and mutual-support activities. This project offered an opportunity for Asian NPO/NGOs to reexamine their own activities and societies by extrapolating from social entrepreneurship.

All the successful cases aim to contribute to benefiting or resolving problems in sectors that are not reached by public services or that tend to be marginalized in the system of market economics. In India, Indonesia, the Philippines, and Thailand the main areas of activity include poverty reduction in the context of community development and the alleviation of economic disparities in rural communities and urban slums. In Hong Kong, Singapore, and Taiwan they include problems of the disabled, the elderly, and the unemployed. In addition, regardless of country or territory there are many enterprises in the fields of environmental conservation and restoration of minority cultures.

This project enabled young professionals in the private nonprofit sector to share experiences regarding the factors behind success and the challenges encountered in the practice of social entrepreneurship in Asia. In addition, academics like researchers at the Asia Institute of Management, in the Philippines, and the National Institute of Development Administration, in Thailand, cooperated well with practitioners in collecting and analyzing the case studies. A collection of those case studies, *Creating Space in the Market: Social Enterprise Stories in Asia*, is being used as a teaching aid at those institutes.

(Final year of a 2-year project)

## 1. People Exchange

**ASEAN Young Politicians Retreat Workshop**

Centre for Strategic and International Studies (CSIS) (Indonesia)  
For FY2004: ¥2,554,419  
Total Expenditure: ¥9,522,409

Ever since its establishment the Fund has supported people exchange projects in member states of ASEAN, focusing particularly on Cambodia, Laos, and Vietnam, as well as Myanmar, all of which are in the midst of a dramatic transition period. Through its ASEAN Young Politicians Retreat Workshop, the Fund facilitated dialogue among young leaders from these countries (politicians, government officials, scholars, and journalists from the late twenties to the mid-forties in age). Held annually, these workshops were designed to lay the foundation for strengthening relations between Japan and ASEAN countries, a vital element in maintaining stability in East Asia.

In 2002, the first workshop, in Jakarta, was attended by 35 people from eight ASEAN countries (Laos and Myanmar were not represented). The workshop addressed three broad topics—politics and foreign policy, economics and fiscal policy, and sociocultural issues—with discussion focusing on the issue of security, including human security, in Southeast Asia since the 9. 11 terrorist attacks in the United States and Bali bombings of October 2002; the efforts to conclude a free trade agreement linking countries in the East Asian region; and the emergence of China as an economic and political power and the Japanese response to this emerging power. Unfortunately, scheduling conflicts prevented Japanese delegates from attending, so Japanese perspectives on these issues were not represented.

In the second year, a two-day workshop was held in Tokyo in collaboration with the Japan Center for International Exchange. Attending were eight politicians and scholars from six ASEAN countries, including the Cambodian vice-minister of commerce, as well as 20 representatives from Japan, including young politicians, scholars, and Taro Kono, a member of the House of Representatives of the National Diet. Discussions focused on ASEAN relations with China and Japan, relations among individual ASEAN countries, and policies to develop an East Asian Community including ASEAN.

This year’s workshop was held in Jakarta February 16–17, 2005. The first day featured three sessions, “The New Relationship between ASEAN and Japan,” “Toward a More Dynamic ASEAN-Japanese Partnership,” and “Japanese-ASEAN Economic Cooperation.” Discussions addressed the focus that ASEAN should take in establishing relations with the U.S. superpower and the regional powers of China and Japan, as well as the role Japan should play in international security. Sessions on the second day covered ASEAN-Japanese relations from a sociocultural perspective. Some participants held the view that exports of Japanese *manga* comics and animated films are contributing to a change in ASEAN countries’ understanding of Japan. Others, however, noted that there seems to be little Japanese interest in traditional Southeast Asian cultures, and they hoped to see greater interest emerge. The final, plenary session focused on ways to maintain the network that has been established between ASEAN and East Asia thus far.

(Final year of a 3-year project)

#### 1. People Exchange

##### **Strengthening Parliamentarian Dialogue in Cambodia**

Cambodian Institute for Cooperation and Peace (Cambodia)  
For FY2004: ¥4,044,666

Despite the confusion that Cambodia has continued to face since the 2003 National Assembly election, a new administration formed by a coalition between the Cambodia People's Party and the Funcinpec Party was established in the spring of 2004. To foster an understanding of how a legislative body should function and the role legislators should play within such a system, the Fund is providing Cambodian legislators with the opportunity to visit Japan and observe its system and procedures. This year, six legislators—two each from the Cambodia People's Party, the Funcinpec Party, and the Sam Rainsy Party—visited Japan January 16–21, 2005.

The group met with officials of the Japan-Cambodia Parliamentary Friendship League, officials from the Democratic Party of Japan, and officials of the National Diet Library. Legislators also attended lectures on such subjects as the process of putting together a national budget, the process of drafting and submitting bills, and the electoral system and political campaigning, and were encouraged to discuss ways in which Japanese procedures could be adopted to Cambodian sociocultural norms.

After their return to Cambodia, the legislators held a workshop for those who had been unable to visit, presenting reports on the lectures and meetings they had attended in Japan. The materials used for the workshop will be incorporated into the policy proposals compiled in the next year.

(2nd year of a 3-year project)

#### 1. People Exchange

##### **People Exchange Program: Enhancing the Capacity of Young Vietnamese Leaders**

Vietnam Peace and Development Foundation (Vietnam)  
For FY2004: ¥4,720,475

The aim of this project is to bring to Japan promising young Vietnamese politicians who are expected to have a direct impact on the nation's policymaking in the near future and to build their capacity and enhance mutual understanding by means of fact-finding visits and exchange.

This year, a group of six young leaders selected from around Vietnam and led by Ha Van Thach, a deputy to the National Assembly and deputy governor of Ha Tinh Province, visited Japan October 24–November 3, 2004. With the cooperation of the Japan-Vietnam Economic Exchange Center and other organizations, the group made fact-finding tours to learn about administrative reform. In Tokyo, Osaka, and Nagoya, the group visited administrative reform–related bodies, think tanks, companies, and other organizations, studying and observing the structure and problem areas of Japanese public administration, administrative-reform initiatives, actors in the process, the state of progress, examples of success and failure, and so forth.

