



2011 Annual Conference Report

INNOVATE, EDUCATE, COLLABORATE:
Moving Forward the U.S.-Japan Partnership

October 6th-7th, 2011

Washington, DC

Table of Contents

Introduction	1
Featured Photos	2
Opening Reception on Capitol Hill	3
Keynote Speech by Secretary of State Hillary Rodham Clinton	4
Visionaries for the Future of Japan	5-6
Economic Collaboration Panel Descriptions:	
Jump-Staring Entrepreneurship Today	7-8
Forging Clean Energy Collaborations	9-10
Education Panel Descriptions:	
Advancing the Study of Japanese Language	11-12
Forging Educational Exchange	13-14
NGO/NPO Development Panel Descriptions:	
Exploring Social Innovation	15-16
Developing the NGO/NPO Sector in Japan	17-18
Luncheon: The Japan Brand	19-20
Afternoon Plenary: Moving Forward with Recovery	21-22
U.S.-Japan Council Emerging Leaders Program	23-24
Annual Conference Sponsorship & Acknowledgements	25



Introduction



October 6th-8th marked the 2011 U.S.-Japan Council Annual Conference - INNOVATE, EDUCATE, COLLABORATE: Moving Forward the U.S.-Japan Partnership. The conference affirmed that a new paradigm for U.S.-Japan relations is evolving after the March 11th earthquake and tsunami, and through collaboration and partnership, the U.S. commitment to supporting Japan remains strong.

"It is imperative that meaningful, trustful and helpful bonds are formed to help the positioning of both countries; that is why we are here today," said U.S.-Japan Council Chairman Thomas Iino as he explained the conference's objectives in his opening remarks. "If successful, this conference will be one step towards facilitating a win-win environment for all concerned."

The theme and topics of the 2011 Annual Conference reflected that leaders on both sides of the Pacific are seeking innovative solutions and entrepreneurial ideas as well as enhanced cooperation in the Asia-Pacific region. By collaborating in areas such as clean energy, entrepreneurship, education and nonprofit sector-building, the U.S. and Japan can serve as global leaders in these fields. During plenary and panel sessions throughout the day on Friday, top subject experts in these areas addressed a crowd of more than 300 people. Minister Motohisa Furukawa, Japanese Cabinet Member and Mr. Akio Nomura, Executive Director of the Japan Foundation Center for Global Partnership, were among those in attendance.



Secretary of State Hillary Rodham Clinton served as the keynote speaker at the Council's 2nd Annual Conference. In addition to addressing the need to step up the educational exchange program offerings between the U.S. and Japan, she spoke of the intricate network of strong ties between the two nations and the importance of public-private partnerships.

The U.S. response to the March 11th earthquake and tsunami re-solidified the importance of the U.S. - Japan partnership. Secretary Clinton traveled to Japan weeks after the earthquake and tsunami to announce the creation of a public-private partnership for reconstruction. This partnership has grown into a new initiative called TOMODACHI, a joint partnership between the U.S. Embassy in Tokyo and the U.S.-Japan Council that supports programs and partnerships which empower Japan's young leaders and deepen relations between the U.S. and Japan. Secretary Clinton remarked, "together, we want to create a TOMODACHI generation that is deeply committed to the future of our relationship."

The U.S.-Japan Council's mission of forging strong people-to-people connections in order to strengthen U.S.-Japan relations was realized at the 2011 Annual Conference through unparalleled networking opportunities that allowed Americans and their Japanese counterparts to hold meaningful discussions and develop encouraging next steps.



Featured Photos



U.S.-Japan Council Chairman Thomas Iino and U.S.-Japan Council President Irene Hirano Inouye Greet Secretary of State Hillary Clinton



U.S.-Japan Council Board of Directors and Board of Councilors at the 2011 U.S.-Japan Council Annual Conference & Annual Members Meeting



Dr. Daniel Okimoto, Ms. Michiko Okimoto, Ms. Deni Mineta and Secretary Norman Mineta at the Closing Reception



Mr. Christopher Graves Presenting at the Luncheon Session on the Japan Brand



2011 JALD Alumni Reconvene at the Conference (Front) Mr. Gary Moriwaki, Ms. Susan Morita and Ms. Susan Muranishi (Back) Dr. Bill Tsutsui, Mr. Erwin Furukawa and Mr. Bill Imada



Ms. Jan Yanehiro, Mr. Ernest Higa and Congresswoman Mazie Hirono at the 2011 U.S.-Japan Council Annual Conference & Annual Members Meeting

Opening Reception on Capitol Hill

3

The 2011 U.S.-Japan Council Annual Conference commenced with an Opening Reception on Capitol Hill in the beautiful Kennedy Caucus Room inside the Russell Senate Office Building on Thursday, October 6th. Congressional and diplomatic leaders including Senator Daniel K. Inouye, Ambassador Ichiro Fujisaki, Vice Speaker of the House of Representatives Seishiro Eto and Congresswoman Doris Matsui made remarks.

At the reception, leaders of community organizations from across the country that supported earthquake relief efforts in Japan were able to take photographs with members of Congress. The organizations were officially recognized the next day at the Annual Conference for their remarkable contributions.

The efforts of both large-scale and small grassroots organizations showed the diversity of Americans that support Japan and believe in the importance of an enduring U.S.-Japan partnership. According to U.S.-Japan Council President Irene Hirano Inouye, Japanese Americans were uniquely positioned to help.

“Japanese Americans played a catalytic role in their communities because of their shared heritage with the people of Japan,” said Ms. Hirano Inouye. “The Council’s national network of Japanese Americans led large-scale and even state-wide fundraising initiatives and inspired others to step up and provide assistance including financial contributions, volunteerism and advisory support.”

The organizations recognized throughout the 2011 U.S.-Japan Council Annual Conference included the Japanese Cultural and Community Center of Northern California (\$3.6 million raised), GlobalGiving (\$5.9 million raised) and the Japan-America Societies (\$21 million raised). In addition to community organizations, the corporate sector also participated in relief efforts. According to the U.S. Chamber of Commerce Business and Civic Leadership Center, American corporations have contributed more than \$298 million to disaster relief in Japan.

