

# Opinion

第3種郵便物認可

## EDITORIALS

### New economic policy

Growth projections should be more conservative.

Monday's Cabinet reshuffle has changed key members of Prime Minister Shinzo Abe's economic policy team, including the chief architect, Hidenao Nakagawa, who played that role during the first year of the Abe administration as the Liberal Democratic Party's secretary-general, has left the post. Now, the job has apparently been taken over by Kaoru Yosano, the new chief Cabinet secretary.

Nakagawa and Yosano agree on the short-term goal of achieving a primary balance surplus—meaning all government outlays other than net interest are covered by tax revenue—in fiscal 2011. But they disagree on how to achieve the target.

Nakagawa has been a leading champion of a strategy aimed at stoking economic growth as the best cure for the budget deficit. Yosano, in contrast, has been focusing more on fiscal rectitude and calling for measures to ensure steady progress based on more conservative growth projections.

The economic and fiscal policy outline announced in July last year by the former administration of Junichiro Koizumi set the direction for the government's economic management. It contains an important compromise between the two policymakers, namely a forecast of average annual nominal growth at 3 percent in the years to fiscal 2011.

When the policy was announced, Nakagawa was the LDP's Policy Research Council chairman, while Yosano was state minister in charge of economic and fiscal policy. The two men were both responsible for developing the policy outline.

We have criticized this projection as an example of wishful thinking.

Proponents of the pro-growth economic policy maintain that continued economic expansion will increase tax revenues from businesses and other sources. That will make it easier to improve fiscal conditions and finance social security spending for the aging population, including expenditures on public health care and pension programs. This is also a rosy scenario for taxpayers and companies.

In actuality, however, Japan's nominal gross domestic product decreased for two years in a row from fiscal 2001 and posted paltry growth of around 1 percent in the following years. If the government bases its economic policies on optimistic growth forecasts,

its plan for fiscal reconstruction could collapse when the economy cannot live up to such expectations.

At a news conference after the Cabinet reshuffle, Yosano said the government may need to reassess the feasibility of the fiscal target.

"The Cabinet may have to look again into whether a primary surplus can really be achieved (in fiscal 2011) while rethinking some of the assumptions," he said.

If Yosano, as the new chief architect of economic policy, is trying to increase the chances of the fiscal reform plan's success in a policy based firmly on his economic tenets and more conservative growth projections, we support him.

But changing these projections will be very difficult. If the government doesn't count on a natural increase in its tax receipts due to economic growth, it must consider further spending cuts or tax hikes.

However, a growing number of ruling party politicians, with an eye on the next Lower House election, want to end the government's campaign to trim public works and social security expenditures.

A sweeping overhaul of the nation's tax system, including the consumption tax, is indispensable for securing necessary tax revenue. But this is also a tough political challenge, with the Upper House now controlled by the opposition camp led by Minshuto (Democratic Party of Japan). The government cannot enact any legislation for tax reform without the support of the opposition parties.

Putting the nation's public finances back in shape is a task that can be accomplished only through bipartisan cooperation between the ruling and opposition camps. Fortunately, there is consensus between the LDP and Minshuto over the target of a primary surplus in fiscal 2011.

The two parties should agree to work together to make that happen and bind themselves to the target by passing a Diet resolution or a bill.

After that, the parties should take such priority measures as scrapping tax incentives for securities investments or freeing up tax revenues earmarked for road construction for general use. That would set the stage for radical reforms of the entire tax system including consumption tax and the social security system.

—The Asahi Shimbun, Aug. 30

### Korean hostages

Crisis hurt reconstruction efforts in Afghanistan.

At long last, the crisis over South Koreans being held hostage in Afghanistan is moving toward a settlement. The South Korean government has been negotiating with the Taliban, which formerly ruled the landlocked country, to release the remaining captives. Some have already been freed, and the rest are likely to be released in a phased manner.