The results were reported at a debriefing session in Hanoi. Taking part were Nguyen Thi Binh, former vice-president of Vietnam and president of the Vietnam Peace and Development Foundation, the grant recipient; specialists in government administration; and other relevant parties. It is hoped that those who took part in the fact-finding visit will be instrumental in developing a Japan-Vietnam network.

(1st year of a 3-year project)



*A scene from a seminar held in Tokyo inviting Cambodian legislators as panelists. This was part of the "Strengthening Parliamentarian Dialogue in Cambodia" project.*

## 2. Human Resource Development

### Human Resources Development in Myanmar

The Sasakawa Peace Foundation, The Myanmar Times (Myanmar), Institute of Asian Studies, Chulalongkorn University (Thailand), Kyung Hee University (Korea), The Malaysian Institute of Economic Research (Malaysia), Civil Service Selection and Training Board (CSSTB) (Myanmar)  
For FY2004: ¥24,383,447  
Total Expenditure: ¥68,879,125

This project was aimed at fostering human resources in Myanmar, particularly public officials and young journalists. Lecturers were invited from Malaysia, South Korea, and Thailand, and workshops were organized. The project sought to develop the skills of midlevel bureaucrats by acquainting them with the experience of Myanmar's neighbors and to provide an intellectual setting in which the bureaucrats would gain the ability to frame policy issues in a broader perspective. The workshops were offered to public officials in 31 Myanmar administrative organs and three independent organizations (including the courts), and the themes were selected widely from public-service fields.

Over the first three years 360 central-government officials took part in workshops on the civil service system in a transitional period, one marked by decentralization and privatization. The concepts employed for arranging the workshops were, in the first year, social development management, microeconomics (including trade and investment, industry, and finance), information-technology management (including electronic government), and environmental management; in the second year, the present and desired shape of the civil service system in neighboring countries; and in the third year, the desired shape of local public bodies in a federal system. Evaluations were made of all the participants, and the top-ranking 30

were selected for participation in training abroad. They went in groups of 10 each year to Malaysia, Singapore, and Thailand (the first year) and Malaysia, South Korea, and Thailand (the second and third years), where they visited civil service facilities, met with experts, and exchanged views on how to make civil service and personnel systems more effective.

Starting in the second year, in order to augment the impact of the project, regional officials as well as those of the central government were targeted. In the second year a workshop was held in Mandalay, Myanmar's second-ranking city, and in the third year another workshop was held in Taunggyi, the capital of Shan State. Lecturers selected from the participants in the previous year's training abroad conducted these workshops for regional civil servants in the Myanmar language, and the text was a Myanmar translation of the text used a year earlier in the workshop for midlevel central-government officials. Also in the second year, three high-level officers of the Civil Service Selection and Training Board were sent to South Korea, which has had the experience of shifting from a military regime to a democratic system. The officials were familiarized with the reforms of South Korea's civil service system during the transitional process, and they exchanged views with their counterparts on how South Korea's experience might be applied in Myanmar. The project also commissioned the training of young journalists to the *Myanmar Times*, the country's only English-language newspaper. The instruction, which included on-the-job training, covered the basics of journalism, such as copy and headline writing, journalistic ethics, interviewing, and news gathering. It is hoped that the teaching aids and the human talent produced by the project's assorted activities will continue to be put to use within Myanmar.

(Final year of a 3-year project)



High-level officers of the Civil Service Selection and Training Board attended a workshop for central-government officials held in Yangon. The workshop was held as part of the "Human Resources Development in Myanmar" project.



## 2. Human Resource Development

### Business Case Development: Enhancement of Business School Education in Uzbekistan

The Sasakawa Peace Foundation  
For FY2004: ¥21,550,355

This project, which enlists the cooperation of management experts in Japan, Singapore, and South Korea, aims to produce educational materials on modern corporate management and fostering human resources for such management in Uzbekistan. Business school teachers and graduate students at Tashkent State Economic University and the Higher School of Business in the Academy of State and Social Construction under the President of the Republic of Uzbekistan are handling the production of educational materials.

In fiscal 2004 a workshop for producing educational materials was held April 28–30. In addition, 30 teachers and students involved in the production of teaching aids visited Japan, Malaysia, Singapore, and South Korea, where they visited companies, attended university lectures on business administration, and engaged in other training activities. Case-study materials were prepared on the 11 Uzbekistan firms chosen last year for investigation. Four experts were dispatched from Japan and South Korea in March 2005 to hold a workshop, evaluate the teaching aids produced, and select more local companies for investigation. At the same time, a seminar on business management in East Asia was held for an audience of some 50 people, mainly small-business managers in Tashkent. These and other activities have contributed to Uzbekistan's business administration education, its corporate management, and reinforcement of personal networks with business administration experts in East Asian countries.

(2nd year of a 3-year project)

## 2. Human Resource Development

### Supporting Journalism in Asia

The Sasakawa Peace Foundation, Yayasan 21 Juni 1994 (Indonesia),  
The Mass Communication Organization of Thailand (Thailand)  
For FY2004: ¥15,219,788

This project, which hopes to strengthen networks of Asian journalists and consolidate a foundation for transmitting news to the world from Asia, focused again this year on two activities: expanding and strengthening networks of journalists and assisting the uninterrupted operation of the online magazine *AsiaViews* ([www.asiaviews.org](http://www.asiaviews.org)), which was started up in March 2004 as a model for Asia-based news transmission.

In the first area of activity, an Asia Journalists Forum was held this year as last, with the Mass Communication Organization of Thailand assisting as cosponsor. This year, with participants from China, India, and South Korea also present, some 40 people from 17 countries discussed the theme “Media, Democracy, and Human Rights.” By such means, networks of journalists were further expanded and strengthened.

In the second area, the Regional Editing Group consisting of editors of influential Southeast Asian journals (*Tempo* of Indonesia, *Business* of Malaysia, *Newsbreak* of the Philippines, *Today* of Singapore, and *The Nation* of Thailand) met four times to select topics for *AsiaViews* and discuss operational issues.

