

The Seventeenth Edition of Roundtable Japan

Confronting Heightened Strategic Challenges Tokyo, 19-20, October 2021 (Exceptionally hosted online)

As of 10 September 2021

Tuesday October 19, 2021	
16:00 – 16:05 (JST) 3:00 – 3:05am (EDT)	Welcoming Remarks
16:05 – 17:35 (JST) 3:05-4:35am (EDT)	<p><i>The global economic picture and its implications for Japan</i></p> <p>Vaccine access is delineating the fault lines between advanced economies and China, looking at further consolidation of their economic recovery over the coming period, and developing and emerging market countries struggling to revive activity and far off from getting back to pre-pandemic levels. Japan's economy grew at an annual rate of 1.3% in the last quarter, raising hopes for a gradual recovery. However, geopolitical risks and the rise of COVID infections keep business and political decision-makers on edge, while speculations about when the Federal Reserve and the ECB will start tapering their extra-loose monetary policy are adding to the uncertainties.</p> <ul style="list-style-type: none"> • Assessing the drags on the economy • Can Japan continue to count on solid export growth in the coming period? • How to look at Japan's 2022 growth prospects in the context of an uneven global recovery?
17:50 – 18:50 (JST) 4:50-5:50am (EDT)	<p><i>Post Olympics, post Suga...still Covid</i></p> <ul style="list-style-type: none"> • A turning point in Japan politics? • What implications from the elections results? • What possible changes, what areas of continuity?

<p>19:05 – 20:05 (JST) 6:05 – 7:05am (EDT)</p>	<p><i>Realizing the “green society”: What the goal of cutting emissions by 46% from 2013 levels means?</i></p> <p>Prime Minister Suga was responding to international and domestic pressures when he announced, prior to the Climate Change virtual summit last April, Japan’s new target of a 46% cut of CO2 emissions by fiscal 2030 compared to 2013, and that the country would “strive toward the higher goal of 50% reduction”. Achieving this kind of target means putting in place a full range of domestic policies and measures with a radical impact for business and society such as boosting an already high energy efficiency, accelerating the adoption of electric vehicles, a radical reform of the power sector highly dependent on fossil fuels which emits 40% of the country’s emissions, moving much faster to deploy more renewable energy sources, introducing an effective carbon pricing, etc.</p> <ul style="list-style-type: none"> • Can the goal be achieved without more nuclear plants restarts? • What is required to get renewables accounting for 36-38% of power supplies in 2030 ? • What could be the impact of the BoJ plan to boost preferential funding for fighting climate change ?
<p>20:15 – 21:30 (JST) 7:15 – 8:30am (EDT)</p>	<p><i>Can Japan afford to align itself so much with the US on the China issue?</i></p> <p>Looking at it from the outside, Japan seems at risk of acute schizophrenia between its geopolitical and its economic imperatives: While the country is aligning ever more closely with Biden anti-China policy, Japan's economy is increasingly dependent on China - now the country's largest export destination, replacing the United States - and accounting for 22.9% of Japan's total exports. Until recently Japan’s China policy has been successful in succeeding at not provoking China too brashly thus ensuring Beijing’s acceptance of a hedging policy towards the two super-powers. This was also made possible by China’s keen interest in Japan’s investments and technology. However, this balancing act is becoming increasingly difficult to sustain as the Suga government is now aligning itself even more fully with elements of the Biden China policy which are seen as most offensive by Beijing.</p>