In mid-July, Taliban militia forces seized 23 volunteers of a South Korean Protestant church. During this time, two men, including a priest, were killed and two were released. There was growing anxiety for the safety of the remaining hostages as the crisis wore on. We are delighted that the remaining hostages will soon be allowed to go home. The hostage crisis, however, had a major impact on efforts to help with Afghanistan's reconstruction. It also provided a serious lesson for people involved in such work.

In exchange for the return of the hostages, the South Korean government announced that it had agreed to withdraw its troops by the end of the year and stop Christian missionary work in Afghanistan. As the withdrawal of troops had already been decided, this hardly amounts to a concession on the part of Seoul. The suspension of missionary work is also a reasonable measure, given that Afghans are predominantly adherents of Islam.

What does remain unclear is what other negotiations went on behind the scenes. Although the South Korean government has refused to offer details, Afghan government sources have admitted that the Taliban side had demanded a ransom. In past hostage situations involving foreign nations, it is said that ransoms were also paid. In this case, it is possible that a large amount of cash changed hands.

Since the lives of many hostages were at

stake, we can understand it would have been difficult to refuse point-blank to pay a ransom. The problem is that paying a ransom could encourage similar incidents. We are worried that the settlement could have a negative impact and expose United Nations officials and personnel of nongovernmental organizations engaged in relief activities in Afghanistan to greater danger.

Still, international efforts to help Afghanistan to get back on its feet must not slow down. Afghanistan is the starting point of the war on terror and we must help it recover so that it remains stable and free.

Unlike the situation in Iraq, the international community is united in its effort to reconstruct Afghanistan. It has held conferences for reconstruction support in Tokyo, Berlin and London and injected huge amounts of aid. Japan has also spent more than \$12 billion (about 140 billion yen) for the cause. The reconstruction of infrastructure in urban areas has made considerable progress. From now on, detailed support for rural communities is needed. In fact, we are about to enter a crucial stage of reconstruction and this is no time to start stalling.

In providing support, we must refrain from making conspicuous moves as foreigners. We should strive to build a relationship of trust with local residents and take care not to trample on religious feelings or cause friction in other areas. It is only through such consideration that we can reduce the risks.

For now, we have no choice but to rely on the International Security and Assistance Force mainly comprised of European forces and the U.S.-led "coalition of the willing" to maintain peace and order in Afghanistan. In the meantime, Afghan national forces and police should be rebuilt so that relief workers can move more freely and safely.

—The Asahi Shimbun, Aug. 30

Special to The Asahi Shimbun

It has been almost one year since Shinzo Abe became prime minister. In light of the LDP's humiliating defeat in the Upper House election in July, the mood in the Kantei (the Prime Minister's Official Residence) as the new Cabinet gathers may be closer to that of a wake than of a celebration. But as Abe finishes his first year in office, how should we assess his performance?

Unlike many politicians Abe did not appeal to voters by highlighting bread-and-butter issues. His main concern has been with breaking away from the "postwar regime." His other signature issue has been the abduction of Japanese citizens by North Korea. One year later, what has he achieved?

Putting an end to the "postwar regime" is an ill-defined term. In Abe's mind, the phrase seems to imply turning society toward a more conservative and patriotic direction. For some Japanese, the postwar regime consists of ill-advised foreign implants imposed by the U.S. Occupation on Japan after World War II. They, therefore, wish to remove them. Another goal is to give Japanese security policy more leeway by loosening some of the constitutional limits on the use of military force. Abe's agenda to fulfill this aim includes revising the Constitution, in particular Article 9 (the renunciation of war clause).

Making Japanese education more patriotic has been another plank of

his platform. This fits with another goal of ending the postwar regime, which is to counter the "masochistic view" of Japanese history. The prime minister himself has been ambiguous on history.

Nevertheless, some of his statements and his courtesy call on the son of Judge Radhabinod Pal, the only member of the Tokyo war crimes tribunal who voted to acquit all those standing trial, and a relative of Subhash Chandra Bose, an Indian in the service of Nazi Germany and imperial Japan during World War II, indicate that Abe disagrees with the official postwar view that condemns the actions of imperial Japan during the war.