(2nd year of a 3-year project)



Four experts were dispatched from Japan and South Korea in March 2005 to hold a workshop in Tashkent. This was part of the “Business Case Development: Enhancement of Business School Education in Uzbekistan” project.

## 2. Human Resource Development

### Developing Marketing and Management Studies in Vietnam

Vietnam Marketing Association (Vietnam)  
For FY2004: ¥4,818,150  
Total Expenditure: ¥13,648,367

One of the chief concerns in higher education in Vietnam, which is in transition to a market economy and is rapidly merging into the world economy, is the fostering of human resources capable of dealing with an increasingly competitive business climate. In anticipation of the trends in this area, the Fund has put special emphasis on support for higher education in Vietnam.

With the aim of improving the quality of education and research in the field of business administration, the present project provided support over three years for the establishment of the Vietnam Marketing Association—a lateral organization of university instructors, researchers, and corporate managers—and for the implementation of the association's survey, research, and information dissemination activities.

University professors belonging to the association played the lead role in the first two years of the project. Seeking to prepare educational materials for management, they conducted marketing case studies at 37 firms in 12 industries and compiled their results in Vietnam's first collection of case studies of domestic businesses. To share marketing knowledge and know-how among all interested parties, the project members also organized an assortment of seminars and published a monthly journal carrying information and scholarly articles on marketing. The collection of case studies and the monthly journal have been put to use as teaching aids in universities and as reference materials in businesses.

The members continued these activities this year, the project's last, and also conducted a fact-finding survey on business administration education, especially marketing education, at educational institutions in Vietnam and other countries. This survey covered universities, marketing associations, and companies in China, Japan, and Thailand as well as 20 Vietnamese companies and five universities. The members drew up policy proposals for the reform of higher education based on their findings. These proposals, which contain suggestions for improving the marketing education curriculum at Vietnamese universities and encourage these schools to exercise sufficient independence in adapting education flexibly to social needs, were distributed as widely as possible among government organs and other relevant organizations.

The project contributed to understanding of business activities in Vietnam, where competition is intensifying, and supplied reference materials for business research and education. Using such means as seminars and the monthly journal, the project also enabled businesses, researchers, teachers, students, and policymakers to share information, experience, know-how, and research findings in business administration, especially marketing. It is hoped that the network of interested parties linked through the Vietnam Marketing Association will help consolidate a foundation for upgrading research and education in marketing and that this foundation will contribute to improving corporate management in Vietnam.

(Final year of a 3-year project)

## 2. Human Resource Development

### Developing an Economic Forecasting Model in Laos

The Malaysian Institute of Economic Research (MIER) (Malaysia)  
For FY2004: ¥7,025,081  
Total Expenditure: ¥21,119,944

This project was designed to upgrade the macroeconomic forecasting skills of Laotian policymakers, who have little experience with a market economy, while drawing on the experience of Malaysia, a neighbor that is a forerunner in economic development. Focusing on policymakers at the National Economic Research Institute, which was established under the Committee for Planning and Investment to handle such policy tasks as the drafting of five-year economic plans for Laos, the project members engaged in a variety of activities over a three-year period. They participated in workshops on economic forecasting models and field trips and conducted economic observation activities, including consumer-sentiment and business-trend surveys.

In fiscal 2002, the first year, macroeconomic workshops on surveying, forecasting, and monitoring were held in Vientiane over a five-day period for a group of 25 policymakers and researchers at the National Economic Research Institute, the Bank of the Lao People's Democratic Republic, the Ministry of Finance, the National Statistical Centre, and other organizations. In fiscal 2003, a small group of policymakers and researchers, most of whom had taken part in the previous year's activities, received one month of economic survey training in Kuala Lumpur under experts at the Malaysian Institute of Economic Research and undertook five months of practice in Laos.

This year, the last in the project, researchers at the National Economic Research Institute and others made use of the skills they had acquired in quarterly surveys of business outlook and consumer sentiment and they compiled quarterly reports on their findings. These surveys, which sought to acquaint the researchers with macroeconomic management activities, were conducted under the guidance of Malaysian experts. In addition, as a preparatory step for the creation of a macroeconomic monitoring unit under the State Planning Committee, six members of the committee and the central bank made a visit to Malaysia, where they observed the macroeconomic management setup and exchanged information with Malaysian policymakers.

By means of these activities, Laotian policymakers and researchers were able to familiarize themselves with real-life skills and know-how in surveying, analysis, forecasting, monitoring, and other aspects of macroeconomic management. As a result of the project, a solid start has been made in undertaking regular quarterly consumer-sentiment and business-trend surveys. The project also established a foothold for the formation of a network for building the human-resource foundation required for creating and operating a macroeconomic management organ in Laos. In such ways the project made meaningful contributions to getting macroeconomic forecasting and monitoring on track in that country.

(Final years of a 3-year project)

## 2. Human Resource Development

### Assistance for the Reform of Vietnamese Journalism Schools

School of Communication and Information, Nanyang Technological University (Singapore)  
For FY2004: ¥5,443,866  
Total Expenditure: ¥10,945,219

Journalism is coming to play an increasingly important role in the shift to a market economy and the evolution of a free and open society in Vietnam. The country's journalism is lagging behind international standards, however, in terms of news-gathering and -composing techniques, as well as with respect to the use of equipment and devices and in the area of such new media as online journalism. This project sought to elevate the overall quality of journalism education in Vietnam, including improvement of the curriculum in higher education. It aimed at acquiring a teaching methodology meeting international standards in both theory and practice.

Specifically, teachers at two leading institutions of higher education—the Vietnam National Universities in Hanoi and Ho Chi Minh City—were given short courses of intensive training, with 20 trainees from the two cities attending the classes in fiscal 2003 and 30 trainees in fiscal 2004. The subjects also received field training in Singapore. The instructors for the intensive training were dispatched from the well-known School of Communication and Information, Nanyang Technological University, in nearby Singapore, which like Vietnam is a country in which the government wields strong influence over the media but which has a fully developed market economy and a high level of democracy. Each year 10 of the trainees were selected for further study at Nanyang Technological University and were also taken on field trips to visit foreign media organs.

