News From Under the Southern Cross (Edition 102):

A Flood of Visitors

24 March 2023

Diplomacy is the epitome of people-based work. Even relations between countries, at the crux of it, are based around relations between individuals. In this sense, the end of the pandemic era and the lifting of travel restrictions leading to the reinvigoration of people-to-people exchanges between Japan and Australia are cause for great celebration. That is what I will discuss in this edition.

1. At the political level

I have already spoken about Prime Minister KISHIDA Fumio's visit to Perth at the end of October last year in a previous edition of this Newsletter. In 2023, Australia will be hosting the Quad Leaders' Meeting (Japan-Australia-India-United States), and so once again, Prime Minister KISHIDA will be visiting Australia. This will surely be an excellent opportunity to boost our Japan-Australia relationship to even greater heights.



Japan-Australia Prime Ministers' Meeting, October 2022 (Photo courtesy of Japan's Cabinet Public Relations Office)

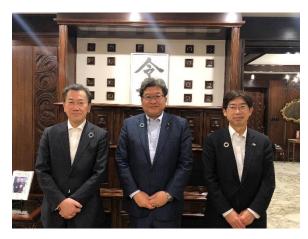
Last year, at the Ministerial level visits to Australia were also made by then-Minister for Internal Affairs and Communications KANEKO Yasushi, and then-Minister for Economy, Trade and Industry HAGIUDA Koichi. Since the start of this year, key representatives from the ruling Liberal Democratic Party have also travelled to Australia, including Secretary-General MOTEGI Toshimitsu and Chair of the General Council ENDO Toshiaki, as well as a delegation led by Member of the House of Representatives (and first ever Minister for Digital Transformation) HIRAI Takuya. These visits were symbolic of a new stage in the revitalisation of our exchanges at the political level.

In Sydney, Secretary-General MOTEGI not only rekindled an old friendship with Senator Marise Payne, his counterpart during his time as Foreign Minister, but also had lively talks with former prime minister Tony Abbott, Trade and Tourism Minister Don Farrell, and current and former Chairs of the Australia-Japan Parliamentary Group Senator Catryna Bilyk and Hon Dr David Gillespie MP.

Prime Minister Albanese has already visited Japan twice. Not only did he make the trip to Japan to attend the state funeral of former prime minister ABE Shinzo, but so did three of his predecessors in the role. Certainly, because 'kindness begets kindness', we can expect that our two-way bilateral exchanges will deepen as a result.



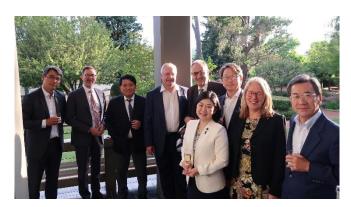
Minister KANEKO attending the Conferment of Decorations Ceremony for former prime minister Tony Abbott during his visit, July 2022. (From left: Tony Abbott and his wife, Minister KANEKO)



The visit from Minister HAGIUDA (centre), July 2022



The visit from Secretary-General MOTEGI, January 2023. (From left: former prime minister Tony Abbott, the Hon Dr David Gillespie MP, Secretary-General MOTEGI and Senator Catryna Bilyk)



The visit from representatives of the Liberal Democratic Party; members of the House of Representatives HIRAI Takuya (third from left), TAIRA Masaaki (third from right) and MAKISHIMA Karen (fourth from right), January 2023

2. At the economic level

As you would already know, our close ties on the economic and trade fronts have become the bedrock underpinning our relationship.

As if to personify these economic and trade ties, key figures such as my old acquaintance and Chair of Sumitomo Corporation Mr NAKAMURA Kuniharu, Chair of Mizuho Financial Group Mr IMAI Seiji, and Chair of All Nippon Airways (ANA) Mr KATANOZAKA Shinya have all come to visit Canberra.

Actually, a line I often use when I deliver speeches across the states and territories of Australia is simply the numbers '764-942' (and, no, this is not my PIN number!). These numbers represent some jaw-dropping statistics: 70 per cent of Japan's coal, 60 per cent of iron ore, 40 per cent of gas, 90 per cent of sugar, 40 per cent of beef and 20 per cent of wheat imports come from Australia. That Japan and Australia's complementary economic relationship has progressed this far is thanks to the blood, sweat and tears of many employees of Japanese trading companies.