Unfortunately for the prime minister, Japanese voters are satisfied with the postwar order. Even if they are unhappy with economic conditions, they do not appear to see the present Constitution as the source of their problems. There are many voters who favor constitutional amendments or want more patriotism in society; but they care more about pensions, health care and other pocketbook issues.

The Upper House election was a clear statement from the public that they do not share the Abe's priorities. It does not indicate that the electorate rejected his views but clearly shows that voters were not on top of their agenda when went to the ballot box.

Besides his long-standing interest in changing the Constitution, Abe has been the point man on the abduction

issue. He has championed the cause of the families of Japanese whom North Korean agents seized. It was always difficult to see how this tragedy could be solved.

It is very difficult given the nature of the abductions to predict how North Korea could free the victims. Abe's only hope was that pressure on Pyongyang might free some of the abductees or provide compensation to the victims. For this policy to have some hopes of succeeding, the Abe administration needed the support of the United States, a reasonable assumption given President George W. Bush's repeated condemnation of Kim Jong Il.

But in February 2007 the United States adopted a softer policy toward the North, signing a landmark agreement with Pyongyang on denuclearization. This has left Japan isolated against a new coalition of China, South Korea and the United States, who support cooperation (some would say appeasement) toward North Korea. At this stage, the changes of making progress on the abduction issue are, therefore, close to zero.

Another task facing Abe when he succeeded Junichiro Koizumi was to mend relations with China. In this regard, he has made progress. Despite his own revisionist views on



Robert Dujarric

the past, Abe has so far abided by the Chinese wish for him to stay away from Yasukuni Shrine. But the Sino-Japanese relationship is far more complex than just Yasukuni.

But by ending the self-destructive Koizumi tradition of pilgrimages to Yasukuni, Abe has helped strengthen Japan's position vis-a-vis China. By doing so he has also avoided further damage to Japan's image throughout the world, including in the United States.

Despite a new law on education, Abe appears to have failed in his bid to break away from the postwar regime, nor has he achieved much for the victims of North Korea. He has, however, improved relations with Beijing. But at the one-year mark, what is striking are the challenges which the prime minister has not dealt with. Japan's major predicament is not the postwar regime. It is the demographic death spiral.

Yet, like his predecessors, Abe has shown little interest in figuring out how women can better contribute to the economy nor has he proposed any radical new thinking on immigration, which the country needs. In this sense, like most LDP and Minshuto (Democratic Party of Japan) politicians, Abe has declined to show leadership in the face of the greatest threat to the welfare of the Japanese people.

The author is director of the Institute of Contemporary Japanese Studies at Temple University's Japan Campus in Tokyo.

## More incentives needed to fight climate change

The fight against global warming has received some unexpected supporters: Australia and the United States, the only two developed countries that have so far refused to ratify the Kyoto Protocol.

Australian Prime Minister John Howard has said his country will seek to guide some of the world's biggest polluters to a new consensus on tackling climate change at next week's Asia-Pacific Economic Cooperation (APEC) forum in Sydney.

Later in September, U.S. President George W. Bush will organize a gathering in Washington of the world's 15 biggest polluters, including the United States, China and India, to find a common ground for a United Nations conference in Bali, Indonesia, in December. The conference is expected to initiate talks on a new deal to replace the Kyoto Protocol, which expires in 2012.

Although the two leaders remain critical of the Kyoto Protocol, at least they recognize the danger of climate change, and have agreed to send their delegations to the Bali meeting.

Few Indonesians realize we are already the third-largest emitter of green-

house gases in the world after the United States and China.

According to the International Panel on Climate Change (IPCC) report issued last year, Indonesia emitted 2.5 billion tons of carbon dioxide annually, as compared to about 5 billion tons from China and 6 billion tons from the United States.

Unlike China and the United States, where much of the emissions come from the energy sector, Indonesia's greenhouse gases are largely generated by land-use conversion.