In the first year, the trainees received theoretical and practical instruction on subjects of international journalism, such as reporting, editing, and news gathering, and were provided with an assortment of reference materials and hints for curriculum improvement. The training in the second year built on that in the first year and included introductions to new fields, notably online journalism and government restriction of the Internet.

Upon completion of their training, the Vietnamese teachers started making use of the skills and knowledge they had acquired in their schools. This drew the notice of officials in the country's Ministry of Education and Training, helping to make the project one that was regarded highly in Vietnam. The teachers also prepared a university-level textbook on journalism in Vietnamese, and it was published in February 2005. This text, which was compiled with advice from the Nanyang Technological University instructors, makes the most of what the trainees learned over their two years of instruction about such subjects as the latest news-editing and -reporting techniques.

(Final year of a 2-year project)

## 2. Human Resource Development

### Research Capacity Building for Agricultural Economics in Vietnamese Universities

Hanoi Agricultural University (Vietnam)  
For FY2004: ¥4,300,315

While about 70% of the Vietnamese population is engaged in agriculture, the agricultural sector accounts for only some 25% of Vietnam's gross domestic product. The low productivity of this sector needs to be lifted quickly to ready the country for full participation in ASEAN Free Trade Area and entry into the WTO. This project seeks to strengthen research skills in the field of agricultural economics in Vietnam's universities and research institutions, which can play a key role in boosting production of farm products and strengthening competitive power in the world's markets.

In fiscal 2003, the economics departments of Hanoi Agricultural University, Can Tho University, and Thu Duc University, along with the Ministry of Finance's Institute for Market and Price Research, conducted family income and expenditure surveys in the Mekong Delta and three other regions. This year, these survey activities were continued and progress reports delivered at domestic and international conferences. During these conferences, discussion was devoted to the quality of the data collected and the application of analytical methods. The progress report at the international conference confirmed that under the guidance of advisors from other countries, all the survey teams had managed to significantly upgrade their analytical capabilities.

(2nd year of a 3-year project)

## 2. Human Resource Development

### Research Capacity Building for Economics in the National University of Laos

De La Salle University (Philippines)  
For FY2004: ¥3,744,000

Since the second half of the 1980s Laos has been pursuing market-economy policies in line with what it calls *chintanakhan mai* (literally, "new thinking"), and one of its targets has been the development of human resources. As part of this effort, in 1996 Laos opened its first state-managed university, the National University of Laos. In 2002 the Fund carried out the project International Textbook Production for Lao Higher Education and assisted the university in preparing teaching materials and training for young faculty members of the Department of Economics and Management. Capable instructors in Laos are still in short supply, however. This project is addressing the needs in this area by building the research capacity of instructors in the field of economic and financial management.

The project organized a workshop in August 2004 to provide lectures on the fundamentals of research methodology, with 35 members of the university's Department of Economics and Management taking part. Four groups of participants conducted research to produce papers on economic development in Laos, and presented the research outcomes at a meeting on February 16, 2005. These papers are now to be scrutinized and revised for publication in the *Lao Journal of Economics and Management*, which is put out by the faculty.

(2nd year of a 3-year project)



## 2. Human Resource Development

**Capacity Building in Strategic Decision Making: Lessons from the Development Experience in the Asia-Pacific Region**

Georgian Foundation for Strategic and International Studies (GFSIS) (Georgia)  
 For FY2004: ¥20,445,305  
 Total Expenditure: ¥26,334,045

Historically, the Caucasus has been a crossroads between the civilizations of the East and the West, with the civilizations of Asia and Europe and the cultural spheres of Islam and Christianity sometimes coexisting and sometimes conflicting. Today, more than a decade after the unraveling of the Soviet Union, the countries of the Caucasus region have gone through an economic transition. They remain troubled by political instability rooted in such factors as ethnic and territorial disputes, and confidence building still has a long way to go. In the South Caucasus the conflict between Armenia and Azerbaijan continues, virtually precluding civilian exchange between the two countries. Meanwhile, Georgia has managed to maintain good relations with both countries and is acting as a neutral buffer between them. This project, the first that SPF undertook in the Caucasus, made use of Georgia's advantageous geopolitical position in seeking solutions to the problems of the South Caucasus. The project focused on the following two activities.

(1) A training seminar for people involved in public affairs: The region's countries urgently need to foster the young people now becoming involved in public affairs, and yet they do not have the know-how or budgetary leeway to support such training. In each of the project's two years, 15 young leaders attended a two-week training seminar on such themes as "Security in the South Caucasus," "Economic Development in East Asia," and

"Regional Cooperation in Southeast Asia." The trainees were selected from public and nongovernmental organizations in Armenia, Azerbaijan, and Georgia. Special emphasis was placed on conveying the experience that East Asia had acquired through economic development, and the instructors were experts from Japan, South Korea, and Thailand. This seminar served to develop practical decision-making skills and build trust among the participants, and it also enhanced their interest in East Asia.

(2) A conference on national security issues in the South Caucasus: The first international conference of its kind to take place in the South Caucasus was held February 3–5, 2005. With the title "South Caucasus in the Twenty-first Century: Challenges and Opportunities," it drew 165 participants, including 135 people from 27 countries outside the region. President Mikheil Nikolaevich Saakashvili of Georgia gave a status report on his country's reforms. Other participants, including scholars and government officials, commented on issues in the region, offered analyses of its current geopolitical circumstances, and made proposals for achieving a peaceful resolution. They addressed such topics as the region's situation and prospects subsequent to independence, intraregional security and confidence building, and diplomatic initiatives toward the Caucasus region by Iran, Russia, Turkey, and Western and East Asian countries. Personal networks were established through informal conversations during the gathering, and contributions were made to building confidence among the peoples of the region. The fact that the project was supported by a Japanese foundation drew the attention of experts on national security issues from the South Caucasus as well as Europe, North America, and Russia.

