



JOINT STATEMENT ON JAPAN-U.S. COOPERATION FOR JAPAN'S RECOVERY

Japan-U.S. Business Council/U.S.-Japan Business Council

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The U.S.-Japan relationship is a cornerstone for prosperity, peace, and stability in the Asia-Pacific region. The two countries share a bond - "Kizuna" - that was unequivocally reaffirmed in the wake of the tragic events of March 11 through initiatives such as Operation Tomodachi. The Japan-U.S. Business Council (JUBC) and U.S.-Japan Business Council (USJBC) have deep sympathy for the people affected by the tragedy in Northeastern Japan, and great admiration for those from both countries who have worked and who are working at this moment so hard in the relief and recovery efforts.

Today, the Japanese economy and people continue to display remarkable resilience. The JUBC and USJBC are concerned about global perceptions regarding overall conditions in Japan, however, and call on governments, companies, tourists and consumers to assess the situation in a clear and objective manner. Japan is absolutely "Open for Business" – it is a vibrant and safe place to visit and do business.

The Japanese and U.S. governments and business communities can help overcome this perception issue by: (1) cooperating in disseminating easily accessible and understandable information about safety standards and best practices for radiation levels to prevent unjustified discrimination against Japanese products; and (2) spearheading a sustained public/private education and promotion campaign to provide accurate information to potential travelers in Asia, the United States, and Europe.

While aid is a vital part of recovery and reconstruction efforts, achieving sustainable growth in the overall economy will ultimately be the best way to foster recovery in the disaster- hit Tohoku region. With this in mind, we urge the Japanese government to embrace a robust transformational agenda so that Japan can build on its strengths in trade and investment with the rapidly growing economies of the Asia-Pacific region. Japan's commitment to participate in the Trans-Pacific Partnership (TPP) is one promising way to do that, given that the TPP countries account for 25% of Japan's total trade and 41% of its direct investment balance.

In the short term, this would be the most powerful signal Japan could send that it is indeed “Open for Business” and that it welcomes foreign trade and investment, which would directly lead to Japanese economic recovery and reconstruction. Over the longer term, a high-standard trade agreement such as TPP would help drive Japan’s future economic growth and competitiveness by lowering tariff and non-tariff barriers to Japanese exports and imports of goods and services, providing better trade and investment rules and systems such as protecting intellectual property, enhancing cross-border physical connectivity to strengthen production and supply chains, removing entry barriers to spur innovation and foster new industries, and ensuring that science-based and internationally accepted standards are applied to Japanese industrial and agricultural products. These and other improvements in the Japanese business environment achieved through TPP are essential to enhance Japan as a place for Japanese and foreign companies to invest and expand businesses, thus increasing job opportunities.

The JUBC and USJBC believe that now is the time that the economic bond between Japan and the United States should be further strengthened and valued. To this end, the JUBC and USJBC urge the Japanese government to make clear its decision to join the TPP negotiations by no later than the APEC meetings in November 2011. The JUBC and USJBC further believe that Japan and the United States should lead the establishment of the Free Trade Agreement in the Asia-Pacific in the near future, and Japan’s participation in TPP is the first step in this process.

As time is of the essence, the JUBC and USJBC strongly urge both governments to move swiftly on these and other fronts to spur renewed economic vitality. Moreover, the JUBC and USJBC urge the Government of Japan to outline appropriate ways that the U.S. Government and private sector can support reconstruction and recovery in line with Japanese needs as defined and requested by the Government of Japan and the Japanese people. The JUBC and USJBC are hopeful that with the continued cooperation between the governments and private sectors of both countries, with building the framework of the TPP at the top of the list, the U.S.-Japan relationship "Kizuna" can emerge from this crisis stronger than ever.