We are converting our forests into plantations and our peatland into rice fields—such as the failed 1-million-hectare rice field project in Kalimantan under President Suharto.

Deforestation has been a problem in Indonesia since Suharto's rise to power in the late 1960s, when he started to exploit forest resources on a massive scale. After just a decade, they became the largest source of foreign exchange for the country after oil and gas.

But this exploitation has come at a price. According to some estimates, 40 million hectares of forest have dis-

appeared in the past 30 years. Now our forests cover around 100 million hectares of land, compared to more than 140 million hectares in the 1960s.

If Indonesia could stop deforestation, especially in peatland areas, it would contribute significantly to global efforts to reduce emissions of greenhouse gases.

The problem is that there is no global mechanism in place that would compensate such efforts.

All we have at present are voluntary acts of assistance from concerned countries such as Australia and Germany, which have extended grants to Indonesia to fight deforestation.

On a global scale, however, the incentives are just not there yet. The Kyoto Protocol, the only available global arrangement to fight global warming, does not include reduced emissions from deforestation (RED) in its carbon trade regime, which allows companies in developed countries—mainly in Japan and Europe—to trade off business-related carbon emissions for emission cuts achieved elsewhere.

Last year, the value of carbon credits reached \$30 billion (3.47 trillion

yen), representing a reduction of only 1.6 billion tons of carbon dioxide. Imagine if we could have traded our 2 billion tons of emissions from land-use conversions; we would have pocketed about \$40 billion.

As the host of the upcoming U.N. conference on climate change in Bali in December, we are in a better position to propose the inclusion of RED into any future arrangements beyond Kyoto.

All efforts must be mobilized to strengthen our position on RED so when it is tabled at the Bali meeting, the RED proposal will already be ripe for adoption into the new global arrangement.

We could argue that by promoting RED into the global mechanism to fight global warming, we are not only protecting our forests and peatlands, but also helping broaden the menu of choices now available for countries.

The choices will no longer be limited to areas such as financing "clean and green" hydroelectric or wind power, but also financing reduced emissions from deforestation.

—Jakarta Post editorial, Aug. 29

## Champions of democracy must lead by example

It's time for the People's Alliance for Democracy (PAD) to form a political party. Can there be a better way for PAD to support democracy than by actually standing before the people in an election?

The group was formed with one goal: To get rid of Thaksin Shinawatra by any means necessary. They marched through Bangkok's streets last year, with publisher Sondhi Limthongkul shouting: "Thaksin get out!" at every chance.

Finally the military gave PAD its wish in September when it used guns to depose the unpopular ruler. The alliance subsequently announced that its services were no longer needed.

But things did not go exactly as planned during the past year. While the government finally managed to issue an arrest warrant for Thaksin, it does not guarantee a conviction. Even

if there was a conviction, it could be months away. In the meantime, voters in the Northeast, who comprised Thaksin's political base, roundly rejected the military's Constitution on Aug. 19.

Now, former Thai Rak Thai members have regrouped under the banner of the People's Power Party (PPP), and they are likely to make a strong showing in the election scheduled for December.

The prospect of Thaksin loyalists winning the election—which has led to speculation that Thaksin himself may eventually return to take revenge on those who ousted him—prompted core leaders of PAD to say the alliance might regroup.

Suriyasai Katsasila, secretary-general of the Campaign for Popular Democracy and a leader of PAD, said last week: "The PAD and the public forged

an alliance to bring down the Thaksin regime and free the country from intervention. We shall keep watch and set ourselves a task [when necessary]."

While public participation in civil society is always welcome, these are still scary words. Just like the soldiers who launched the coup last September, Suriyasai claims to speak for "the public" with absolutely no mandate. Furthermore, he implies that a victory for pro-Thaksin MPs would somehow harm democracy.

PAD designated itself democracy's watchdog, but betrayed those principles immediately by supporting Thaksin's undemocratic ouster. Many former PAD members have since played prominent roles in the military government and its various committees.