The targeting of Georgia for this project was the first such initiative not only for SPF but for any Japanese institution. The project truly blazed a new trail.

(Final year of a 2-year project)



A scene from the training seminar held October 17–29, 2005, in Tbilisi. This was part of the "Capacity Building in Strategic Decision Making: Lessons from the Development Experience in the Asia-Pacific Region" project.

## 2. Human Resource Development

### Enhancing Distant Learning in Cambodian Rural Schools

American Assistance for Cambodia/Japan Relief for Cambodia (Cambodia)  
For FY2004: ¥5,411,100

The education system of Cambodia was demolished during the years of the Pol Pot regime, when schooling in anything other than communist ideology inculcation was prohibited. Even today, the country's literacy rate remains low, and the amount of education provided in remote regions in particular is meager. This project aims to remedy digital divides through support for computer-assisted learning with a mobile access point network. Ultimately, this project intends to create a model case for the improvement of schooling and literacy rates in rural regions.

This year the project targeted nine elementary schools in Pailin Province, home base of the old Pol Pot camp, and constructed a system for distance education and e-mail making use of wireless information technologies. This project also trained teachers in instructing pupils in using personal computers and sending and receiving e-mail. Apart from learning how to use computers, the students engaged in exchange and collected information via e-mail, and they gained knowledge in connecting with the world around them. Next year the project will broaden the area covered and enlarge the network.

(1st year of a 2-year project)

## 2. Human Resource Development

### Capacity Building for East Timor in ASEAN/AFTA

The Malaysian Institute of Economic Research (Malaysia)  
For FY2004: ¥4,025,079

Having recently achieved independence, East Timor needs to quickly foster human resources for managing the economy and international economic affairs, with its sights set on membership in ASEAN and entry into the ASEAN Free Trade Area (AFTA). This project, which makes use of workshops and training tours, seeks to familiarize economic policy officers of East Timor with the theory and practice of free trade institutions and regional economic participation and to deepen their understanding of the ASEAN economies.

The workshop this year took place July 14–16, 2004, in Dili, East Timor. A total of 30 officials of the Ministries of Foreign Affairs and Cooperation, Planning and Finance, and Development and Environment were provided with training on the general theory of free trade and the moves toward regional economic integration in AFTA and elsewhere. For the transfer of experience from the neighboring country of Malaysia, five selected workshop participants went on a training tour to Kuala Lumpur March 20–26, 2005. All the trainees gained a greater understanding of free trade and economic integration, and they got began collecting information, building networks, and in other ways preparing East Timor for entry into ASEAN and AFTA.

(1st year of a 3-year project)



**A workshop this year took place July 14–16, 2004, in Dili, East Timor. A total of 30 officials of the Ministries of Foreign Affairs and Cooperation, Planning and Finance, and Development and Environment were provided with training on the general theory of free trade and the moves toward regional economic integration in AFTA and elsewhere. This was part of the “Capacity Building for East Timor in ASEAN/AFTA” project.**

### 3. Research with Tangible Applications

#### Capacity Building and Promoting Exchange of Central Eurasian Young Leaders

The Sasakawa Foundation, EastWest Institute (U.S.A.)  
For FY2004: ¥27,623,978 (¥11,719,478 in self-operated program expenses)

This project is seeking ways to resolve issues facing the countries of Central Asia and the South Caucasus, such as stabilizing the political situation, building confidence for multilateral security, and achieving integration with the international economy.

Again this year the self-operated activities featured a forum, the tenth Issyk-Kul Forum, which was held in Beijing with the cooperation of the Chinese Academy of Social Sciences (November 11–12, 2004). The theme was “Central Asia and the South Caucasus: The Search for Stability and Economic Development.” Researchers from Britain, China, Indonesia, Japan, Russia, South Korea, Thailand, and the United States joined with Central Asian and Caucasian researchers, and policymakers in discussions of economic development, WTO membership, and the region’s relations with China, Russia, and the Asian region. By sharing thoughts on the points they had in common and the differences from each country’s perspective, the participants were able to deepen mutual understanding. The forum facilitated the promotion of confidence building and the formation of personal networks.

(2nd year of a 3-year project)

### 3. Research with Tangible Applications

#### Capacity Building and Promoting Exchange of Central Eurasian Young Leaders—Central Eurasian Leadership Alliance

EastWest Institute (U.S.A.)  
For FY2004: ¥15,904,500

This research and training project aims to cultivate the next generation of leaders in Central Eurasia, who will be responsible for achieving political stability in the region and building intraregional confidence for mutual security.

This year, with cooperation from professionals from a number of Western countries, the Central Eurasian Leadership Alliance Training Course for cultivating the next generation of leaders was conducted July 19–27, 2004, at Koç University in Istanbul. Half the participants were women, who will have a key role to play in future leadership. A total of 46 participants from Central Eurasian countries (Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan) and Afghanistan received lectures on such topics as the international situation, international cooperation, national security, multilateral economic cooperation, the environment, and democratization.

In addition, two more reunions were arranged in Georgia (May 5–9) and Kazakhstan (October 13–16). With the young leaders who attended the training program taking part, these events provided an occasion for exchanging opinions and information on regional issues and contributed to strengthening intraregional networks and building confidence through informal dialogue.

(2nd year of a 3-year project)

### 3. Research with Tangible Applications

#### Enhancement of Corporate Governance in Azerbaijan: Experience of Malaysia

The Sasakawa Peace Foundation, The Malaysian Institute of Economic Research (MIER) (Malaysia), Economic and Business Research and Education Center, Khazar University (Azerbaijan)  
For FY2004: ¥5,756,826 (¥2,011,476 in self-operated program expenses)  
Total Expenditure: ¥10,550,966 (¥3,162,166 in self-operated program expenses)

Azerbaijan, which gained independence with the collapse of the Soviet Union, still has large and midsize state-owned companies in oil and other industries as the central component of its economy. The country urgently needs to reform its economic structure, as by privatizing these companies, and to improve its corporate governance systems to raise productivity. In this context, the present project was designed to present opportunities for learning about privatization and corporate governance methods by drawing on Malaysia’s experience as well as to offer policy proposals on corporate governance systems and management methods.