	<ul style="list-style-type: none"> • Does Japan have the adequate policy-making structure to align its national security and economic priorities and needs? • Can Japan continue its rapprochement with Taipei as the US-China rhetoric gets more and more inflammatory without increasing risks to its own security? • What can corporate Japan do to mitigate the risks created by this dichotomy between the macroeconomic and the geopolitical factors? • How long can Japan align more closely with the US on security issues while increasing its business with China?
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Wednesday, October 20, 2021	
<p>16:00 – 17:00 (JST) 3:00 – 4:00pm (EDT)</p>	<p><i>Corporate governance after the Toshiba scandal: Time for a status report as corporate Japan gets serious about ESG</i></p> <p>The Toshiba scandal, last June, rocked not only corporate Japan but also the government and public perceptions at large. Many observers have seen the Toshiba outcome as helping to push for more advances on corporate governance, emboldening activist investors. This also offers a good opportunity to assess where corporate governance developments stand in Japan, since the Corporate Governance Code entered into force in July 2015 and what next steps are needed. This comes at a very timely moment as corporate Japan is now under pressure to comply with ESG - Environmental, Social and Governance - factors as a set of standards and requirements increasingly seen as a <i>must</i> by investors, consumers and stakeholders. JPX has published a Handbook for ESG disclosure to support listed companies on ESG disclosure, linking their mid- to long-term corporate value improvement to their sustainable growth.</p> <ul style="list-style-type: none"> • Sorting out the reality from the rhetoric on the last 10 years of reform efforts • What actions must come next to ensure better compliance monitoring and supervision? • How the increasing pressure to comply with ESG requirements could become a transformational factor of corporate governance?

<p>17:15 – 18:15 (JST) 4:15 – 5:15pm (EDT)</p>	<p><i>Accelerating Digitalization as Japan priority in the fight for productivity gains</i></p> <p>According to a White Paper from the Internal Affairs and Communications Ministry only 13% of Japanese companies are working on digitization – against 60% in the US. The lack of human resources remains an obstacle to the process of digital transformation and the government considers that there will be a shortage of about 450,000 personnel in the information and communication sector by 2030. The government has been issuing Information Technology and digital transformation plans since the 1990s, but with scant progress due, among other things, to a silo approach. In May 2021 a Digital Agency has been created to centralize the government’s digitization push. It will also work with the private sector and local governments to advance digitization, implement electronic signatures and business registration, and help the Cabinet Secretariat execute Japan’s broader technological strategies.</p> <ul style="list-style-type: none"> • Do we see a concerted effort between government and business to provide the needed boost to the digitalization process? • What changes of mindset and business cultures to go from “digitization” – moving from human-based to machine-based work using the internet - to digitalization – technology + new business models? • Achieving digital government as a prerequisite for real transformative digitalization.
<p>18:30 – 19:30 (JST) 5:30 – 6:30pm (EDT)</p>	<p><i>The leap forward that achieving genuine gender diversity would mean for Japan</i></p> <p>Despite well-intended policies for promoting the role of women in Japan’s economy and society, such as the un-met target announced in 2003 to have women holding 30% of leadership and management positions, multiple examples attest regularly that the gender gap remains as wide as ever in Japan. Only around 11% of seats on corporate executive boards are held by women and the country is at the bottom position among the developed countries in this domain. This is even more damaging that a significant part of the solution to the country’s demographic challenges is to ensure an even greater female participation – already at close to 73% against an OECD average of 65% - in the workforce. A number of examples in various countries show that rising female participation does not only result in higher GDP but</p>

	<p>also bring an higher productivity, thus boosting potential GDP growth. In the same way, a greater female participation in politics would provide a platform to the voices of Japanese women to help address some acute female specific issues such as sexual harassment and childcare provision.</p> <ul style="list-style-type: none"> • What are the obstacles and what are the needed actions for boosting female leadership in the corporate world ? • What measures to address the inequality of opportunity in the workplace ? • How to correct the fact that female workers have been the biggest losers with respect to the impact of Covid on the job market? • What should be done to fix the enormous gender gap in Japan's politics?
<p>19:45 – 20:45 (JST) 5:45 – 6:45pm (EDT)</p>	<p><i>Lessons on resilience and bouncing back</i></p> <p>While the overall shock of Covid has been quite traumatic – sometimes a near-death experience - for many companies, whether well established businesses or startups, a majority of them have survived. And many have even thrived. It's not too late for other peer entrepreneurs to share experiences, learn from the initiatives and practices that made those companies successful in the face of adversity ... and consider what lessons this holds for the future.</p> <ul style="list-style-type: none"> • Leveraging pandemic-spurred needs as a new boost for startups development and funding • Listening to companies which have weathered the pandemic to develop strategies for transformation and long-term growth. • What leadership for the post-Covid era?