That's why PAD and others who claim to speak on behalf of "the people"

should join the parliamentary process. Since Thaksin dissolved Parliament in February 2006, Thai politics has been marred by extra-parliamentary activities. From PAD ultimatums, to the military coup, to the constitutional changes, to the countless laws passed by the National Legislative Assembly, to the clashes between police and United Front of Democracy Against Dictatorship members outside of Privy Council president Prem Tinsulanonda's house, the broader Thai public has sat on the sidelines.

The PAD has every right to campaign against the PPP, but it would be undermining the democratic institutions it claims to uphold if it launched street protests against a PPP victory.

If democracy is to take root, then parties should fight battles by the rules of Parliament instead of in the streets.

—Bangkok Post editorial, Aug. 29

### VOX POPULI, VOX DEI

## Time to rethink our cool response to 'namako'

The Spratly Islands in the South China Sea have a long history of territorial disputes, with China, Vietnam and others laying claim to them. I heard that China will never give up the islands because they are home to birds called swiftlets, whose nests are considered a great delicacy.

Of course I can not confirm this opinion. But it may be plausible that China values some delicacy more than the seabed resources around the islands due to the Chinese people's passion for food. As the old joke goes, a table is about the only four-legged thing that Chinese people wouldn't eat, and that they would eat anything that flies, except a plane.

The latest object of Chinese culinary obsession is said to be namako, or sea cucumber imported from Japan. At a well-known restaurant in Beijing, for instance, a popular dish is braised namako, seasoned liberally with green onions and aromatic herbs.

A colleague of mine, a specialist on Chinese matters, tells me this restaurant has its namako offerings on display, sorted by origin and grade, for patrons to choose from. The spot of honor is reserved for expensive, top-grade imports from Japan, and all well-heeled patrons are said to order these.

These sea creatures are decidedly not a pretty sight. But as they are believed to be good for the stamina and

as a beauty aid, people are apparently willing to fork over a pretty penny for them.

Sea cucumbers are also expensive. The prices of Japanese exports in dehydrated form are said to have soared fivefold in the last five years.

Poachers are reportedly scrambling for their share. This has made overfishing a real concern, as not much is known about the ecology of namako.

The novelist Natsume Soseki (1867-1916) once wrote of this low-profile, unassuming creature: "What is it/ That makes namako shrink in modesty?"

In Japan, namako is usually relegat-

ed to the status of a side-dish ingredient. *Su-namako* (namako soaked in vinegar) is sliced raw namako served with sweet vinegar. *Konowata* is salted and fermented namako intestines.

For Japanese fans of namako, the latter's spectacular rise to stardom in China must be somewhat bittersweet. The best season for enjoying namako is winter. "Honcho Shokkan," a food encyclopedia of sorts published in 17th-century Japan, extols namako as "a very cool, clean and subtly beautiful thing, the finest food to eat."

Some people cannot bear to stomach namako, but maybe it's time to give it a try.

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Tsuneo Suzuki, Deputy Director (Advertising)  
Keisuke Yasuda, Manager (Circulation)

3-2, Tsukiji 5-chome, Chuo-ku, Tokyo 104-8011  
http://www.asahi.com/ht-asahi/  
Newsroom Tel.: (03) 5540-7641  
Fax: (03) 5542-6172  
E-mail: iht-asahi@asahi.com

Advertising Dept.

Tel.: (03) 5541-8149  
Fax: (03) 5565-9502  
E-mail: H-ADV@asahi.com

Business Dept.

Tel.: (03) 5541-8695  
Fax: (03) 5541-8696  
E-mail: H-A@asahi.com

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Other contact points:

Tokyo: Tel. (03) 5541-8695  
Tsukiji 5-chome, Chuo-ku, Tokyo 104-8011.  
Osaka: Tel. (06) 6231-0131  
Nakanoshima 3-chome, Kita-ku, Osaka 530-8211.  
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Hakata-eki mae 2-chome, Hakata-ku, Fukuoka 812-8511  
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