In fiscal 2003 a six-person research group led by professors at Khazar University was formed. The group conducted research on corporate governance systems and went on a field trip to Malaysia.

This year, the group conducted a questionnaire survey of 120 Azerbaijani companies from April to December 2004, collected information from them on corporate accounting, and interviewed the top executives at 20 of the companies. After analyzing their findings at five group meetings, the researchers concluded that the corporate governance models used in advanced countries could not be applied as they are in Azerbaijan, where the few existing stock companies tend to be owned by individuals and families. Even in cases where state-owned companies have been turned into privately owned stock companies, managers have become the dominant shareholders because of the nation’s unconsolidated stock company system. Although there are cases in which certain employees also hold shares, there are almost none in which outside investors have become shareholders. This feature became particularly noticeable when the researchers compared it with their findings on the management structure of Malaysia’s state-owned companies, which they investigated in the first year.

A workshop with the theme “Problems of Corporate Governance in Azerbaijan” was held in Baku February 16, 2005, for the presentation of policy proposals on improving corporate governance. Among those invited were some 30 government officials, business leaders, and scholars. Executive Director Mohamed Ariff of the Malaysian Institute of Economic Research and Professor Kim Kee-young of Yonsei University were invited as lecturers. The research group presented policy proposals concerning (1) adopting a corporate accounting system in line with international standards, (2) building a corporate information disclosure system, (3) preparing an external auditing system, (4) reforming legal provisions on labor-management relations, (5) reforming legal provisions on corporate disputes, and (6) providing education on the concept of corporate governance in the judicial system. These recommendations were submitted to the Ministry of Economic Development, and the executive director of the Anti-monopoly Department promised that they would be given close attention.

(Final year of a 2-year project)



### 3. Research with Tangible Applications

#### **Toward a Strengthened Regional Cooperation in Asia**

The Sasakawa Peace Foundation, Research and Information System for the Non-aligned and Other Developing Countries (RIS) (India)  
For FY2004: ¥17,252,863 (¥7,063,278 in self-operated program expenses)

This project aims to promote policy studies, as well as to disseminate the research results and to raise awareness of the issues crucial to the formation of an Asian Economic Community, which is expected to serve as a comprehensive framework for economic cooperation in the region. The key study areas include trade, investment, finance, currency, energy, and technology transfer.

This year the self-operated project invited Dr. Rajiv Kumar, chief economist at the Confederation of Indian Industry, to serve as advisor and commissioned research on the following three themes related to building an Asian Economic Community: (1) the roles of India and Japan in regional cooperation in South Asia; (2) the roles of India and Japan in enhancing cooperation among ASEAN, Japan, and South Asia; and (3) reconsideration of Japan's Asia policy, particularly toward China and India. The project's research and advice are expected to contribute to gradually strengthening the intellectual platform for addressing common problems in the Asian region and creating a framework for cooperation with the international community.

(2nd year of a 3-year project)

### 3. Research with Tangible Applications

#### **Toward a Strengthened Regional Cooperation in Asia—Toward an Asian Economic Community: The Way Forward**

Research and Information System for the Non-aligned and Other Developing Countries (RIS) (India)  
For FY2004: ¥10,189,585

The Research and Information System for the Non-aligned and other Developing Countries, one of India's premier think tanks, is conducting this project in the belief that India's constructive involvement will be crucial to the formation of an Asian Economic Community.

The following activities were conducted this year: (1) policy research on common issues, such as the roles of ASEAN, China, India, Japan, and South Korea in East Asian economic integration, interdependent relations between East Asia and India, and the strategic importance of Asian economic integration; (2) continued operation of the website New Asia Forum ([www.newasiaforum.org](http://www.newasiaforum.org)), which promotes research collaboration and policy discussion among institutions and specialists in the target region (ASEAN, China, India, Japan, and South Korea) based on the results of the first activity; (3) publication of three more issues of *New Asia Monitor*, a newsletter dedicated to sharing policy research results and new information; and (4) holding of an international conference in Tokyo (November 18–19, 2004, with some 60 politicians, policymakers, scholars, and others in attendance) to disseminate the results of the policy research in Japan and promote the formation of an Asian Economic Community.

(2nd year of a 3-year project)

### 3. Research with Tangible Applications

#### **Capacity Building for Development in Central Asia and Caucasus**

The Sasakawa Peace Foundation  
For FY2004: ¥22,599,889

SPF has been providing assistance to Central Asia and the Caucasus since fiscal 1994 in support of the efforts to build a framework for cooperation in the region and remove the obstacles to economic development.

This year a research team composed of specialists from the region conducted policy research on domestic institutional reform and economic development in the target countries, many of which are members of the Shanghai Cooperation Organization. An international conference on the theme "Key Political Issues in South Caucasus and Central Asia" was held in Yerevan, Armenia, June 24–25, 2004. In attendance were some 30 researchers and specialists from East Asia, Central Asia, and the Caucasus and officials of the Armenian government; they exchanged views on domestic problems in the region and interregional cooperation. The project members also put effort into the transmission of information from the region by posting the papers prepared by the research team on the website [www.spf-issykkul-forum.org](http://www.spf-issykkul-forum.org), created in cooperation with Aki Press, a Kyrgyzstan media organ, and issuing an electronic newsletter.

(5th year of a 6-year project)

### 3. Research with Tangible Applications

#### **Toward a New Partnership between Russia and Japan in Asia**

The Sasakawa Peace Foundation, North Pacific Region Advanced Research Center (Japan)  
For FY2004: ¥8,232,970

During President Vladimir Putin's second term, Russia has been making good progress toward domestic political stability and economic development. But Russia's foreign policy continues to focus primarily on the West, and it has a shortage of researchers specializing in relations with Japan and other Asian countries. Japan, meanwhile, also has a shortage of researchers specializing in Russian affairs. In view of the fact that cooperation between Russia and Asia, Japan included, can contribute greatly to regional security, there is a need to foster young Japanese and Russian researchers and to strengthen their capacity to conduct policy research and disseminate information cooperatively. The primary objective of this project is to foster young Japanese researchers specializing in Russian affairs. Seeking to promote exchange between them and researchers in Russia and other parts of Asia and making use of international conferences at which they can present papers and engage in discussion, the project aims to offer them opportunities to become involved in activities on the international stage.