Among those Japanese companies steadily increasing their presence year on year in Australia, those well and truly keeping pace are Japan's 'mega banks'. The local Australian market is dominated by the so-called 'Big Four' Australian banks, however the Japanese 'Mega Three' have been performing incredibly well in

recent years, particularly in the area of project finance, and are now coming in close behind the Big Four. Japan-Australia economic relations began in the realm of trade but have since expanded to the realm of investment, with Japan now Australia's second-largest source of foreign direct investment (cumulative), after rising to number one for the single year of 2020.

To facilitate the movement of people necessary to support such economic ties, the role of airlines is indispensable. Even in the midst of the COVID-19 pandemic, when all Australian airlines had discontinued flights to Japan, the only airline which continued to connect Japan to Sydney was All Nippon Airlines (ANA). This left a deep impression on me. From the end of March 2023, flights between Sydney and Haneda will return to the pre-COVID level of 14 flights per week. From spring, ANA will restart flights between Perth and Narita. ANA's presence, alongside that of Japan Airlines which covers Sydney and Melbourne, fills me with a strong sense of reassurance.



The visit from Chairman NAKAMURA (third from right) of Sumitomo Corporation, February 2023



The visit from Chairman IMAI (centre) from Mizuho Financial Group, February 2023



The visit from Chairman KATANOZAKA of ANA (third from right), March 2023

3. Intellectual exchange

I was also delighted to receive a visit from my old acquaintance, Emeritus Professor at Keio University (and former President of the National Defense Academy), Professor KOKUBUN Ryosei. Professor KOKUBUN is an unwavering and eminent China expert. When I invited some of my regular guests, including Director-General of the Office of National Intelligence Mr Andrew Shearer and former Australian Ambassador to China and Co-Chair of AusCSCAP Mr Ric Smith AO PSM, to my residence to meet with Professor KOKUBUN, a lively intellectual debate ensued. It was a truly fascinating discussion.



The visit from Emeritus Professor KOKUBUN, March 2023

(Second from the left is former Ambassador to China and AusCSCAP Co-Chair Mr Ric Smith, beside ANU Emeritus Professor Richard Rigby, Emeritus Professor KOKUBUN, ONI Director-General Shearer, CEO of Strategic Analysis Australia Mr Michael Shoebridge and Deputy Head of the ANU National Security College, Ms Caroline van Heuzen)

Two years ago, I received a visit from Professor TAKAHARA Akio of the University of Tokyo. In the time since, I have also been visited by my Ministry of Foreign Affairs senior and Canon Institute for Global Studies researcher, Research Director Mr MIYAKE Kunihiko, Doshisha University's Professor MURATA Koji, Aoyama Gakuin University Distinguished Guest Professor (and former Governor of the Bank of Japan) SHIRAKAWA Masaaki, and Lead Economist at the Japan Center for Economic Research Mr IJUIN Atsushi.

As countries which share values and strategic interests, Japan and Australia must continue to work together to fine tune ideas about strategic awareness, in order to deepen their cooperation as 'Special Strategic Partners'. For that to happen, this kind of robust intellectual exchange between not only diplomatic, intelligence and defence officials, but also academics and think-tankers, is critically important.

4. Sports exchange

The visit from the sports committee of the Kansai Association of Corporate Executives, led by President of Mizuno Corporation, Mr MIZUNO Akito, demonstrated the increasing breadth and depth of bilateral people-to-people relations. The reason for their visit was to learn more from the Great Sporting Nation of Australia. Japan-Australia cooperation will also be in the spotlight ahead of the 2032 Brisbane Olympic and Paralympic Games.



The visit from the Kansai Association of Corporate Executives sports committee, including President of Mizuno, Mr MIZUNO Akito (second row, centre), February 2023

Meanwhile, Japan's Kashima Antlers youth soccer team traveled all the way from Japan to Sydney to play against local teams. Having lived for two years in Mito City in the same prefecture, I was very keen to rush up to Sydney to watch a practice match. Unfortunately, on this occasion, I could only offer my moral support from Canberra.