In response to March 11th, the U.S.-Japan Council established the U.S.-Japan Council Earthquake Relief Fund. More than \$2.6 million has been donated to the fund and disbursements have been made exclusively to Japanese Non-Governmental Organizations/ Non-Profit Organizations to support this growing sector in Japan. The Council has since expanded its role to supporting partnerships between U.S. and Japanese NPOs and NGOs by utilizing its national network of Japanese American leaders.

In May, a U.S.-Japan Council delegation traveled to Tokyo and convened leaders of the fund’s beneficiary organizations in order to share information and determine next steps. Many of these same nonprofit leaders traveled to Washington, DC to participate in the Annual Conference and Annual Members Meeting in order to network with their counterparts in America. At the end of the Annual Conference and Annual Members Meeting, Council Members had established connections with the Japanese NPO/NGO leaders and will continue to build on these relationships through programs and initiatives.



An Excerpt from the Keynote Speech by Secretary Clinton



We know that governments alone cannot sustain the close ties that we have and continue to seek. Our strongest relationships have not lived only in the halls of power; they live in the hearts and minds of the American and Japanese people, not just in some cold assessment of our common interests, but in the warmth of common experiences, family ties, friendships and the common values that bind us together. This relationship has been tested by time and tragedy, by rivalry, and by the natural push and pull between two proud nations like ours. And each time, it comes back even stronger. Each time, when it counts the most, our two countries stand in solidarity with each other.

Ten years ago, as a senator from New York, I saw firsthand what our friendship meant. When Japan sent firefighters from 7,000 miles away to help with the aftermath of the 9/11 attacks, I was moved, but I wasn't surprised. That's just the kind of friend that Japan is to America and to many countries around the world. The generosity that moved us after 9/11 we sought to repay after 3/11. After Japan's earthquake and tsunami, our governments launched the largest joint military operation in our history. More than 20,000 Americans from our military and other agencies took part in what we called Operation TOMODACHI. Now, this was more than just a search and recovery mission; this was a demonstration of our deep ties, because as you know so well, tomodachi means friend, and that's what we want it to be.

Americans who remembered the red and white flags on the jackets of Japanese volunteers at ground zero flew to Japan to return the favor. Across our country, in small towns and large cities, people raised money. Springfield, Illinois, for example, raised \$32,000 selling blue jeans for their sister city in Japan. Nebraska corn growers donated nearly 9,000 bushels of grain. Japan-America societies across this country raised over \$20 million for relief efforts in Japan.

The joint public-private partnership for reconstruction, which our governments launched in July during my visit with the U.S. Chamber of Commerce and Keidanren is bringing together policy makers and business leaders to galvanize Japan's economic recovery. And just last month, when Vice President Biden visited Japan, he made a very clear message to the world that Japan is open for business. And I want particularly to thank Irene and the U.S.-Japan Council for the work you've been doing with our Embassy in Tokyo to create the TOMODACHI initiative, an outgrowth of the operation and the partnership for reconstruction.

Now, relationships like ours and so many others in our lives show their true colors in tragedy, but they are built over decades. And while economic and security ties are vital to our alliance, ties between our people give our friendship its full meaning. The wonder a Japanese college student exudes when she first sets foot in L.A. or Chicago or Boston, the warmth an American high-schooler feels for his Japanese host family, the technological marvels that Japanese and American corporate partnerships unleash into our markets, the mind-bending discoveries of our researchers cooperating at the cutting edge of science, these are the experiences that underpin our shared success.

Full transcript and video are available at: www.state.gov/secretary/rm/2011/10/175151.htm.

Visionaries for the Future of Japan

The eyes of the world are transfixed on Japan after the March 11 earthquake and tsunami to see how the country will re-emerge and rebuild after a major disaster. Leaders with clear visions for the future of Japan are stepping up to drive Japan in the direction of progress and global leadership. Two of these visionaries, Mr. Yasuchika Hasegawa and Mr. Hiroshi Mikitani, addressed the audience at the 2011 U.S.-Japan Council Annual Conference and together, they emphasized how crucial it is for Japan to act with a sense of urgency.



As President of Takeda Pharmaceutical Company Limited and Chairman of Keizai Doyukai, Mr. Hasegawa offered an update on the state of Japan seven months after March 11th. He described the earthquake as a wake-up call for the nation and the start of a new era. “Japan rediscovered its friendships and important bonds it has with countries around the world. Support came in from more than 163 countries; foremost among them, was our closest ally, the United States,” said Mr. Hasegawa. In regards to the aftermath of the Fukushima Daiichi nuclear disaster, he theorized that nuclear power will likely continue to play a role in Japan’s power generation, but that by working together, the U.S. and Japan can lead technology advancement in renewable power. “It makes sense for us, as world leaders in technology, to conduct joint research, especially at a time when each dollar saved reduces national debt.”

In addition to renewable and clean energy, Mr. Hasegawa also mentioned the development of water technology to combat world-wide water scarcity and other infrastructure projects that could be exported to developing countries. “There is a need to focus on science and technology because they make us more efficient, make the impossible possible and drive economic growth that will eventually lift the global population out of a cycle of poverty,” concluded Mr. Hasegawa.

Mr. Mikitani, Chairman & CEO, Rakuten, Inc., described the evolution of his company which originated as a small start-up with initial capital of \$200,000. Rakuten, Inc. has now grown into one of the top internet companies in Japan, worth more than \$12 billion. “I believe the internet should be a tool to enrich your life and help you whether you are small or big,” said Mr. Mikitani. “That is why I chose to focus on how to help small and medium-sized enterprises in Japan, and today—we have more than 72 million members.”



The path he described was one of risk-taking and perseverance, and he encouraged more people in Japan to embrace entrepreneurship. He also explained a global disconnect that Japan faces. Often, Japanese technology is far ahead of its competitors, as they currently are with the concept of e-money, but fail to succeed because of an inability to globalize. This, he pointed out, can be ameliorated by taking measures such as learning English.