This year a group of 15 young Japanese researchers and established experts on Russian affairs got together in monthly workshops. A joint seminar took place in October 2004, with lecturers invited from China and Russia. The seminar was devoted to Russia's foreign policy and domestic economic policy, with special emphasis on Sino-Russian relations.

(1st year of a 3-year project)

### 3. Research with Tangible Applications

#### Toward an Alternative Transitional Development State Paradigm

Faculty of Economics, Chulalongkorn University (Thailand)  
For FY2004: ¥9,964,995  
Total Expenditure: ¥21,042,280

This project involved comparative analyses of the formulation and implementation of development strategy—and of the policies and institutions of the market-economy system—that had evolved to fit the cultural, social, and political context of the five target countries (Indonesia, Malaysia, the Philippines, and Thailand, all original members of ASEAN, and also China). The goal of the project was to produce materials that may be of use to developing countries in the design of economic systems and the refinement of development strategies. A research team composed of a political scientist, an economist, and a sociologist was organized in each country, and the teams conducted surveys and research over a two-year period.

In fiscal 2003, the first year, the participants got together at a coordination meeting in Bangkok to decide on a framework for their surveys and analyses, drawing on the fiscal 1997–99 project Rethinking the Development Paradigm: Lessons from Japan and Asian NIEs. Using this framework, they then embarked on a review of the literature, interviews, and other research activities. At a conference in Bangkok in January 2004, the teams presented interim reports on the studies in each country. Other researchers and representatives of international development agencies were also in attendance, and they examined the findings from multiple perspectives and offered suggestions for improving the quality of the research.

The research continued in the second year, and country reports were prepared. An international conference was held in late January 2005 at Chulalongkorn University, Thailand, for presentation of the findings. Some 100 people were in attendance, including Thai researchers and policymakers, and Bangkok-based representatives of the United Nations Industrial Development Organization and other international development agencies. After being supplemented and revised in response to points raised at the conference, the final country reports are scheduled to be published for commercial distribution in around the middle of 2005 by the National University of Singapore.

By systematically reviewing and analyzing the development experiences in the four Southeast Asian countries and China, this program of research activities contributed to the intellectual endeavor of reappraising the development stories of these countries. It also produced useful reference material for policymakers and researchers involved in formulating development strategies and policies in other developing countries, which have points in common with the target countries with respect to development's social context. At the same time, the project helped strengthen networks among the researchers and policymakers who, whether directly or indirectly, took part in the collaborative studies, and thus contributed to building a foundation for development experience research in the region.

(Final year of a 2-year project)

### 3. Research with Tangible Applications

#### Role of Mongolia for Peaceful and Stable Development of Northeast Asia/Phase II

Mongolian Development Research Center (MDRC) (Mongolia)  
For FY2004: ¥7,519,385

When consideration is given to the role that can be played by Mongolia, a country of great geopolitical significance to the Northeast Asian region, it is necessary to consider a mechanism for cooperation in the region. This project involves research on Mongolia's development and its relations with neighboring countries from the perspective of enhancing trade and investment.

This year, an international workshop with the theme "Fostering Entrepreneurs" was held in August 2004. Approximately 70 participants, including experts from China, Japan, Russia, Singapore, and South Korea, discussed regional cooperation between Mongolia and its Northeast Asian neighbors and business activities in the region. In November, two members of the Mongolian parliament visited Malaysia and Singapore to study how entrepreneurs have been fostered in Southeast Asia. In March 2005 an international conference was organized to consider development of the private sector in Mongolia and other Northeast Asian countries. The discussion focused on the development experience of Mongolia's neighbors, including China, Japan, and South Korea, and regional cooperation. The papers presented were compiled into a book, which was distributed widely to Mongolian government officials and members of the parliament, as well as other quarters.

(2nd year of a 3-year project)



As part of the "Toward an Alternative Transitional Development State Paradigm" project, an international conference was held in late January 2005 at Chulalongkorn University, Thailand, for presentation of the report findings.

### 3. Research with Tangible Applications

#### Tokyo Seminar: The New Northeast Asia

Economic Research Institute for Northeast Asia (ERINA) (Japan)  
For FY2004: ¥7,576,100

This project was conceived to meet the need to turn the subject of cooperation between Japan and its Northeast Asian neighbors, which heretofore has been addressed mainly by local governments and research institutes facing the Sea of Japan, into the focus of an ongoing, animated debate on the national level.

This year the project, which is being implemented by the Economic Research Institute for Northeast Asia, organized a series of five seminars in Tokyo on the theme “The New Northeast Asia,” making use of the institute’s achievements in personal exchange and cooperation with Northeast Asian countries. With policy experts from China, Russia, South Korea, the United States, and other countries taking part, the participants scrutinized security issues and economic cooperation.

These seminars served as a channel for disseminating information concerning Northeast Asia among policy-makers, business leaders, and researchers in Tokyo, where such information has been scarce, and helped spread awareness that the whole nation’s attention needs to be directed at Japan’s position as a member of the Northeast Asian region. Thus far thought has tended to be given only to the bilateral relations between Japan and its Northeast Asian neighbors, but now, it has become clear, thought must also be devoted to multilateral relationships at the national and local levels, as well.