A practice match between the Kashima Antlers youth team and the Western Sydney
Wanderers FC youth team, March 2023

What is more, the Australian baseball team which I introduced in <u>Edition 94</u> of News From Under the Southern Cross has since shone on the world stage, having won against South Korea in the first round of the World Baseball Classic, and progressed to the quarter-final round for the first time ever. This is a good omen for Japan-Australia sports cooperation, which is broadening and deepening even further to encompass sports beyond rugby and soccer. (Note: at the time of publication, Japan has since won the WBC title.)

5. Welcome, Aussies!

Of course, the dining room and garden of my official residence in Canberra are used in welcoming not only guests from Japan, but primarily Australian guests. It goes without saying that, for large-scale events such as the Emperor's Birthday Reception (which I recounted in my last edition of News From Under the Southern Cross), this kind of space is necessary. That being said, smaller-scale dinner functions are also the perfect opportunity for frank discussion. Dinners of this ilk, hosted not only for Canberra locals, but also those from far-flung areas of Australia, and even Australians residing in Japan, are also important and have a lot of merit for the relationship.

At the beginning of this year, the founder of Murrays Coaches, Mr Ron Murray AM, and his wife visited me from Sydney. These buses, which still serve to

connect Canberra and Sydney, are well-known by Australians. The company was originally engaged in running a variety of bus tours for Japanese tourists, and I was deeply moved by the trust they placed in Japanese travel agents and tourists.

I also had the pleasure of hosting a lively gathering for long-term resident of Japan Ms Melanie Brock AM and her close friends. While relaying to Australians the situation in Japan through her work as a columnist, she is also the first Australian to be the non-executive director of Mitsubishi Estate. Her open and tolerant personality, and her passion for the Japan-Australia relationship made for a night of endless, fascinating conversation.



Visit from founder of Murrays Coaches, Mr Ron Murray AM and his wife (second and third from the right), January 2023



Visit from Ms Melanie Brock AM (sixth from the left), February 2023

Even billionaire Mrs Gina Rinehart AO, with a long-held seat at the top of Australia's rich list, billionaire Mrs Gina Rinehart, visited my residence via private jet. The time allotted for this visit to Canberra by the eternally-busy 'Queen of Iron Ore' was a mere two-and-a-half hours on a Sunday evening. Despite this tight schedule, Mrs Rinehart was able to enjoy sushi and tempura at my residence's 'Little Tokyo' counter, and Kobe beef in the dining room, all while savouring some quality conversation. I saw her give a broad smile when I pulled out a bottle of treasured Margaret River wine. Above all, I was struck by her warmth towards Japan, which was cultivated through her business ties with Marubeni and the Japan Bank for International Cooperation (JBIC).



The visit from the 'Queen of Iron Ore', Mrs Gina Rinehart AO, March 2023

6. Grassroots exchange

I cannot emphasise enough the importance of these kinds of exchanges with VIPs and influential individuals when it comes to increasing support and understanding for Japan's position and policies.

At the same time, it is undeniable that exchange at the grassroots level supports the foundations of the Japan-Australia relationship. With this in mind, I was particularly inspired by the Japan Club of Sydney, which hired a bus and drove members all the way to Canberra to celebrate their 40th anniversary.

The delegation was made up of the endlessly energetic President, Ms Hisae Costello, and around 25 others who had been living in Australia for many years. On a splendid autumn weekend under a brilliant blue sky, we enjoyed a gathering in my residence's spacious Japanese garden.



The visit from the Japan Club of Sydney (President Ms Hisae Costello is seated at centre front), March 2023

A famous quote by mathematician and columnist FUJIWARA Masahiko states, 'to live overseas is to be constantly, overwhelmingly conscious of Japan'. The members of the Japan Club of Sydney are fellow compatriots who have lived their lives on the frontlines of Japan-Australia relations, and experienced challenges and hardships as a result. While I heard some very candid accounts of their experiences, there was also plenty of eagerness and determination to meet tomorrow's challenges head-on.

When I encounter these kinds of people, I feel very keenly that the Japan-Australia relationship, now at 'never-before-seen levels', is overflowing with the potential to develop even further still.

YAMAGAMI Shingo