Visionaries for the Future of Japan

Both Mr. Hasegawa and Mr. Mikitani emphasized the importance of studying abroad and learning English. In his hiring practices, Mr. Hasegawa recruits Japanese students who have studied abroad and urges other companies to do the same. He also explained that poor English skills are significantly hampering the Japanese, and as a result, he is taking steps at his own company by conducting board meetings in English.

“No matter how good your technical expertise and general knowledge may be, without a command of the English language you cannot communicate and therefore, cannot turn those assets into global business opportunities,” said Mr. Hasegawa.

Mr. Mikitani recently announced that the company would be changing their official language to English. “Let’s start speaking in English in order to be a global organization rather than a Japanese company running a global operation,” he explained. Starting next summer, Rakuten, Inc. will require employees to reach a certain TOEIC score to be promoted within the company.

Japan, which is openly being criticized for being “inward looking” or suffering from isolation referred to as the “Galapagos Syndrome,” now has a chance to reach out and open up. Another point that both speakers made was that Japan should become more amenable to immigration. Mr. Hasegawa explained “Japan and much of the industrialized world has a declining population. The U.S. benefits from a strong culture of immigration, this is one area in which Japan must learn from the United States and capture the best and brightest from around the world.”



Mr. Hiroshi Mikitani, Ambassador Ichiro Fujisaki, Ms. Irene Hirano Inouye, Minister Motohisa Furukawa, Secretary Hillary Clinton, Senator Daniel K. Inouye and Mr. Yasuchika Hasegawa before the Opening Plenary at the 2011 U.S.-Japan Council Annual Conference.

Jump-Starting Entrepreneurship Today

Entrepreneurial breakthroughs in technology and forays into new industries drive competitive economies. While acknowledging Japan's high-tech and innovative contributions to the world, the panelists addressed the unique challenges that Japanese entrepreneurs face in their economical ecosystem. They also provided recommendations on how Japan can better promote entrepreneurship.

Dr. Kathryn Ibata-Arens set the tone of the discussion explaining that historically, the entrepreneurial ecosystem in Japan is challenged by tax and bankruptcy laws unfavorable to entrepreneurs. There is also a substantial capital gap in comparison to what startups face in the U.S. Dr. Ibata-Arens posed to the audience that for Japan, March 11th could be a "Sputnik Moment," a turning point in history for the rapid rise of entrepreneurship in Japan.

Mr. Ernest Higa spoke from his experience adapting to the Japanese market as a Japanese American entrepreneur who successfully brought various U.S. businesses to Japan, including lumber, medical devices and restaurant businesses (Domino's Pizza and Wendy's). He shared that there are major differences in customer expectations between the U.S. and Japan, such as Japanese customer demands for seasonal menus, a high level of service and variety of toppings on pizzas, including exotic ingredients like truffles, squid and foie gras. "In the U.S., the customer is king, but in Japan, the customer is god," explained Mr. Higa. As a successful businessman who has observed the Japanese market over the years, Mr. Higa concluded,



"Japan has the human capital, political stability and manufacturing strength, and I believe the environment is now right for entrepreneurship in Japan."

As a venture capitalist in Japan, Mr. Allen Miner has observed Japanese startup companies and innovators for two decades. "The talent has always been there and entrepreneurship has always been there," said Mr. Miner. "There is no lack of interesting companies in Japan." However, he cautioned against an 'early IPO syndrome' in Japan, where startup ventures go public before they fully develop to their potential. VCs tend to want startups to spend funds, whereas shareholders seek more immediate returns on investment. Even today's major Japanese entrepreneurial companies like Rakuten, Inc. and mobile phone company DeNA did not have IPO status until they achieved \$2 billion and \$700 million in sales, respectively.

Although not a Japan specialist, Mr. Scott Case shared his views on how entrepreneurship has evolved in recent years. Today, incubators, which are place-specific aggregators in research and innovation, are becoming accelerators, which focus more on access to mentorship.



Jump-Starting Entrepreneurship Today

Mr. Case advocated for the creation of value networks that involve ventures, investors, legal advisors, universities and other entities in creative initiatives like Startup Weekend, where 100 people create ten companies in 48 hours. Large corporations also have a role in entrepreneurship, and they can often be the first customer or a distributor of interesting startups.

Lastly, Mr. Case introduced the concept of pivoting, where businesses continuously review their business models and can "pivot" their strategy to adjust to a changing market.

As all the panelists described, entrepreneurship can thrive with adaptation to the challenges and opportunities it faces in its environment and with the successful alignment of resources. Japanese entrepreneurs, large corporations, governments and supporting entities can usher in a new era of an entrepreneurial Japan with a renewed entrepreneurial ecosystem.

Panelists

Ms. Moni Miyashita, Vice President, M&A Strategy, Investments & Relationships, IBM Corp., U.S.
(Moderator)

Mr. Scott Case, CEO, Startup America Partnership

Mr. Ernest M. Higa, Chairman and CEO, Higa Industries Co., Ltd. / Wendy's Japan LLC

Dr. Kathryn Ibata-Arens, Associate Professor, DePaul University

Mr. Allen Miner, Chairman and CEO, Sunbridge Corporation



Forging Clean Energy Collaborations

While the U.S. and Japan have been on a path of collaboration for many years in energy efficiency and Smart Grid technology, the need for partnership became even greater after the March 11th earthquake and tsunami. The Obama administration's current goal is to reduce U.S. fossil fuel dependency from 84% in 2009 to 78% in 2035 and through the American Recovery and Reinvestment Act, the U.S. government has committed \$80 billion to clean energy. Across the Pacific, Japan is targeting 40% national self sufficiency in energy resources, in contrast to its current level of 18%, according to Mr. Osamu Onodera of NEDO.



The events of March 11th ignited the world's urgency to seek out alternative energy solutions and other countries are looking to Japan and the U.S. to take the lead. All panelists agreed that the U.S. and Japan share common challenges and strengths, which make the two nations ideal partners not only for bilateral interests but also for global leadership in energy efficiency, technology and models. According to Bloomberg, the global clean energy market has grown from \$46 billion in 2004 to \$243 billion today, indicating a bright spot for economic growth for the U.S. and Japan in a global context.