(1st year of a 2-year project)

### 3. Research with Tangible Applications

#### Russian Far East in the Asia-Pacific Region

Economic Research Institute, Far Eastern Branch of the Russian Academy of Sciences (Russia)  
For FY2004: ¥6,579,200

Economic integration of the Russian Far East into the Asia-Pacific region has been making headway ever since Russia underwent a regime change, but many critical issues in such areas as trade, investment, and population movement have yet to be dealt with. Viable policy proposals on regional economic cooperation need to be put forward; toward that end, further light needs to be shed on Russia’s bid to become a member of the WTO and on the situation in the Russian Far East and the larger Asia-Pacific region. In this context, the present project has organized a research team centered on personnel of the Economic Research Institute of the Far Eastern Branch of the Russian Academy of Sciences, which is based in Khabarovsk. Enlisting the cooperation of other research institutes in the Asia-Pacific region, the team plans to draft policy recommendations concerning the Russian Far East’s economic development strategy and regional integration.

This year Russian researchers conducted research on such subjects as energy security, Russia’s entry into the WTO, and economic integration into the Asia-Pacific region. They discussed their findings with researchers from around the Asia-Pacific region at a workshop.

(1st year of a 3-year project)

### 3. Research with Tangible Applications

#### Interaction for Progress: ASEAN and Myanmar/Phase II

Information & Resource Center (Singapore)  
For FY2004: ¥16,233,300  
Total Expenditure: ¥41,970,636

Dialogue is in progress on multiple levels to resolve the various issues related to Myanmar. This project sought to promote the dialogue on two levels: regional dialogue between Myanmar and its partners in ASEAN and dialogue within Myanmar between the government, represented by the State Peace and Development Council (SPDC), and the opposition, notably the National League for Democracy (NDL).

In the first year the Asia Innovation Forum, which was held on Bali, drew 55 participants from 10 countries including Indonesia, Malaysia, and Singapore as well as Myanmar, and a lively exchange among ASEAN’s members took place. Neither the SPDC nor the NDL took part in this meeting, but other participants from Myanmar contributed actively to the discussion, which helped build relations of trust. The report on the forum was distributed widely to all concerned quarters.

In the second year the Asian Dialogue Society was formed, with Thai Member of Parliament Sukhumbhand Paribatra serving as its chair, and it produced a fairly specific set of policy proposals based on the “road map” unveiled by the Myanmar government. This document was handed to Senior General Than Shwe, chairman of the SPDC, and then–Prime Minister Khin Nyunt, and it was also published on the website [www.asiandialogue.com](http://www.asiandialogue.com). The society has put effort into public relations activities. For instance, its members visited Japan when an ASEAN summit was held there so as to take the opportunity to publicize their proposals. They made a presentation to House of Councillors member Keizo Takemi and held a seminar to report on their proposals. Owing to conditions on the Myanmar side, however, the Myanmar Ministry of Foreign Affairs officials attending the summit were unable to join the members of the Asian Dialogue Society in a meeting that had been planned to discuss implementing the proposals and promoting dialogue.

This year, the project’s last, members of the Asian Dialogue Society and other concerned people gathered in two sets of informal meetings, one with the theme “Building a Better Asia: Dialogues on Culture and Human Security” (February 11–17, 2005, in Goa, India) and the other with the theme “China–Southeast Asia Relations with a Focus on Myanmar” (April 29–30, 2005, in Kunming, China). Among the issues treated were security among the three countries of China, India, and Myanmar; economic, social, and cultural relations between China and Southeast Asia; and common concerns of ASEAN and China vis-à-vis Myanmar. An informal dialogue was planned in Mandalay to bring Myanmar political figures together with ASEAN opinion leaders, but it had to be canceled because of developments within Myanmar, including Khin Nyunt’s removal from office.

Appeals were made to the Myanmar government throughout the three years to open a dialogue between the SPDC and the NLD. Owing to changes in the circumstances in and around the country, however, this effort did not bear fruit during the project period.

(Final year of a 3-year project)



### 3. Research with Tangible Applications

#### Support for Azerbaijan's Bid for WTO Membership

Economic Research Center (Azerbaijan)  
For FY2004: ¥3,313,200

Having embarked on the road to becoming a market economy upon the unraveling of the Soviet Union, Azerbaijan is preparing for entry into the World Trade Organization (WTO). This project aims at examining the domestic impact that WTO membership will provide. It is hoped that the results will be of assistance in the accession negotiations.

To assess the costs and benefits of the membership and the necessary institutional reforms, Azerbaijan's Economic Research Center has been conducting interviews with Azerbaijan government officials and corporate representatives and studying the experience of countries with similar political and economic features that have already joined the WTO. The research team plans to create reference materials for the policy debate over Azerbaijan's accession to the WTO.

The research team began collecting materials from domestic sources this year. At the same time, it selected Turkey and Kyrgyzstan for comparative field studies. Collaborating with such media organizations as Millet in Turkey and Aki Press in Kyrgyzstan, the team investigated the effects of membership of the WTO in these countries. Pulling together the results of this research in the next year, the research team will prepare policy recommendations on WTO membership for the Azerbaijan government.

(1st year of a 2-year project)

### 3. Research with Tangible Applications

#### Development of Teaching Materials for EOD and Demining

Japan Mine Action Service (JMAS) (Japan)  
For FY2004: ¥2,888,150

It is said that as many as 100 million mines lie buried in the earth of the world's war-ravaged countries. Their presence is a serious impediment to state reconstruction. This project is supporting the development of teaching materials for the training of personnel in land mine removal and explosive ordnance disposal (EOD).

This year the project members conducted studies in Japan and overseas with the primary objective of collecting information for the preparation of teaching materials on demining and EOD. Making use of interviews at facilities of Japan's Self-Defense Forces, they learned about the structure and functions of unexploded mines and bombs, techniques for their demolition and disposal, government procedures and regulations (including laws and ordinances) in the area of training for handling hazardous objects, and other matters pertinent to the writing of textbooks. They also visited the Cambodia Mine Action Center, where work is in progress to remove mines along the border between Cambodia and Thailand. There they were able to collect information on the types and characteristics of Chinese, Russian, and other mines, about which little is known in Japan, and observe how demining teams are managed and operate in the field. The work of writing texts based on the information assembled is already in progress.

(1st year of a 3-year project)



As part of the "Development of Teaching Materials for EOD and Demining" project this unexploded ordnance was found in a dried-up river bed. (Photo courtesy: Japan Mine Action Service)