Dr. Phyllis Yoshida of the U.S. Department of Energy described the common challenges both nations face, including the heavy reliance on foreign oil, large consumption of energy, an eminent need to diversify energy sources and dependency on nuclear energy. These needs have led the U.S. and Japan to develop world class research universities, institutes, a sound financial and legal structure and entrepreneurs in energy-related fields. In regards to complementary strengths, Japan excels in manufacturing, an innovation system with large companies and technology research in energy efficiency, photovoltaics (solar energy), fuel cells and batteries. U.S. strengths consist of basic research, system engineering, marketing, Smart Grid, smart meter system, bio fuels, solar thermal, computational science, innovation systems with large companies and savvy VC investors. Currently, there are unique collaborative projects including the Hawaii-Okinawa microgrid initiative and smart school educational programs, New York energy efficiency building design projects and smart city initiatives in New Mexico.

Mr. Gene Rodriguez from Southern California Edison shared his public utility company perspective, explaining the need to transform business models for utility companies and the value chain, where incentives for energy efficiency must reward profitability and shareholders. He urged that governments and the private sector must cooperate to bring new ideas to the table and enable the realization of energy efficient initiatives, which has already begun to happen at the regional, state, national and international levels.

Synergy between the U.S. and Japan is stronger than ever, and as Dr. Yoshida expressed: "**Why** we collaborate, is because we need to. **Where** we collaborate, is where there is mutual benefit."



Forging Clean Energy Collaborations

Panelists

Mr. Erwin Furukawa, Senior Vice President, Customer Service Business Unit, Southern California Edison (Moderator)

Ms. Jane Nakano, Fellow, Energy and National Security Program, Center for Strategic and International Studies

Mr. Osamu Onodera, Chief Representative, Representative Office in Silicon Valley, New Energy and Industrial Technology Development Organization (NEDO), Japan

Mr. Gene Rodrigues, Director, Customer Energy Efficiency and Solar, Southern California Edison

Dr. Phyllis Yoshida, Deputy Assistant Secretary for Asia, Europe and the Americas, U.S. Department of Energy



The panel on Japanese language education examined how to expand programs at both the secondary and university levels in the United States. By looking at ongoing efforts to promote Japanese instruction in comparison to other quickly expanding and widely studied Asian languages, the panelists put forth ways to increase both the quantity and quality of Japanese language programs at a time when education spending is at a premium.

Professor William Tsutsui of Southern Methodist University served as the moderator for the panel, and opened the discussion by revealing current trends in language education. Dr. Tsutsui was happy to note that there has been a gradual but significant change in language education, with students from all backgrounds taking language courses for a number of reasons. Previously, second languages were often only “marketed” to elites looking for careers in academia or diplomacy. He also remarked that Japanese language education “continues to be vibrant, even with China’s surge.”



Dr. Rosalinda B. Barrera of the U.S. Department of Education’s Office of English Language Acquisition focused on the benefits of multilingualism and the need for federal, state and local government support of language education. OELA’s vision is for all high school graduates to be proficient in at least two languages. They hope to accomplish this by granting Foreign Language Assistance Program (FLAP) funds to schools to enhance the quality of language programs across the country. Dr. Barrera pointed to Culver City, California and Portland, Oregon as public school systems that have used FLAP grants for Japanese language programs.

Dr. Janet Ikeda, President of the Association of Teachers of Japanese highlighted the “Two A’s” of Japanese language growth: advocacy and articulation. She pointed out that among both college and K-12 students, Japanese enrollment has increased 10% since 2006, and that today, Japanese is one of the five fastest-growing languages in the country. Dr. Ikeda identified communication as the major obstacle hindering the expansion of Japanese courses. Japanese teachers are not natural self-advocates and since school administrators are rarely bilingual, they often do not see the benefits of foreign language programs.



Mr. Christopher Livaccari of the Asia Society started his presentation by observing that “Americans seem to have trouble keeping more than one East Asian country in mind.” Therefore, some contend that continued interest in Japanese is lost in the larger narrative of China’s rise. Mr. Livaccari admitted that while Japanese programs cannot compete with the level of funding that Chinese initiatives (including the Confucius Institutes) receive, the level and quality of materials in Japanese language education are more developed than those in Chinese. He added that it is short-sighted to focus on a singular “language of the future,” and that Japanese is flourishing *along with*, rather than in spite of, Chinese.

The panelists called for Japanese programs aimed at pre-secondary students, as languages are more easily acquired at a young age. The panel concluded with a request for greater advocacy, whether it is to local

Advancing the Study of Japanese Language

government policy-makers for more government spending, to Japanese American communities and businesses for more language initiatives or to the corporate sector for adult language learning programs aimed at professionals hoping to learn Japanese.

Panelists

Professor William Tsutsui, Dean of Humanities and Sciences, Southern Methodist University (Moderator)

Dr. Rosalinda B. Barrera, Assistant Deputy Secretary and Director, Office of English Language Acquisition, U.S. Department of Education

Dr. Janet Ikeda, President, Association of Teachers of Japanese & Associate Professor, Washington and Lee University

Mr. Christopher Livaccari, Director, Education and Chinese Language Initiatives, Asia Society





A robust environment for educational exchange between the U.S. and Japan strengthens ties between the two nations and ensures that both the U.S. and Japan are recognized as key players on regional and global scales.

The panel moderator, Dr. Judy Sakaki, and panelist, Ms. Peggy Blumenthal, provided statistical overviews of the status of educational exchange between the two nations. Dr. Sakaki, University of California, reported that over the last 10 years, the number of Japanese college students enrolled in American universities has dropped by 52%, whereas the number of Chinese students has risen by 164%. She has seen a similar trend in the University of California system, which hosted only 400 Japanese students in 2010, compared to 4,000 Chinese students.

Ms. Blumenthal, Institute of International Education (IIE), presented statistics from the organization's Open Doors Survey, which also showed a decline in Japanese students traveling to the U.S. She recommended promoting more programs that bring Japanese teachers and faculty to the U.S. to jump-start a cycle of exchange and incite a trickle-down effect to students considering studying abroad.

Conversely, the number of American students traveling to Japan is steadily rising and in fact, the U.S. ranks 6th in the number of students traveling to Japan, behind Korea, China, Malaysia, Thailand and Indonesia. Notably, the U.S. and Japan are the only two countries with a predominantly female study abroad population and typically students participate in short-stay programs. In comparison, countries such as India and China send mostly males to study abroad for four-year degrees.

The Institute of International Education is working to attract more Japanese students to study in the U.S., and the Japan-U.S. Educational Commission (JUSEC) recently held a college fair in Japan attracting 13 American colleges and about 200 students. A similar college fair in Hong Kong attracted 100 universities and 2,000 prospective students. Ms. Blumenthal expressed the need for lesser known colleges and universities as well trade and community schools to have a face in Japan. To advertise study abroad options in Japan, IIE has a free directory of programs called the IIE Passport. With the majority of programs being sponsored by U.S. institutions, Ms. Blumenthal hopes to see the number of Japanese institutions sponsoring study abroad increase.

Mr. Fumio Isoda of the Ministry of Education, Culture, Sports, Science and Technology (MEXT), shared the Ministry's study on the impact of March 11th on student exchanges and found that the earthquake and tsunami did not have a negative impact on the number of exchange students coming to Japan. By late April and May, most universities had resumed their regular activities, and more than 90% of the foreign students returned to programs in Tohoku. He also theorized on why less Japanese students are studying abroad, citing an inward thinking younger generation, particularly among males.

Competitive and protracted recruitment by Japanese companies has also affected student exchange. Companies are starting to recruit students earlier and earlier in college, making for an intensely competitive environment. According to Mr. Isoda, the average student applies to about 100 companies, and there are typically 10,000 applicants for only 20 available positions. Mr. Isoda called for a more efficient hiring process and a delay in recruitment. He mentioned that Tokyo University is considering altering the semester schedule to begin in September, to coincide with the Western academic calendar.

Mr. Isoda also outlined MEXT's policy goals which aim to send 10% of Japanese students to study abroad over the next decade. In addition to enhancing scholarship support for exchange programs, MEXT will also support and promote Japanese university activities abroad and English-speaking course offerings at Japanese universities to attract foreign students.

Mr. Paul Miller of the National Association of Independent Schools (N.A.I.S.), described international education initiatives in secondary independent schools, which make up about 2% of schools nation-wide. Independent schools have been involved in fundraising efforts as well as global learning. Out of 1400 member schools, 82 offer Japanese classes, compared with 420 that offer Mandarin (up from 150 five years ago).

With the focus back on Japan, Mr. Miller sees an opportunity to increase Japanese language programs over the next five years to match Mandarin. Short-term exchanges between N.A.I.S. member schools and Japanese schools are offered in at least 21 schools. Mr. Miller echoed Ms. Blumenthal's proposal of increasing teacher exchanges. He cited the Punahou School in Honolulu, President Obama's alma mater, as a success story, where language classes, exchange programs, internet collaboration via Skype, summer programs and faculty exchanges are all offered.

Educational exchanges at all levels between the U.S. and Japan are vital to the relationship. Students who study abroad from both nations are more likely to incorporate the other nation into their careers, establish and maintain networks across borders and remain committed to strengthening U.S.-Japan relations.

Panelists

Dr. Judy Sakaki, Vice President, Student Affairs, University of California (Moderator)

Ms. Peggy Blumenthal, Senior Counselor to the President, Institute of International Education

Mr. Fumio Isoda, Director General of Higher Education, Ministry of Education, Culture, Sports, Science and Technology

Mr. Paul Miller, Director of Global Initiatives, The National Association of Independent Schools (N.A.I.S.)

Exploring Social Innovation

The U.S. and Japan both face societal problems that require new thinking and innovative solutions. Social innovation can spark new activity in both the public and private sectors and often it is non-profit organizations (NPOs) and non-governmental organizations (NGOs) that are first-movers at utilizing socially innovative platforms.



Dr. Britt Yamamoto described his work as Executive Director of iLEAP: The Center for Critical Service. iLEAP is an international, grassroots nonprofit organization with a mission to cultivate a new generation of global citizens through educational and professional training programs in Seattle. After March 11th, iLEAP created the Social Innovation Forum: JAPAN program to encourage rebuilding through energizing civil society, empowering emerging leaders and forging global partnerships between American and Japanese civil societies. Dr. Yamamoto emphasized that many Japanese NGOs/NPOs were doing great work before March 11th, but that it wasn't visible. "There is a very strong citizen structure in Japan; it is just informal," said Dr. Yamamoto. "The Japanese understand the communitarian concept of how to work together even better than Americans." He continued,

"there are brilliant people doing wonderful work; they need to find a template that works and then there will be a true watershed moment in Japanese civil society."

Dr. Yamamoto explained that his goal is to help young Japanese leaders professionalize their work and craft effective messaging. He also pointed out that there are more than 30,000 non-profit organizations in Japan, though only a couple hundred of them have been able to acquire tax-exemption status, something that is relatively easy to attain in the United States.

Professor Hideyuki Inoue of Keio University will play a role in bringing 40-50 participants to Seattle for intensive 10-day trainings at iLEAP focused on energizing civil society and social innovation from Spring 2011 through Fall 2012. A panelist with ten years of experience in the social innovation field, Professor Inoue recounted the communal Japanese spirit after March 11th and explained that the time is ripe for innovation in Japan. He recommended that Japanese corporations incentivize innovation to create greater motivation.

Exploring Social Innovation

In addition to his work at Keio University, Professor Inoue founded the Social Venture Center within the Entrepreneurial Training for Innovative Communities (ETIC) and started the “Annual Style Prize” in 2004, Japan’s first social venture business plan competition for the youth. He recommended competitions as a successful model for bringing out creative, socially innovative ideas.

According to Ms. Shirley Sagawa of the Center for American Progress, “social innovation is a process, not a status. It is about staying fresh, not about how or when an organization was founded.” Ms. Sagawa described the challenges of working within the high-regulated social sector, explaining that many great products are never grown to scale due to bureaucratic barriers. In the U.S., social innovation is very much connected to volunteerism and often, the government plays a role in promoting social innovation through programs like AmeriCorps. Ms. Sagawa also described America Forward, a non-partisan initiative that brings together policy-makers and leaders from across sectors to unite public and private expertise and resources to impact social innovation.



Social innovation often peaks after a major disaster. Ms. Sagawa provided the example of how Tulane University created their Service Learning School after Hurricane Katrina as a way of investing in human capital and reviving an affected area to be better than it was before. The similar opportunity in Japan, and particularly in the Tohoku region, should not be missed.

Panelists

Ms. Dianne Fukami, Co-founder & President, Bridge Media, Inc. (Moderator)

Mr. Hideyuki Inoue, Associate Professor, Keio University & Founder, Social Venture Partners Tokyo

Ms. Shirley Sagawa, Visiting Fellow, Center for American Progress

Dr. Britt Yamamoto, Executive Director, iLEAP: The Center for Critical Service



After the March 11 earthquake and tsunami, Japanese non-governmental organizations (NGOs) and non-profit organizations (NPOs) took immediate action to provide relief and recovery in their home country, many for the first time. The U.S. and Japan have both faced large-scale national disasters and could greatly benefit from exchanging information. Partnerships between U.S. and Japanese NGOs/NPOs strengthen U.S.-Japan relations as a whole, and could lead to greater support of this growing sector in Japan.

Mr. Sam Worthington, President & CEO of InterAction, provided insight on the growing third sector in Japan based on his experience in America. He explained that InterAction and its member organizations are able to raise about \$10 billion a year working with private organizations. While there are many large and influential NPOs/NGOs in America, Mr. Worthington maintains that the sector's roots remain in small non-profits that begin with a dream. He emphasized that earning public trust is essential to the success of the NGOs/NPOs, citing the example that 70% of InterAction's member organizations' resources depend on the generosity of the public. He urged attendees to think of private sector collaboration between the U.S. and Japan as triangular, to include collaboration within the NGO sector.

When considering the NGO/NPO sector in Japan, Mr. Worthington found that the Japanese public is just as willing to give as the American public. The difference lies in the marketing strategies necessary to gain the public's trust. Additionally, to nurture small start-ups in Japan, it is crucial to encourage funders to provide overhead costs and train Japanese staff to become self-sufficient. Mr. Worthington concluded that a disaster in a developed nation creates an environment in which civil society can thrive; with public trust and nurtured overhead costs, Japanese organizations have a great opportunity to grow.

As President of GlobalGiving, Ms. Mari Kuraishi provided a case study of a successful organization that began with a dream. In her previous position at the World Bank, Ms. Kuraishi participated in a brainstorming session for civil organizations on fighting poverty. She was struck by the number of creative ideas and proposals generated and felt there needed to be a mechanism for supporting anyone in the world with a truly great idea. GlobalGiving is that platform.

GlobalGiving has raised \$51 million since inception, \$6 million of which has gone to Japan. Following March 11th, Ms. Kuraishi believes there is a real opportunity for the Japanese NPO/NGO sector and the country itself.

Developing the NPO/NGO Sector in Japan

She spoke of the need to incubate leaders within the sector, so that in the next decade they can lead Japan out of a downward trend. She also broached the topic of a lack of transparency in Japan, referencing the nuclear disaster in Fukushima. She charged Japanese NGOs with the task of helping to overcome the transparency issue.

Mr. Kensuke Onishi served as a founder Japan Platform, whose work he described during the panel session. With an upsurge of international cooperation in the 1990s, Mr. Onishi saw the need for cooperation among NGOs, government and private enterprise, thus the “Japan Platform” concept was born. He also described the origins of the organization, Civic Force, which was created out of a governmental task force called the “New Public Commons” which met regularly to discuss bolstering the NGO/NPO sector. Unfortunately, these roundtable discussions ended during Prime Minister Kan’s term.



Mr. Onishi openly shared his opinion that the government’s response was defective, citing poor foresight, poor capacity and direction, lack of strategy and poor communication which ultimately led to inadequate immediate relief. Looking forward, the formation of an Asia-Pacific Platform is currently under discussion.

The panel’s moderator, Mr. Gary Moriwaki asked panelists to reflect on the quote, “You should never let a crisis go to waste,” and to offer one piece of advice for Japanese NGOs. Mr. Worthington responded that civil society can move faster and reach further than government or military response; as such, there is a need for NGOs to prepare now for the next crisis. Ms. Kuraishi has been struck by the anger and willingness to stand up and speak out by Japanese citizens following March 11th. She urged the Japanese public to leverage that frustration and take action. Mr. Onishi echoed the need for preparedness, especially with geologists predicting that the next big disaster is quickly approaching. He also encouraged NGOs, especially fledgling NGOs, to cooperate with the private sector.

Panelists

Mr. Gary S. Moriwaki, Partner, Fox Rothschild LLP (Moderator)

Ms. Mari Kuraishi, President, GlobalGiving

Mr. Kensuke Onishi, CEO, Peace Winds Japan & Chairperson, Civic Force & Director, Japan Platform

Mr. Samuel A. Worthington, President & CEO, InterAction



The Japan Brand

A luncheon session on the Japan Brand featured Christopher Graves, Global CEO, Ogilvy Public Relations Worldwide and John Onoda, Senior Consultant, Fleishman-Hillard. The panel was moderated by Frederick H. Katayama, Anchor, Reuters Insider, Thomson Reuters. Mr. Graves spoke from the perspective of an expert on nation-branding and a recent author of a chapter in the book *Reimagining Japan*, while Mr. Onoda broached the subject of what happens when brands are challenged, from the perspective of a leading public relations professional in America.



Mr. Graves started by asking the question, “is cool enough?” Japan, without a doubt, has a special place in the minds of American trend-setters and has even been deemed the “epicenter of cool.” Mr. Graves cited cosplay, manga and all things *kawaii* (cute) as examples of what is cool about Japan, adding that “without a doubt, *kawaii* is unique to Japan; there is absolutely nothing *kawaii* about America.” Capitalizing on this concept, the Japanese government launched a branding campaign called “Cool Japan” to promote modern Japanese culture abroad. A problem evolved when Japanese pop-culture trends caught on in the U.S., but were no longer being traced back to or attributed to Japan. In McKinsey & Company’s *Reimagining Japan*, Mr. Graves authored a chapter entitled “Cool is Not Enough,” in which he explained this cultural disconnect: “for nation branding to be effective, pop culture needs to do more than enlist foreigners into songs, fashion or cosplay. It needs to make people think of, understand, seek out and love the country of origin.”

During the luncheon session, Mr. Graves highlighted some of his ideas included in the chapter including his recommendation that Japan hone in on the concept of mastery as its new national brand. Whether in the arts, business or even in the kitchen, the Japanese are a culture dedicated to mastery, the constant drive for self-improvement. Mr. Graves believes devotion to mastery could become the unifying thread that weaves pop culture and tradition into a distinct, authentic brand that Japan can easily market.

Mr. Onoda instilled the importance of perception, suggesting that it is a tremendously powerful force and companies must be able to control it in order to succeed. He described branding principles that apply not only to companies and organizations but also to a nation. The principles include actively managing your brand and reputation, knowing your top three attributes and basing your brand on tangible qualities.

“People do not believe what you say; they want to **see** something, **feel** something. You have to stand out and **do** something substantially different,” said Mr. Onoda. To this end, he provided the example of Japan after March 11th. People around the world saw and felt the stoicism, honesty and care of the Japanese people in the aftermath of the earthquake, which created a very positive perception of Japan.

The Japan Brand

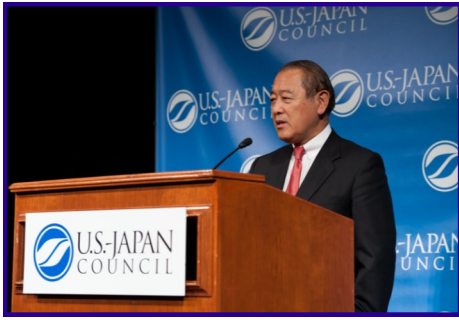
20

After evaluating the current situation in Japan, Mr. Onoda provided some “prescriptions” for maintaining a strong and positive national brand in Japan. He recommended taking a more active role in managing the country’s reputation as well as doing a better job embracing diverse perspectives. He challenged Japan to consider if it is content with being a “comfortable” nation, or whether it wants to rise above and be a truly great nation. According to Mr. Onoda, to become a great nation, Japan needs to engage in more risk-taking behavior, eliminate the fear of failure, open itself up to immigration, empower women and embolden its youth to roam the world and become global citizens.

Japan Brand Imagery:



Moving Forward with Recovery



An afternoon session on Moving Forward with Recovery opened with remarks by Ambassador Ichiro Fujisaki who provided analysis of Japan, seven months later. He estimated that the damage from the March 11th earthquake and tsunami had now reached \$211 billion. He also touched on the fallout after the nuclear crisis in Fukushima. According to the Ambassador, 26% of power in Japan is from nuclear energy and before March 11th, the government expected for that percentage to increase to

53%. This dramatic increase is unlikely to occur because now more than 74% of the Japanese public want nuclear energy phased out.

Mr. Takashi Kawamura, Chairman of Hitachi, Ltd., offered words of hopefulness and optimism about the future of the Tohoku region. "We cannot go back into the past," said Mr. Kawamura. "In reviving the disaster-struck region we must create momentum to revive Japan's economy in one stroke." He explained that large-scale disasters like March 11th and the Great Kanto Earthquake require long-term visions and often lead to grand designs.

"The Tohoku region has the potential to evolve into a region with a world-class medical center and a hot-spot for clean energy growth; it is a place where model cities could be built and give Japan the opportunity to grow again," said Mr. Kawamura.

Mr. Stephen Jordan of the U.S. Chamber of Commerce, Business Leadership Civic Center provided an American business perspective on the aftermath of March 11th and the next steps to recovery. Despite frequent news reports of aid to Japan being lower than expected, Mr. Jordan pointed out that \$300 million was pledged by the U.S. business community for relief efforts, the second largest outpouring of support in history.

Mr. Jordan emphasized the importance of researching and recording lessons learned from March 11th because of what he referred to as the "Ring of Fire Challenge." The Asia Pacific region is located in a danger-zone of fault lines and other factors that ensure more major disasters are on the horizon. "We all have a common adversary. The question is, how do we pull together to mitigate natural disasters especially now that we have globally integrated supply chains?" posed Mr. Jordan.



Moving Forward with Recovery

He recommend that in anticipation of future disasters, countries should take advantage of a steady-state environment by building strong networks, investing in infrastructure projects and supporting innovation. According to Mr. Jordan, this will make the Asia Pacific region much more resilient.

Ms. Suzanne Basalla, Senior Advisor to Ambassador John V. Roos, reinforced that although reconstruction is



likely to take years or even decades, Japan is a safe place to visit and conduct business. In her remarks, Ms. Basalla introduced a new initiative called TOMODACHI, a partnership between the U.S.-Embassy in Tokyo led by Ambassador John V. Roos and the U.S.-Japan Council. TOMODACHI will bring together the best of public and private resources from the U.S. and Japan to invest in Japan's next generation and to strengthen U.S.-Japan relations. Both the U.S. and Japan see mutual interest in a strong and competitive Japan with a vibrant youth

population. Projects under TOMODACHI will include cross-cultural and educational exchange programs, fellowships and entrepreneurial programs, among others. Leaders of the initiative hope to turbo-charge ongoing rebuilding efforts and to coordinate with local communities to ensure needs are matched.

At the conclusion of the afternoon plenary, Council Member Jill Nishi took the stage to introduce the 2012 U.S.-Japan Council Annual Conference which will be held in Seattle, Washington on October 4th-6th.

U.S.-Japan Council Emerging Leaders Program: *Empowering the Next Generation*

The U.S.-Japan Council Emerging Leaders Program is an interactive, educational program designed to encourage the next generation of leaders to act as first movers, innovators and entrepreneurs in their professional fields. Each year a pool of young Japanese American professionals (ages 18 - 35) are chosen from across the country to attend the U.S.-Japan Council Annual Conference, which focuses on topics identified by both the U.S. and Japan as key areas for collaboration. By providing exposure and access to senior leaders on key U.S.-Japan topics, the program aims to motivate young professionals to pursue further activities that promote strong and positive U.S.-Japan relations. Over time, the goal of the program is to develop a diverse pool of successful alumni who think globally, assume greater leadership roles in society and are enthusiastic about sustaining a strong partnership between the U.S. and Japan.



At the end of the three days, several of the delegates had banded together pledging to complete projects including a business plan competition in the Tohoku region that would fall under the TOMODACHI initiative. The Council looks forward to their continued engagement.

Each of the 2011 delegates reflected on their experiences at the U.S.-Japan Council and Annual Members Meeting where they had an opportunity to participate in an orientation, contribute to meaningful working group discussions and attend networking dinners:

In our small group of ten, we discussed what it means to be a leader, examples of current and past leaders, and listed various qualities that leaders possess. I now understand the need for the younger generations to prepare for the “changing of the guard” and start playing a prominent role in helping move the U.S.-Japan partnership forward. If the younger generations do not step up and embrace the leadership roles expected for them, the partnership will not survive.

— **Nicolas Mizono**, Intern, Senior Planner’s Office, San Francisco Planning Department (San Francisco)

I felt a common bond with many other Nikkei, not only in the ELP program, but also throughout the network of Council Members, and better understood that I don’t just represent my family as a Nikkei, but that we, as Japanese Americans, represent each other throughout the United States and the world.

— **Ryan Tanaka**, Chief Operating and Financial Officer, Saint Louis School

I left the conference feeling inspired and motivated to take action. The fact that our group has already scheduled a trip to meet again is a testament to the friendships and commitment we formed that weekend.

— **Dana Heatherton**, Executive Board Member, Little Tokyo Service Center

U.S.-Japan Council Emerging Leaders Program: *Empowering the Next Generation*

The task for Japan, as Mr. Mikitani and others alluded to at the Annual Conference, will be to balance its culture with its need for fresh ideas and bold innovation. The latter will be needed to encourage entrepreneurship, improve foreign language study, and confront the realities of a rising Asia and aging population, among other things. Japanese leaders like Mr. Mikitani, who decided to change Rakuten's official language to English after waking with a start one night, and ITO EN North America CEO Yosuke Honjo, who graciously sponsored the Emerging Leaders Program, will need to play an increasing role in these efforts.

— **Zachary Pryzstup**, U.S. Program Manager, Atlas Service Corps (Washington, DC)

I never fathomed the existence of a room full of powerful, brilliant Japanese American women. More so, I did not think I would be sitting with them discussing the importance of women and minorities in the board room at the U.S.-Japan Council Annual Conference. The Emerging Leaders Program has been a pivotal experience in my life. Before attending the conference I had never before tasted the palpable energy of a group of Japanese Americans teeming with pride, ambition and common purpose. My worldview is forever benefited.

— **Kei Ashizawa**, Attorney and Title Examiner, Kilburn Law Firm

At the local Gardena Obon festival this summer, my dad said that being there was "good for the soul." But it wasn't just the bingo games or the Japanese sweets that he was referring to. Dad was talking about watching the dancing that has been taking place in the country of our ancestors for centuries. Most importantly, Dad was talking about the gathering of the Nikkei community. It's wonderful to connect with the people you share a heritage with, to discuss the future with them and plan on how together you will make your community stronger. The U.S.-Japan Council Annual Conference and Emerging Leaders Program were good for the soul as well.

— **Stacey Ann Fong Toda**, Deputy Chief of Staff, Long Beach Mayor Bob Foster

I believe that it is my role to be an educator and mentor for young American students who are interested in Japan. As Nelson Mandela said, "Education is the most powerful weapon which you can use to change the world." With my involvement in the ELP and USJC, I have been given an opportunity to not only further empower my students through the networks and connections of the U.S.-Japan Council, but also to think more broadly in scope about the impact that I can have on the U.S.-Japan relationship.

— **Naomi Funahashi**, Reischauer Scholars Program Coordinator, Stanford Program on International and Cross-Cultural Education (SPICE)



The 2011 Emerging Leaders Program class also included:

Timothy Koide, Research Associate Intern, Mitsubishi International Corporation in Washington, DC

Andrew Daisuke Stewart, Attorney, Koshiba Agena & Kubota

Erica Naito-Campbell, Intern/Assistant, Bill Naito Company

Annual Conference Sponsorship



Platinum Sponsor

GENERAL DYNAMICS

Title Sponsors



HITACHI
Inspire the Next

Signature Sponsors



Bank of Tokyo-Mitsubishi UFJ



HONDA
The Power of Dreams



Premier Sponsors

Arnold & Porter LLC
Deloitte LLP
EADS North America
Mr. Ernest M. Higa
ITO EN (North America), Inc.
Northrop Grumman
Sojitz Corporation

Gold Sponsors

Central Japan Railway
Cook Pine Capital, LLC
Fox Rothchild LLC
Island Insurance Co.
Miyako Hybrid Hotel
Mr. Roy Yamaguchi
Nomura Holding America
Osaki Creative
The Northeast MAGLEV
Tokio Marine Management, Inc.

Special thanks to the 2011 Annual Conference Planning Committee, U.S.-Japan Council staff, Annual Conference volunteers, Ms. Georgette Furukawa-Martinez for volunteer coordination and Ms. Masae Uyeda for translation support.